

1                   **STATE TRUST LANDS ADMINISTRATION AMENDMENTS**

2   2023 GENERAL SESSION

3   STATE OF UTAH

4   **Chief Sponsor: Phil Lyman**

5   Senate Sponsor: \_\_\_\_\_

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7 **LONG TITLE**

8 **General Description:**

9                   This bill modifies the administration of state trust lands.

10 **Highlighted Provisions:**

11                   This bill:

- 12                   ▶ defines terms;
- 13                   ▶ creates rulemaking authority for the sale, exchange, lease, or other disposition or
- 14 conveyance of trust lands;
- 15                   ▶ adds criteria for the sale, lease, exchange, or other disposition of trust lands; and
- 16                   ▶ makes technical changes.

17 **Money Appropriated in this Bill:**

18                   None

19 **Other Special Clauses:**

20                   None

21 **Utah Code Sections Affected:**

22 AMENDS:

23                   **53C-4-101**, as last amended by Laws of Utah 2011, Chapter 247

24                   **63L-2-201**, as last amended by Laws of Utah 2019, Chapter 457

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

27                   Section 1. Section **53C-4-101** is amended to read:



28 **53C-4-101. Criteria for sale, lease, exchange, or other disposition of trust lands.**

29 (1) (a) The director shall make rules, in accordance with Title 63G, Chapter 3, Utah  
 30 Administrative Rulemaking Act, to establish criteria [by rule] for the sale, exchange, lease, or  
 31 other disposition or conveyance of trust lands, including, procedures [for determining fair  
 32 market value of those lands.] that:

33 (i) reflect the value intrinsic to the dispersed pattern of school and institutional trust  
 34 lands that are surrounded by federal lands;

35 (ii) reflect the Legislature's prioritization of energy and natural resource development;  
 36 and

37 (iii) conform, to the maximum extent possible, with an affected county's resource  
 38 management plan.

39 (b) Before executing a transfer of trust lands, the director shall determine the fair  
 40 market value of the land in accordance with the rules described under Subsection (1).

41 ~~[(b)]~~ (c) (i) Nothing in this title or in the administration's rules and procedures shall be  
 42 considered to require the director or the administration to execute any transaction for the  
 43 disposition of trust lands on terms that the director determines by a written finding to be  
 44 unfavorable to the beneficiaries.

45 (ii) The director shall send a copy of the written finding to each board member for  
 46 review and comment.

47 (2) The governor, with the consent of the board, may participate in efforts and  
 48 initiatives related to school and institutional trust lands inholdings.

49 Section 2. Section **63L-2-201** is amended to read:

50 **63L-2-201. Federal government acquisition of real property in the state.**

51 (1) As used in this section:

52 (a) "Federal land" means:

53 (i) land owned by the federal government; or

54 (ii) mineral rights, water rights, or similar rights owned by the federal government.

55 ~~[(a)]~~ (b) "Governmental entity" means:

56 (i) an agency, as that term is defined in Subsection 63G-10-102(2);

57 (ii) the School and Institutional Trust Lands Administration created in Section

58 53C-1-201;

59 (iii) the School and Institutional Trust Lands Board of Trustees created in Section  
60 [53C-1-202](#); or

61 (iv) a county.

62 ~~[(b)]~~ (c) "Governmentally controlled land" means land owned or managed by a  
63 governmental entity.

64 (d) "Public lands county" means a county that has, by percentage, less private land  
65 ownership than the state average as determined by the Utah Geospatial Resource Center.

66 (2) (a) Before legally binding the state by executing an agreement to sell or transfer to  
67 the ~~[United States]~~ federal government 500 or more acres of governmentally controlled land or  
68 school and institutional trust lands, a governmental entity shall submit the agreement or  
69 proposal:

70 (i) to the Legislature for its approval or rejection; or

71 (ii) in the interim, to the Legislative Management Committee for review of the  
72 ~~[agreement or]~~ proposal.

73 (b) The Legislative Management Committee may:

74 (i) ~~[recommend that the governmental entity execute the agreement or proposal]~~ review  
75 the proposal for constitutional authority to consummate a sale, trade, or cession of state  
76 authority over land to the federal government;

77 (ii) recommend that the governmental entity reject the agreement or proposal; or

78 (iii) recommend to the governor that the governor call a special session of the  
79 Legislature to review and approve or reject the agreement or proposal.

80 (c) Notwithstanding a recommendation by the Legislative Management Committee in  
81 Subsection (2)(b), no sale, trade, transfer, or cession of state authority over land may be made  
82 to the federal government unless authorized by the Legislature via joint resolution.

83 (3) Before legally binding the state by executing an agreement to sell or transfer to the  
84 ~~[United States]~~ federal government less than 500 acres of any governmentally controlled land  
85 or school and institutional trust lands, a governmental entity shall notify the Natural Resources,  
86 Agriculture, and Environment Interim Committee.

87 (4) Notwithstanding Subsections (2) and (3), the Legislature approves all conveyances  
88 of school trust lands to the ~~[United States]~~ federal government made for the purpose of  
89 completing the Red Cliffs National Conservation Area in Washington County.

90 (5) A governmental entity may, in the governmental entity's discretion, give written  
91 notice to the Legislative Management Committee of formal negotiations the governmental  
92 entity enters into with a federal agent or entity intended or likely to result in:

93 (a) the sale, exchange, or transfer of specific governmentally controlled land or school  
94 and institutional trust lands to the federal government; or

95 (b) designation of specific governmentally controlled land or school and institutional  
96 trust lands as a federal park, monument, or wilderness area.

97 (6) Notwithstanding Subsections (2) and (3), the School and Institutional Trust Lands  
98 Administration may not execute an agreement to sell or transfer school and institutional trust  
99 lands in a public lands county to the federal government unless the net result of the negotiated  
100 transaction is a net decrease in the percentage of federally owned land in the county.