Enrolled Copy H.B. 437

| 1  | OBSTRUCTION OF NATURAL RESOURCE OR                                                                   |
|----|------------------------------------------------------------------------------------------------------|
| 2  | AGRICULTURAL PRODUCTION                                                                              |
| 3  | 2009 GENERAL SESSION                                                                                 |
| 4  | STATE OF UTAH                                                                                        |
| 5  | Chief Sponsor: Michael E. Noel                                                                       |
| 6  | Senate Sponsor: Stephen H. Urquhart                                                                  |
| 7  |                                                                                                      |
| 8  | LONG TITLE                                                                                           |
| 9  | General Description:                                                                                 |
| 10 | This bill enacts a provision relating to obstruction of leasing property for natural                 |
| 11 | resource or agricultural production.                                                                 |
| 12 | Highlighted Provisions:                                                                              |
| 13 | This bill:                                                                                           |
| 14 | <ul><li>defines terms; and</li></ul>                                                                 |
| 15 | <ul> <li>establishes a criminal penalty and fine for obstructing a competitive process to</li> </ul> |
| 16 | lease property for natural resource or agricultural production by placing a bid for a                |
| 17 | lease with no intent to pay for the lease.                                                           |
| 18 | Monies Appropriated in this Bill:                                                                    |
| 19 | None                                                                                                 |
| 20 | Other Special Clauses:                                                                               |
| 21 | None                                                                                                 |
| 22 | <b>Utah Code Sections Affected:</b>                                                                  |
| 23 | ENACTS:                                                                                              |
| 24 | <b>76-6-523</b> , Utah Code Annotated 1953                                                           |
| 25 |                                                                                                      |
| 26 | Be it enacted by the Legislature of the state of Utah:                                               |
| 27 | Section 1. Section <b>76-6-523</b> is enacted to read:                                               |
| 28 | 76-6-523. Obstruction of the leasing of real property for natural resource or                        |
| 29 | agricultural production Criminal penalties.                                                          |

H.B. 437 **Enrolled Copy** 30 (1) As used in this section: 31 (a) "Competitive process" includes public auction or other public competitive bidding 32 process. 33 (b) "Natural resource or agricultural production" means: (i) the extraction or production of oil, gas, hydrocarbons, or other minerals; 34 (ii) production for commercial purposes of crops, livestock, and livestock products, 35 36 including grazing; or 37 (iii) activities similar in purpose to those listed in Subsections (1)(b)(i) and (ii). 38 (2) A person is guilty of obstruction of the leasing of real property for natural resource 39 or agricultural production if the person: 40 (a) bids for a lease as part of a competitive process for the lease; (b) does not intend to pay for the lease at the time the person makes the bid described 41 42 in Subsection (2)(a); and 43 (c) does not pay the lessor in full for the lease as required by the lease agreement. 44 (3) The offense of obstruction of the leasing of real property for natural resource or

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agricultural production is:

(a) a third degree felony; and

(b) subject to a minimum fine of not less than \$7,500.