

HB 564 -- MINING ROYALTIES

SPONSOR: Dinkins

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Conservation and Natural Resources by a vote of 14 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 10 to 0.

This bill specifies that all moneys paid to the state by the U.S. Secretary of the Treasury from mining royalties on federal land in the state must be deposited in the newly created "Federal Mineral Royalties Distribution Fund" and within three months following the calender quarters ending in March, June, September, and December, the Director of the Department of Revenue must certify to the State Treasurer the amount of moneys received for royalties.

The State Treasurer must allocate the total money received among the counties in which the minerals were produced based on the proportion each county's mineral royalty revenue bears to the total received by the state. Of the money received, 50% must be allocated and paid to the counties for planning, construction, and maintenance of county roads, public facilities, and public services. The remaining moneys received are to be allocated and paid to the school districts of the state in proportion to the area of federal mining lands in the district.

This bill is similar to HB 2548 (2020).

PROPONENTS: Supporters say that this bill would ensure that the mining royalties issued to the state are distributed fairly within the counties receiving the funds. Currently, the funds are being distributed by the Office of Administration in the same manner as the forestry funds received from the U.S. Department of Interior.

Testifying for the bill were Representative Dinkins; Joe Loyd, Reynolds County; and Jim Skaggs, Iron County Commission.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others submitted testimony for informational purposes.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.