

## HOUSE BILL NO. HB0121

Abandoned mine land funds.

Sponsored by: Joint Appropriations Interim Committee

A BILL

for

1 AN ACT relating to abandoned mine land funds; authorizing  
2 application for funds; appropriating and specifying  
3 authorized use of funds; modifying past authorizations;  
4 specifying and amending reversion dates for funds; and  
5 providing for an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** [Future AML funding]

10

11 (a) No application to the federal office of surface  
12 mining for grants from the state of Wyoming's share of  
13 abandoned mine land funds from the Surface Mining Control  
14 and Reclamation Act Amendments of 2006, Section 411(h)(i),  
15 pursuant to 2007 H.R. 6111, shall be made except as  
16 expressly authorized by the legislature. Grant funds  
17 received for the projects authorized in this act may, but

1 are not required to be, deposited into the state abandoned  
2 mine land funds reserve account pursuant to W.S.  
3 35-11-1210. All funds received from the authorized grants  
4 are appropriated to the department of environmental quality  
5 in the amounts specified in this section to be expended for  
6 the purposes set forth in this section.

7

8 (b) The legislature authorizes the department of  
9 environmental quality to submit grant applications to the  
10 federal office of surface mining for distribution of a  
11 portion of funds specified in subsection (a) of this  
12 section, including funds previously deposited in the  
13 account created by W.S. 35-11-1210, for the period ending  
14 June 30, 2013 for the following projects:

15

16 (i) Two million two hundred thousand dollars  
17 (\$2,200,000.00) for the solid waste orphaned site program  
18 administered by the department of environmental quality;

19

20 (ii) One million four hundred seventy-five  
21 thousand dollars (\$1,475,000.00) to the department of  
22 environmental quality air quality division for addressing  
23 statewide energy impacts;

24

1           (iii) One million eight hundred fifty-six  
2 thousand seven hundred twenty-four dollars (\$1,856,724.00)  
3 to the department of environmental quality air quality  
4 division for expenditure on operations and maintenance of  
5 ambient air monitors.

6

7           (c) The legislature authorizes the department of  
8 environmental quality to submit grant applications to the  
9 federal office of surface mining for distribution of a  
10 portion of funds specified in subsection (a) of this  
11 section to the University of Wyoming, the Wyoming wildlife  
12 and natural resources trust, the state engineer and the  
13 Wyoming department of transportation for the period ending  
14 June 30, 2013 for distribution to the specified account or  
15 entity for the following projects:

16

17           (i) Three hundred fifty thousand dollars  
18 (\$350,000.00) to the University of Wyoming for Level II  
19 planning for renovation and addition to the facilities of  
20 the college of engineering and applied science;

21

22           (ii) Ten million dollars (\$10,000,000.00) to the  
23 University of Wyoming for athletics facilities matching  
24 funds for the renovation of the arena auditorium. After

1 qualifying contributions and revenue bonds meeting the  
2 requirements of this paragraph have been received and  
3 issued, the state treasurer shall distribute these matching  
4 funds to the university and the project may commence. Funds  
5 subject to this footnote shall not lapse until June 30,  
6 2017. No funds from this source shall be distributed to  
7 the university until:

8

9 (A) Revenue bonds issued pursuant to W.S.  
10 21-17-402 through 21-17-450 of an equal amount have been  
11 issued for renovation costs. The revenue bonds shall be  
12 primarily paid from revenues generated by university  
13 athletic events and facilities. The university may pledge  
14 other revenue streams for bond payment as authorized by  
15 W.S. 21-17-402 through 21-17-450. The bonds are eligible  
16 for supplemental coverage in accordance with W.S. 9-4-1003.  
17 To the extent practicable, bond counsel resident in Wyoming  
18 shall be utilized to issue the revenue bonds to be used in  
19 this project; and

20

21 (B) Ten million dollars (\$10,000,000.00)  
22 has been matched by qualifying contributions of funds other  
23 than state of Wyoming funds, which contributions shall meet

1 the provisions of W.S. 21-16-1401 through 21-16-1403,  
2 including valuation of matching funds.

3

4 (iii) Five million dollars (\$5,000,000.00) to  
5 the University of Wyoming school of energy resources for  
6 implementation of strategic areas of concentration for the  
7 school of energy resources as described in the school's  
8 strategic plan. These funds shall be expended only to the  
9 extent that they are matched dollar for dollar from private  
10 funds or funds other than state of Wyoming funds;

11

12 (iv) Six million dollars (\$6,000,000.00) to the  
13 Wyoming wildlife and natural resources trust income account  
14 for project funding as prescribed in W.S. 9-15-103(d);

15

16 (v) Three million five hundred thousand dollars  
17 (\$3,500,000.00) to the University of Wyoming for an  
18 agriculture building in Sheridan. These funds shall be  
19 expended only to the extent they are matched dollar for  
20 dollar from private funds or funds other than state of  
21 Wyoming funds;

22

23 (vi) Twenty-three million twenty-five thousand  
24 dollars (\$23,025,000.00) to the state engineer for the

1 Gillette Madison water project as defined by W.S.  
2 99-3-1405; and

3

4 (vii) Thirty million dollars (\$30,000,000.00) to  
5 the highway fund for highway projects.

6

7 (d) Except for funds specified in this subsection,  
8 funds appropriated under this section shall be for the  
9 period beginning with the effective date of this act and  
10 ending June 30, 2014. Notwithstanding W.S. 9-2-1008,  
11 9-2-1012(e) and 9-4-207(a), any unexpended, unobligated  
12 funds subject to:

13

14 (i) Paragraph (c)(ii) of this section for the  
15 athletics matching program shall not revert until June 30,  
16 2016;

17

18 (ii) Paragraph (c)(iii) of this section for the  
19 school of energy resources matching funds shall not revert  
20 until June 30, 2018;

21

22 (iii) Paragraph (c)(v) of this section for the  
23 University of Wyoming agriculture building in Sheridan  
24 shall not revert until June 30, 2016.

1

2           **Section 2.**     [AML FUNDING - REDIRECTION OF PRIOR  
3 AUTHORIZATIONS]

4

5           (a) The legislature authorizes the department of  
6 environmental quality to submit new grant applications or  
7 modify existing grant applications to the federal office of  
8 surface mining to redirect previously authorized funds as  
9 specified in this section. The redirected funds shall be  
10 used for the projects as specified in subsection (b) of this  
11 section:

12

13           (i) Of the amounts authorized for clean coal  
14 research funds under 2008 Wyoming Session Laws, Chapter 48,  
15 Section 320, as amended by 2009 Wyoming Session Laws,  
16 Chapter 159, creating a new Section 339(c)(ii), four million  
17 two hundred fifty thousand one hundred fifty-four dollars  
18 (\$4,250,154.00) shall be redirected;

19

20           (ii) Of the amounts authorized for carbon  
21 sequestration research and demonstration project funds under  
22 2010 Wyoming Session Laws, Chapter 39, Section 320(c)(ii),  
23 forty million dollars (\$40,000,000.00), and from clean coal

1 technology research funds under Section 320(c)(v) one  
2 million dollars (\$1,000,000.00) shall be redirected.

3

4 (b) The grant applications submitted by the  
5 department to the federal office of surface mining shall  
6 seek authority to redirect the funds for the following  
7 projects:

8

9 (i) Ten million dollars (\$10,000,000.00) to the  
10 University of Wyoming for implementation of strategic areas  
11 of concentration for the school of energy resources as  
12 described in the school's strategic plan;

13

14 (ii) Ten million dollars (\$10,000,000.00) to the  
15 University of Wyoming for implementation of strategic areas  
16 of concentration for the school of energy resources as  
17 described in the school's strategic plan. These funds shall  
18 be expended only to the extent that they are matched dollar  
19 for dollar from private funds or public funds other than  
20 state of Wyoming funds;

21

22 (iii) One million dollars (\$1,000,000.00) to the  
23 University of Wyoming for a compressed natural gas fueling  
24 station and conversion of existing vehicles or purchase of



1 new vehicles powered by compressed natural gas, subject to  
2 the following conditions:

3

4 (A) The construction and operation shall be  
5 subject to oversight by the university and the department  
6 of administration and information;

7

8 (B) To the extent permissible under Wyoming  
9 law, the stations shall be constructed by Wyoming residents  
10 as defined by W.S. 16-6-101(a)(i);

11

12 (C) The stations shall be available to the  
13 university, the department of transportation, school  
14 districts, local governments and private payers using  
15 credit cards;

16

17 (D) The university shall explore the  
18 possibility of constructing and operating the stations in  
19 conjunction with the private sector.

20

21 (iv) Seven hundred fifty thousand one hundred  
22 fifty-four dollars (\$750,154.00) to the University of  
23 Wyoming for Level II planning for the project specified in  
24 paragraph (c)(i) of this section;

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(v) Ten million dollars (\$10,000,000.00) to the University of Wyoming school of energy resources for the continuation of clean coal research as recommended by the clean coal research task force pursuant to W.S. 21-17-121;

(vi) (A) Five hundred thousand dollars (\$500,000.00) to the University of Wyoming school of energy resources for the purpose of providing grants to conduct one (1) or more studies to determine the feasibility of constructing a commercial scale minerals to liquid fuels facility in Wyoming. All studies, data and analysis produced using funds from this appropriation shall be the property of the state of Wyoming. Grants authorized under this paragraph shall be awarded by the clean coal task force pursuant to W.S. 21-17-121. The studies shall identify:

(I) Whether a commercial scale facility which converts minerals to liquid fuels would be economically viable in Wyoming given projected energy prices and regulatory trends;

1                   (II) Attributes unique to the state of  
2 Wyoming which mitigate for and against construction of a  
3 commercial scale minerals to liquid fuels facility in the  
4 state;

5

6                   (III) The best available technologies  
7 for the commercial scale conversion of minerals to liquid  
8 fuels in Wyoming;

9

10                   (IV) Potential obstacles to the  
11 construction of a minerals to liquid fuels facility in  
12 Wyoming and possible strategies to address those obstacles,  
13 including, but not limited to the following:

14

15                               (1) Regional       and       national  
16 political climate;

17

18                               (2) Economic issues;

19

20                               (3) Regulatory issues; and

21

22                               (4) Transportation.

23

1 (V) Potential input sources of  
2 minerals and water for the facility and potential markets  
3 for the final liquid fuel product and any other products  
4 created during the conversion process;

5

6 (VI) Whether, and at what level and in  
7 what form, state support is necessary for the development  
8 of such a project. The study shall identify possible state  
9 incentives available for the construction of a commercial  
10 scale minerals to liquid fuels facility and determine which  
11 incentives are likely to have the most benefit to industry  
12 and the citizens of the state of Wyoming.

13

14 (B) The University of Wyoming school of  
15 energy resources and the clean coal task force shall report  
16 to the joint minerals, business and economic development  
17 interim committee on the results of the studies authorized  
18 by this paragraph on or before September 1, 2012. The task  
19 force shall also provide recommendations to the committee  
20 for grants under subparagraph (C) of this paragraph based  
21 on applications received by the task force. The joint  
22 minerals, business and economic development interim  
23 committee shall then recommend to the governor the funding  
24 level for each application;

1

2 (C) Ten million dollars (\$10,000,000.00) to  
3 the governor's office for the purpose of supporting the  
4 construction and operation of a commercial scale facility  
5 which converts minerals to liquid fuels. Applications for  
6 grants under this subparagraph shall be received by the  
7 clean coal task force. Grants authorized under this  
8 subparagraph shall be awarded by the governor after  
9 receiving the recommendation of the joint minerals,  
10 business and economic development interim committee in  
11 accordance with this section. The governor may take all  
12 actions necessary to ensure the legality of an expenditure  
13 of any portion of this appropriation. No funds shall be  
14 expended from this appropriation to provide salaries. No  
15 funds shall be expended from this appropriation without:

16

17 (I) A dollar for dollar match of funds  
18 not from the state of Wyoming;

19

20 (II) A signed written agreement  
21 between the University of Wyoming school of energy  
22 resources and the grantee, providing that all data,  
23 information, studies and analysis produced with funds from  
24 this appropriation or matching funds involving the siting

1 of a commercial scale minerals to liquid fuels facility  
2 shall be utilized by the state of Wyoming as directed by  
3 the governor.

4

5 (vii) Two million dollars (\$2,000,000.00) to the  
6 Wyoming pipeline authority to begin to develop and  
7 implement a permitting process to further a carbon dioxide  
8 pipeline network across federal lands in Wyoming. The  
9 Wyoming pipeline authority shall perform this work in  
10 coordination with the University of Wyoming school of  
11 energy resources and the enhanced oil recovery institute;

12

13 (viii) One million dollars (\$1,000,000.00) to  
14 the University of Wyoming for the school of energy  
15 resources to continue research related to carbon storage  
16 and enhanced oil recovery. These funds shall be expended  
17 only to the extent that they are matched dollar for dollar  
18 from private funds or public funds other than state of  
19 Wyoming funds.

20

21 (c) Except for funds specified in this subsection,  
22 funds appropriated under this section shall be for the  
23 period beginning with the effective date of this section and  
24 ending June 30, 2014. Notwithstanding W.S. 9-2-1008,

1 9-2-1012(e) and 9-4-207(a), any unexpended, unobligated  
2 funds subject to:

3

4 (i) Paragraph (b)(i) of this section shall not  
5 revert until June 30, 2016;

6

7 (ii) Paragraph (b)(ii) of this section shall not  
8 revert until June 30, 2018;

9

10 (iii) Paragraph (b)(v) of this section shall not  
11 revert until June 30, 2016;

12

13 (iv) Subparagraph (b)(vi)(C) of this section  
14 shall not revert until June 30, 2016;

15

16 (v) Paragraph (b)(vii) of this section shall not  
17 revert until June 30, 2016; and

18

19 (vi) Paragraph (b)(viii) of this section shall  
20 not revert until June 30, 2016.

21

22 **Section 3.** The department of environmental quality,  
23 in consultation with the University of Wyoming and with the  
24 approval of the governor, may substitute other University

1 of Wyoming purposes in its grant applications under  
2 subsections 1(c) and 2(b) of this act but only as necessary  
3 to replace university block grant funds expended as  
4 necessary to satisfy requirements prohibiting the use of  
5 abandoned mine land funds to match federal funds, where  
6 matching fund requirements would unduly delay a project, or  
7 where the use of federal abandoned mine land funds would be  
8 impractical for projects pursuant to section 1, paragraphs  
9 (c)(ii), (iii) and (v) and section 2, paragraphs (b)(i),  
10 (ii), (iii), (v), (vi)(A) and (viii) of this act.

11

12 **Section 4.** 2008 Wyoming Session Laws, Chapter 48,  
13 Section 320(e), as amended by 2009 Wyoming Session Laws,  
14 Chapter 159, Section 346 and as further amended by 2010  
15 Wyoming Session Laws, Chapter 39, Section 322 is amended to  
16 read:

17

18 **Section 320.**

19

20 (e) Except for funds subject to paragraphs  
21 (a)(v), (vi) and (vii) and subsection (c) of this  
22 section, funds appropriated under this section  
23 shall be for the period beginning with the  
24 effective date of this section and ending June



1           30,     2009.     Notwithstanding     W.S.     9-2-1008,  
2           9-2-1012(e)     and     9-4-207(a),     any     unexpended  
3           unobligated funds subject to:

4  
5                     (iv)     Subsection     (c)     of     this     section  
6           shall not revert until June 30, ~~2012~~2016.

7  
8           **Section 5.**     This act is effective immediately upon  
9     completion of all acts necessary for a bill to become law  
10    as provided by Article 4, Section 8 of the Wyoming  
11    Constitution.

12

13

(END)