

HOUSE BILL NO. HB0121

Kelly parcel-sale and leasing requirements.

Sponsored by: Representative(s) Walters, Harshman and
Larsen, L and Senator(s) Landen

A BILL

for

1 AN ACT relating to state lands; authorizing the lease,
2 exchange or sale of the Kelly parcel; specifying conditions
3 for the sale, lease or exchange of the parcel; requiring
4 further legislative authorization for the sale of the
5 parcel as specified; specifying duties of the board of land
6 commissioners and office of state lands and investments;
7 addressing conflict of laws; and providing for an effective
8 date.

9

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

11

12 **Section 1.** W.S. 36-1-122 is created to read:

13

14 **36-1-122. Kelly parcel; lease, sale and exchange**
15 **authorization.**

1

2 (a) As used in this section, "Kelly parcel" means the
3 Kelly parcel on Gros Ventre Road containing six hundred
4 forty (640) acres, more or less, and being more
5 particularly described as: Section 36, Township 43 North,
6 Range 115 West, 6th P.M., Teton County, Wyoming.

7

8 (b) The director is authorized and empowered, subject
9 to approval by the board, to effectuate the sale, lease or
10 exchange of the Kelly parcel in accordance with the terms
11 and conditions specified in this section.

12

13 (c) The director may lease the Kelly parcel, subject
14 to approval by the board and the following:

15

16 (i) Any lease of the Kelly parcel shall not
17 exceed one (1) year, provided that the director may provide
18 for automatic renewal of the lease each year for up to ten
19 (10) years;

20

21 (ii) The lease of the Kelly parcel shall be only
22 for purposes of conservation of lands;

23

1 (iii) The annual lease payments shall be not
2 less than six million dollars (\$6,000,000.00) per year;

3

4 (iv) Except as provided in paragraph (i) of this
5 paragraph, there shall be no automatic right of renewal for
6 any lessee leasing the Kelly parcel under this subsection;

7

8 (v) The state of Wyoming, through the board,
9 shall retain all rights to authorize or continue existing
10 uses of the Kelly parcel and to authorize other uses of the
11 Kelly parcel that the director and board deem acceptable,
12 subject to paragraph (vi) of this subsection;

13

14 (vi) No development of the Kelly parcel shall be
15 authorized as part of a lease under this subsection;

16

17 (vii) Nothing in this subsection and no lease
18 issued under this subsection shall be construed to:

19

20 (A) Authorize the conservation of the Kelly
21 parcel in perpetuity, whether under a conservation easement
22 or otherwise;

23

1 (B) Constitute a conservation easement for
2 purposes of W.S. 36-1-121 and the Uniform Conservation
3 Easement Act.

4

5 (d) Except as provided in subsection (e) of this
6 section, the director and the board shall not sell the
7 Kelly parcel without subsequent express authorization by
8 the legislature.

9

10 (e) The director, subject to board approval, may sell
11 the Kelly parcel without subsequent legislative approval in
12 accordance with the following:

13

14 (i) The sale of the Kelly parcel shall be by
15 direct sale for cash;

16

17 (ii) Proceeds from the sale shall be deposited
18 to the common school account within the permanent land
19 fund;

20

21 (iii) The board may, pursuant to a sale under
22 this subsection, deliver to the purchaser a document or
23 form of deed conveying title to the Kelly parcel only upon

1 receipt of any required funds necessary to complete the
2 purchase;

3

4 (iv) The sale of the Kelly parcel may be divided
5 into multiple transactions, provided that the sale is to a
6 single person and is completed by a date determined by the
7 board;

8

9 (v) The board is authorized to accept funds from
10 another entity on behalf of the purchaser of the Kelly
11 parcel;

12

13 (vi) The sale of the Kelly parcel authorized
14 under this subsection shall be for not less than seven
15 hundred fifty million dollars (\$750,000,000.00).

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17 (f) The director, subject to approval by the board,
18 is authorized and empowered to exchange the Kelly parcel,
19 subject to the following conditions:

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21 (i) The director may enter into negotiations
22 with the United States or a federal agency to exchange the
23 Kelly parcel;

1

2 (ii) If exchanged under this subsection, the
3 Kelly parcel shall be exchanged for ownership in mineral
4 interests totaling a value of not less than one billion
5 dollars (\$1,000,000,000.00) in:

6

7 (A) Coal in northeast Wyoming;

8

9 (B) Trona in southwest Wyoming;

10

11 (C) Any combination of mineral interests
12 specified in this paragraph.

13

14 (iii) All mineral interests to be exchanged
15 under this subsection shall be appraised by the office of
16 state lands and investments before an exchange is
17 completed.

18

19 (g) No exchange or sale authorized in this section
20 shall be completed during any time in which the Kelly
21 parcel is leased.

22

1 (h) To the extent that this section conflicts with
2 any provision of this act, the provisions of this section
3 shall control.

4

5 **Section 2.** This act is effective July 1, 2024.

6

7

(END)