

Senator Jerry W. Stevenson proposes the following substitute bill:

SOVEREIGN LANDS REVENUE AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Timothy D. Hawkes

Senate Sponsor: Jerry W. Stevenson

6	Cosponsors:	Brian S. King	Mike Schultz
7	Carl R. Albrecht	Karen Kwan	Casey Snider
8	Stewart E. Barlow	Rosemary T. Lesser	Robert M. Spendlove
9	Gay Lynn Bennion	Ashlee Matthews	Jeffrey D. Stenquist
10	Joel K. Briscoe	Kelly B. Miles	Andrew Stoddard
11	Clare Collard	Carol Spackman Moss	Steve Waldrip
12	Jennifer Dailey-Provost	Merrill F. Nelson	Raymond P. Ward
13	Steve Eliason	Doug Owens	Elizabeth Weight
14	Joel Ferry	Karen M. Peterson	Mark A. Wheatley
15	Stephen G. Handy	Candice B. Pierucci	Ryan D. Wilcox
16	Suzanne Harrison	Susan Pulsipher	Brad R. Wilson
17	Jon Hawkins	Angela Romero	Mike Winder
18	Sandra Hollins	Douglas V. Sagers	



LONG TITLE

General Description:

This bill addresses issues related to revenues received by the state from activities on sovereign lands.

Highlighted Provisions:



25 This bill:

- 26 ▶ modifies the Sovereign Lands Management Account statute, including changing
- 27 what revenue is deposited into the account and changing uses of the money in the
- 28 account;
- 29 ▶ creates the Great Salt Lake Account, including defining terms, addressing what
- 30 revenue is deposited into the account, and specifying uses of the money in the
- 31 account; and
- 32 ▶ makes technical changes.

33 **Money Appropriated in this Bill:**

34 This bill appropriates in fiscal year 2023:

- 35 ▶ to Department of Natural Resources -- Watershed, as an ongoing appropriation:
 - 36 • from the General Fund, \$2,000,000; and
- 37 ▶ to Department of Natural Resources -- Division of Forestry, Fire, and State Lands,
- 38 as an ongoing appropriation:
 - 39 • from the General Fund, \$5,709,400.

40 **Other Special Clauses:**

41 This bill provides a special effective date.

42 **Utah Code Sections Affected:**

43 AMENDS:

44 **65A-5-1**, as last amended by Laws of Utah 2021, Chapter 97

45 **65A-5-2**, as last amended by Laws of Utah 2014, Chapter 313

46 ENACTS:

47 **65A-5-1.5**, Utah Code Annotated 1953



49 *Be it enacted by the Legislature of the state of Utah:*

50 Section 1. Section **65A-5-1** is amended to read:

51 **65A-5-1. Sovereign Lands Management Account.**

52 (1) There is created within the General Fund a restricted account known as the
53 "Sovereign Lands Management Account."

54 (2) The [account] Sovereign Lands Management Account shall consist of the
55 following:

56 (a) the revenues derived from sovereign lands, except for revenues deposited into the
57 Great Salt Lake Account under Section 65A-5-1.5;

58 (b) that portion of the revenues derived from mineral leases on other lands managed by
59 the division necessary to recover management costs;

60 (c) ~~[any]~~ fees deposited by the division; and

61 (d) amounts deposited into the account in accordance with Section 59-23-4.

62 (3) (a) The expenditures of the division relating directly to the management of [state]
63 sovereign lands shall be funded by appropriation by the Legislature from the Sovereign Lands
64 Management Account or other sources.

65 (b) Money in the Sovereign Lands Management Account may be used only for the
66 direct benefit of sovereign lands, including the management of sovereign lands.

67 (c) In appropriating money from the Sovereign Lands Management Account, the
68 Legislature shall prefer appropriations that benefit the sovereign land from which the money is
69 derived unless compelling circumstances require that money be appropriated for sovereign land
70 other than the sovereign land from which the money is derived.

71 ~~[(4) The Legislature may appropriate money in the account to reimburse one or more~~
72 ~~state government entities for money spent on the operation of national parks, national~~
73 ~~monuments, national forests, and national recreation areas in the state during a fiscal~~
74 ~~emergency, as defined in Section 79-4-1102.]~~

75 [(5)] (4) The division shall use the amount deposited into the account under Subsection
76 (2)(d) for the Great Salt Lake as described in Section 65A-10-8 as directed by the Great Salt
77 Lake Advisory Council created in Section 73-30-201.

78 ~~[(6) After the expenditures under Subsections (3) through (5), the division shall use~~
79 ~~money appropriated from the Sovereign Lands Management Account to provide for salary~~
80 ~~increases to state personnel employed by the division to perform wildland fire management~~
81 ~~with the division prioritizing salary increases for county fire wardens and assistant wardens.]~~

82 Section 2. Section 65A-5-1.5 is enacted to read:

83 **65A-5-1.5. Great Salt Lake Account.**

84 (1) As used in this section:

85 (a) "Account" means the Great Salt Lake Account created in this section.

86 (b) "Mining" means the process of producing, extracting, leaching, evaporating, or

87 otherwise removing a mineral from a natural deposit of the mineral.

88 (2) (a) There is created within the General Fund a restricted account known as the
89 "Great Salt Lake Account" consisting of:

90 (i) revenues deposited into the account under Subsection (3);

91 (ii) appropriations from the Legislature; and

92 (iii) interest and other earnings described in Subsection (2)(b).

93 (b) The Office of the Treasurer shall deposit interest and other earnings derived from
94 investment of money in the account into the account.

95 (3) The division shall deposit into the account the royalty income received by the state
96 from mining that occurs on or after July 1, 2022, of a mineral from the sovereign lands of the
97 Great Salt Lake if during the fiscal year beginning July 1, 2020, the state did not receive royalty
98 income from the mining of that same mineral from the sovereign lands of the Great Salt Lake.

99 (4) Upon appropriation by the Legislature, money in the account may be used to
100 manage the water levels of the Great Salt Lake.

101 Section 3. Section **65A-5-2** is amended to read:

102 **65A-5-2. Deposit and allocation of money received.**

103 (1) (a) [~~Subject to Subsection (3), the~~] The division shall pay to the state treasurer [~~all~~]
104 money received, accompanied by a statement showing the respective sources of [~~this~~] the
105 money.

106 (b) Each source shall be classified as to sales, rentals, royalties, interest, fees, penalties,
107 and forfeitures.

108 (2) (a) [~~All money~~] Money received by the division as a first or down payment on
109 [~~applications~~] an application to purchase, permit, or lease state lands or minerals shall be paid
110 to the state treasurer and held in suspense pending final action on [~~those applications~~] the
111 application.

112 (b) After final action [~~these payments~~] a payment described in Subsection (2)(a) shall
113 either be credited to the appropriate fund or account, or refunded to the applicant in accordance
114 with the action taken.

115 [~~(3) The division shall provide a separate accounting for all fees received under~~
116 ~~Subsection 65A-5-1(4).]~~

117 Section 4. **Appropriation.**

118 The following sums of money are appropriated for the fiscal year beginning July 1,
 119 2022, and ending June 30, 2023. These are additions to amounts previously appropriated for
 120 fiscal year 2023. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
 121 Act, the Legislature appropriates the following sums of money from the funds or accounts
 122 indicated for the use and support of the government of the state of Utah.

123 ITEM 1

124 To Department of Natural Resources -- Watershed

125 <u>From General Fund</u>	<u>\$2,000,000</u>
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126 Schedule of Programs:

127 <u>Watershed</u>	<u>\$2,000,000</u>
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128 ITEM 2

129 To Department of Natural Resources -- Division of Forestry, Fire, and State Lands

130 <u>From General Fund</u>	<u>\$5,709,400</u>
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131 Schedule of Programs:

132 <u>Division Administration</u>	<u>\$1,135,400</u>
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133 <u>Fire Management</u>	<u>\$712,300</u>
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134 <u>Forest Management</u>	<u>\$341,200</u>
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135 <u>Program Delivery</u>	<u>\$3,103,900</u>
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136 <u>Project Management</u>	<u>\$416,600</u>
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137 Section 5. **Effective date.**

138 This bill takes effect on July 1, 2022.