

SENATE FILE NO. SF0107

Acquisition, exchange and sale of trust lands.

Sponsored by: Senator(s) Hicks and Representative(s)
Western

A BILL

for

1 AN ACT relating to state lands; providing for the
2 acquisition, exchange or sale of state trust lands as
3 specified; designating criteria for the sale and exchange
4 of state trust lands; allowing for farm loans to purchase
5 specified state trust lands; and providing for an effective
6 date.

7

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

9

10 **Section 1.** W.S. 36-2-111 is created to read:

11

12 **36-2-111. Acquisition, exchange and sale of trust**
13 **lands.**

14

1 (a) When determined by the board to be consistent
2 with the duties and obligations owed to state trust land
3 beneficiaries, the board is authorized to acquire, exchange
4 or sell a fee title interest in state trust lands provided
5 that no acquisition or exchange shall result in a net
6 increase of trust lands greater than ten thousand (10,000)
7 acres above the total trust land acreage held by the state
8 on July 1, 1999.

9

10 (b) Notwithstanding subsection (a) of this section,
11 the board may acquire a fee title interest in trust lands
12 through a single transaction that results in a net increase
13 of trust lands over the limit specified in subsection (a)
14 of this section, provided that additional sales or
15 exchanges shall be conducted within thirty-six (36) months
16 of the acquisition to bring the total trust land acreage
17 within the limits specified in subsection (a) of this
18 section.

19

20 **Section 2.** W.S. 11-34-109(a)(i), 36-1-101(a) by
21 creating a new paragraph (viii) and by amending and
22 renumbering (viii) as (ix), 36-1-111(a)(i) and
23 36-9-101(a)(i) are amended to read:

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2 **11-34-109. Purposes for which loans authorized.**

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4 (a) Loans may be made for the following agriculture
5 related purposes and no other:

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7 (i) To provide for the purchase of farm lands
8 including the purchase under W.S. 36-9-101(a)(i) of an
9 isolated parcel of state trust land that is eighty (80)
10 acres or less;

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12 **36-1-101. Definitions.**

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14 (a) Unless the context indicates otherwise, as used
15 in this act:

16

17 (viii) "Isolated parcel" means a parcel of state
18 trust land surrounded by non-state lands and without public
19 access to the parcel;

20

21 ~~(viii)~~(ix) "This act" means W.S. 36-1-101
22 through 36-3-111, 36-5-101 through 36-7-510 and 36-9-101
23 through 36-9-120.

1

2 **36-1-111. Orders, rules and regulations relative to**
3 **exchange of lands.**

4

5 (a) The board of land commissioners is hereby
6 authorized and empowered to pass and promulgate all such
7 orders, rules and regulations as may be necessary or
8 required relative to the appraisal and valuation of the
9 lands to be exchanged as provided in this act, and to
10 provide for the execution of conveyances, contracts and
11 other instruments pertaining to the exchange of the lands,
12 and to enable the director to effect and complete each
13 exchange of the lands. The board may authorize the purchase
14 of lands only in an amount necessary to effect and complete
15 the exchange of state-owned lands for other lands and only
16 for those lands identified in the authorization of
17 purchase. The board shall not use the power of eminent
18 domain pursuant to W.S. 1-26-801 et seq. to purchase any
19 lands under this section. The board of land commissioners
20 is authorized to promulgate rules and regulations necessary
21 to implement the exchange of state lands on a value for
22 value basis. The exchange program may authorize a cash
23 equalization receipt or payment of up to twenty-five

1 percent (25%) of the value of the lands exchanged. Any
2 receipt shall be deposited into, and any payment shall be
3 made from, the permanent land fund. State lands may be
4 exchanged upon the board's finding the exchange is
5 necessary to:

6

7 (i) Make state lands more manageable where the
8 lands are not otherwise manageable, including the disposal
9 of any isolated parcel that is eighty (80) acres or less;

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11 **36-9-101. Authority; restrictions.**

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13 (a) The board of land commissioners may at any time
14 direct the sale of state lands subject to any lease
15 thereof. Subject to criteria established by the board, any
16 person may request that a parcel of state land be
17 considered for sale by the board, but such lands shall only
18 be nominated for sale by a majority vote of the board. Such
19 lands which have been reserved in any way to the public
20 use, or for the use of public institutions, shall not be
21 sold to any member of the board. The board shall sell such
22 lands according to the subdivisions of sections as
23 established by the United States survey thereof, or by

1 metes and bounds, as may appear to be to the interest of
2 the state of Wyoming. The board shall sell such
3 subdivisions as it shall deem for the best interests of the
4 state land trust. The board shall not sell state land
5 unless the board finds that the proceeds from the sale are
6 protected from inflationary effects and the proceeds will
7 earn a significantly higher rate of return than can be
8 realized through retention of the surface estate and if the
9 board finds that the sale will:

10

11 (i) Make state lands more manageable where the
12 lands are not otherwise manageable, including the disposal
13 of any isolated parcel that is eighty (80) acres or less;

14

15 **Section 3.** Not later than June 30, 2024, the office
16 of state lands and investments shall provide notice to each
17 grazing and agricultural lessee that the lessee may
18 nominate any isolated parcel of state trust land that
19 consists of not greater than eighty (80) acres for sale or
20 exchange and that any purchase of identified parcels may be
21 financed under W.S. 11-34-109(a)(i) or 36-9-107.

22

1 **Section 4.** This act is effective July 1, 2023.

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(END)