

HOUSE BILL NO. HB0003

State land leases.

Sponsored by: Joint Agriculture, State and Public Lands &
Water Resources Interim Committee

A BILL

for

1 AN ACT relating to state lands; specifying the preference
2 for leases of state lands; providing for an auction if two
3 or more applicants have a preference; conforming a related
4 provision; and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 36-5-105(b) and by creating a new
9 subsection (h) and 36-5-108 are amended to read:

10

11 **36-5-105. Criteria for leasing; preferences;**
12 **assignments, subleases or contracts; lands taken for war**
13 **purposes; mineral lands excepted; agricultural lands.**

14

1 (b) ~~In leasing vacant lands, preference shall in all~~
2 ~~eases be given to applicants who are~~ Applicants desiring to
3 lease vacant lands shall be bona fide resident citizens of
4 the state qualified under the provisions of W.S. 36-5-101,
5 ~~and to~~ or persons or legal entities authorized to transact
6 business in the state, ~~having~~ shall have actual and
7 necessary use for the land and ~~who are the owners, lessees~~
8 ~~or lawful occupants of adjoining lands, who~~ shall offer to
9 pay an annual rental at not less than fair market value, as
10 determined by the economic analysis pursuant to W.S.
11 36-5-101(b), for the use of the forage or other commodity
12 available annually on the land for a period of ten (10)
13 years. Also in leasing vacant lands:

14
15 (i) Subject to paragraph (ii) of this
16 subsection, preference shall be given to applicants who are
17 the owners, lessees or lawful occupants of adjoining lands
18 in good standing with the board;

19
20 (ii) When the state board of land commissioners
21 determines a preference is in the best interest of trust
22 beneficiaries, the preference shall be administered as set
23 forth in this paragraph:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

(A) In instances where one (1) applicant is eligible for the preference and a competing bidder is not, the applicant eligible for the preference may elect to meet the highest bid of the applicants not eligible for the preference;

(B) When two (2) or more applicants are eligible for the preference, in determining to which applicant to award the lease, the director shall request a final bid from the applicants eligible for the preference at a live auction in a manner as directed by the director to determine the successful applicant;

(C) When two (2) or more applicants are eligible for the preference and one (1) or more applicants are not eligible for the preference, those applicants who are eligible for the preference may elect to match the highest bid. If two (2) or more applicants who are eligible for the preference elect to meet the highest bid, the lease shall be awarded pursuant to subparagraph (B) of this paragraph.

1 (iii) Before accepting applications to lease
2 vacant land, the director shall provide notice on the
3 website of the office, by mail to each adjoining private
4 landowner of record and by any other means as prescribed by
5 rule;

6
7 (iv) As used in this subsection:

8
9 (A) "Preference" means the elevated
10 position of an applicant to participate in the vacant land
11 bidding process as described in paragraph (i) of this
12 subsection above applicants who are not the owners, lessees
13 or lawful occupants of adjoining lands in good standing
14 with the board;

15
16 (B) "Vacant land" means land not currently
17 subject to a grazing and agricultural lease from the board.

18
19 (h) As used in subsection (c) of this section,
20 "preferred right" means the right to renew a lease provided
21 to an existing holder of a grazing and agricultural lease
22 by the board if the existing lease holder is in compliance
23 with subsection (c) of this section.

1

2 **36-5-108. Even rental offers.**

3

4 If two (2) or more qualified applicants under W.S. 36-5-101
5 shall offer the same annual rental for the same lands, and
6 such offers are the highest offers received and are equal
7 to or above the minimum rental fixed by the board, and no
8 ~~preference~~preferred right exists in the old lessee, or if
9 ~~such~~the old lessee does not exercise ~~such~~preference~~the~~
10 preferred right, the director shall grant the lease to the
11 applicant holding title to lands nearest to the lands
12 applied for. When a ~~preference~~preferred right exists in
13 the old lessee under the provisions of this act, ~~he~~the old
14 lessee shall be given fifteen (15) days notice by
15 registered mail, and if he fails or refuses to file his
16 acceptance together with the balance of the rental due for
17 the first year, within the time specified, the lease shall
18 be awarded automatically to the applicant offering to pay
19 the highest annual rental, or in the event of even offers,
20 shall be disposed of as hereinbefore provided.

21

1 **Section 2.** This act is effective July 1, 2022.

2

3

(END)