

ENROLLED ACT NO. 59, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING  
2023 GENERAL SESSION

AN ACT relating to state lands; increasing the monetary threshold for improvements to leased state lands that do not require permission of the director of the office of state lands; replacing the standard to determine payment for the use and benefit of improvements; and providing for an effective date.

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

**Section 1.** W.S. 36-5-110(a), 36-5-111 and 36-9-105 are amended to read:

**36-5-110. Right to make and remove improvements.**

(a) A lessee of state lands shall have the right to construct or make improvements upon state lands in an amount not to exceed ~~two thousand dollars (\$2,000.00)~~ four thousand dollars (\$4,000.00) per section for each separate improvement, without first obtaining permission. If the lessee or any other person desires to construct or make improvements upon state lands in excess of the value of ~~two thousand dollars (\$2,000.00)~~ four thousand dollars (\$4,000.00) per section for each separate improvement, he shall file an application for permission to construct or make the improvements with the director, which shall be subject to allowance or rejection as the best interests of the state require. The director shall have authority to grant permission to construct improvements in excess of ~~two thousand dollars (\$2,000.00)~~ four thousand dollars (\$4,000.00) per section for each separate improvement for fencing, water development, livestock handling facilities and range enhancements. Any other improvement in excess of ~~two thousand dollars (\$2,000.00)~~ four thousand dollars (\$4,000.00) per section for each separate improvement shall be applied for under a special use permit. Unless

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permission has been obtained in the manner provided by this section or the improvement has been registered as provided in subsection (b) of this section, the owner of any improvement in excess of the value of ~~two thousand dollars (\$2,000.00)~~ four thousand dollars (\$4,000.00) per section at the time of construction of the improvement shall not be entitled to compensation therefor as provided by W.S. 36-5-111 and 36-9-105, and upon the expiration of the lease the ~~improvements~~ improvement shall forfeit to and become the property of the state; except, that within one hundred twenty (120) days from the date of the expiration of the lease, the owner may remove ~~such improvements~~ the improvement in a manner ~~which~~ that minimizes injury to the land.

**36-5-111. Payment for or removal of existing improvements.**

Any applicant applying to lease state lands upon which there are fences, buildings, reservoirs, ditches, dams, wells, or other improvements of any kind, belonging to or made by another, or for which water rights or proportionate interests in irrigation reservoirs, canals, or systems, have been acquired, shall before receiving the lease, pay to the director for the use and benefit of the owner or maker of any improvements at the time of the execution of the lease, the ~~contributory~~ current market value of the improvements unless a different value is agreed to between the owner of the improvements and the applicant thereof as finally determined by the board in accordance with its rules and regulations. ~~;~~ ~~or~~ Alternatively, the owner of the improvements shall, upon giving notice to the director in writing within the time fixed by board rule and regulation, have the right to remove those improvements in a manner which minimizes injury to the land; provided, that the

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improvements be removed within a period of one hundred twenty (120) days from the date of the expiration of the lease. For purposes of this section, ~~"contributory value" means the increased value of the property after the lessee's improvements are considered~~ "current market value" means the replacement value of the lessee's improvement at the time of transition of the lease, after the remaining useful life of the improvement is considered.

**36-9-105. Purchaser to pay owner appraised value of improvements; receipt.**

If any state lands are sold upon which surface improvements, including irrigation works of any kind, have been made by a lessee, or for which water rights or proportionate interests in irrigation, reservoirs, canals, or systems, have been acquired, the improvements, irrigation works and water rights shall be appraised under the direction of the board. The purchaser of the lands, upon which improvements and irrigation works have been made, or for which water rights have been acquired as herein provided for, shall pay the owner of such improvements, irrigation works or water rights, as the case may be, the ~~contributory~~ current market value of the improvements unless a different value is agreed to between the owner of the improvements and the applicant thereof, and take a receipt therefor, and shall deliver the receipt to the director before he shall receive a patent or certificate of purchase. All such receipts shall be filed and preserved in the office of state lands and investments. For purposes of this section, ~~"contributory value" means the increased value of the property after the lessee's improvements are considered~~ "current market value" means the replacement value of the lessee's improvement at the

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time of transition of the lease, after the remaining useful  
life of the improvement is considered.

**Section 2.** This act is effective July 1, 2023.

(END)

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the House.

\_\_\_\_\_  
Chief Clerk