Abandoned mine land funds.

Sponsored by: Joint Appropriations Interim Committee

A BILL

for

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

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

Section 1. [Future AML funding]

(a) No application to the federal office of surface mining for grants from the state of Wyoming's share of abandoned mine land funds from the Surface Mining Control and Reclamation Act Amendments of 2006, Section 411(h)(i), pursuant to 2007 H.R. 6111, shall be made except as expressly authorized by the legislature. Grant funds received for the projects authorized in this act may, but
are not required to be, deposited into the state abandoned
mine land funds reserve account pursuant to W.S.
35-11-1210. All funds received from the authorized grants
are appropriated to the department of environmental quality
in the amounts specified in this section to be expended for
the purposes set forth in this section.

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

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

(ii) One million four hundred seventy-five
thousand dollars ($1,475,000.00) to the department of
environmental quality air quality division for addressing
statewide energy impacts;
(iii) One million eight hundred fifty-six thousand seven hundred twenty-four dollars ($1,856,724.00) to the department of environmental quality air quality division for expenditure on operations and maintenance of ambient air monitors.

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

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

(ii) Ten million dollars ($10,000,000.00) to the University of Wyoming for athletics facilities matching funds for the renovation of the arena auditorium. After
qualifying contributions and revenue bonds meeting the
requirements of this paragraph have been received and
issued, the state treasurer shall distribute these matching
funds to the university and the project may commence. Funds
subject to this footnote shall not lapse until June 30, 2017. No funds from this source shall be distributed to
the university until:

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

(B) Ten million dollars ($10,000,000.00) has been matched by qualifying contributions of funds other
than state of Wyoming funds, which contributions shall meet
the provisions of W.S. 21-16-1401 through 21-16-1403, including valuation of matching funds.

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

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

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

(vi) Twenty-three million twenty-five thousand dollars ($23,025,000.00) to the state engineer for the
Gillette Madison water project as defined by W.S. 99-3-1405; and

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

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

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

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

(iii) Paragraph (c) (v) of this section for the University of Wyoming agriculture building in Sheridan shall not revert until June 30, 2016.
Section 2. [AML FUNDING – REDIRECTION OF PRIOR AUTHORIZATIONS]

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

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

(ii) Of the amounts authorized for carbon sequestration research and demonstration project funds under 2010 Wyoming Session Laws, Chapter 39, Section 320(c)(ii), forty million dollars ($40,000,000.00), and from clean coal
technology research funds under Section 320(c)(v) one million dollars ($1,000,000.00) shall be redirected.

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

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

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

(iii) One million dollars ($1,000,000.00) to the University of Wyoming for a compressed natural gas fueling station and conversion of existing vehicles or purchase of
new vehicles powered by compressed natural gas, subject to
the following conditions:

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

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

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

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

(iv) Seven hundred fifty thousand one hundred
fifty-four dollars ($750,154.00) to the University of
Wyoming for Level II planning for the project specified in
paragraph (c)(i) of this section;
(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;
(II) Attributes unique to the state of Wyoming which mitigate for and against construction of a commercial scale minerals to liquid fuels facility in the state;

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

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

(1) Regional and national political climate;

(2) Economic issues;

(3) Regulatory issues; and

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

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

(B) The University of Wyoming school of energy resources and the clean coal task force shall report to the joint minerals, business and economic development interim committee on the results of the studies authorized by this paragraph on or before September 1, 2012. The task force shall also provide recommendations to the committee for grants under subparagraph (C) of this paragraph based on applications received by the task force. The joint minerals, business and economic development interim committee shall then recommend to the governor the funding level for each application;
(C) Ten million dollars ($10,000,000.00) to the governor's office for the purpose of supporting the construction and operation of a commercial scale facility which converts minerals to liquid fuels. Applications for grants under this subparagraph shall be received by the clean coal task force. Grants authorized under this subparagraph shall be awarded by the governor after receiving the recommendation of the joint minerals, business and economic development interim committee in accordance with this section. The governor may take all actions necessary to ensure the legality of an expenditure of any portion of this appropriation. No funds shall be expended from this appropriation to provide salaries. No funds shall be expended from this appropriation without:

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

(II) A signed written agreement between the University of Wyoming school of energy resources and the grantee, providing that all data, information, studies and analysis produced with funds from this appropriation or matching funds involving the siting...
of a commercial scale minerals to liquid fuels facility shall be utilized by the state of Wyoming as directed by the governor.

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

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

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

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

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

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

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

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

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

Section 3. The department of environmental quality, in consultation with the University of Wyoming and with the approval of the governor, may substitute other University
of Wyoming purposes in its grant applications under subsections 1(c) and 2(b) of this act but only as necessary to replace university block grant funds expended as necessary to satisfy requirements prohibiting the use of abandoned mine land funds to match federal funds, where matching fund requirements would unduly delay a project, or where the use of federal abandoned mine land funds would be impractical for projects pursuant to section 1, paragraphs (c)(ii), (iii) and (v) and section 2, paragraphs (b)(i), (ii), (iii), (v), (vi)(A) and (viii) of this act.

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

Section 320.

(e) Except for funds subject to paragraphs (a)(v), (vi) and (vii) and subsection (c) of this section, funds appropriated under this section shall be for the period beginning with the effective date of this section and ending June
30, 2009. Notwithstanding W.S. 9-2-1008, 9-2-1012(e) and 9-4-207(a), any unexpended unobligated funds subject to:

(iv) Subsection (c) of this section shall not revert until June 30, 2012-2016.

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