SENATE FILE NO. SF0019

Impact assistance payments-maximum percentages and review.

Sponsored by: Joint Minerals, Business & Economic Development Interim Committee

A BILL

for

1 AN ACT relating to industrial development and siting;

2 specifying that the industrial siting council may increase

3 the impact assistance payments of specified projects beyond

4 the maximum allowable percentages; requiring approval of

5 increases; specifying that approvals are not subject to

6 judicial review; making conforming amendments; specifying

7 applicability; and providing for an effective date.

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

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- 11 **Section 1.** W.S. 35-12-105(c), 39-15-111(c),
- 12 (d)(intro) and by creating a new subsection (r) and
- 13 39-16-111(d), (e)(intro) and by creating a new subsection
- 14 (p) are amended to read:

- 1 35-12-105. Appointment and duties of administrator;
- 2 staff; rules and regulations.

- 4 (c) The director, administrator and the staff of the
- 5 division are authorized to the extent possible, at the
- 6 request of local governments, to provide technical
- 7 assistance to local governments in the preparation of
- 8 anticipated impacts related to a proposed project
- 9 consistent with W.S. 39-15-111(c), and (d) and (r) and
- 10 39-16-111(d), and (e) and (p) and negotiation of agreements
- 11 with applicants as provided for in W.S. 35-12-107.

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13 **39-15-111.** Distribution.

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- 15 (c) If any person commences after the effective date
- 16 of this act to construct an industrial facility, as that
- 17 term is defined in W.S. 35-12-102, under a permit issued
- 18 pursuant to W.S. 35-12-106, or if the federal or state
- 19 government commences to construct any project within this
- 20 state with an estimated construction cost as specified in
- 21 the definition of industrial facility in W.S. 35-12-102 the
- 22 department of revenue shall thereafter pay to the county
- 23 treasurer and the county treasurer will distribute to the

county, cities and towns of that county in which the 1 2 industrial facility or project is located, 3 assistance payments from the monies available under 4 paragraph (b)(i) of this section. Each payment to the 5 county treasurer shall be equal to an amount determined by the industrial siting council under this subsection and 6 shall continue during the period of construction except 7 8 that in the case of an industrial facility or a federal or 9 state government project which is expected to continue in 10 phases for an indefinite period of time, the department of 11 revenue shall discontinue payments under this section when 12 construction of any phase has ceased or been substantially 13 completed for twelve (12) consecutive months. The person constructing the industrial facility and the counties 14 affected by the construction of the industrial facility 15 16 shall provide evidence at the public hearing held pursuant 17 to W.S. 35-12-110(f)(i) of the mitigated and unmitigated impacts that the construction will have on the counties, 18 19 cities and towns determined by the industrial siting 20 council to be affected by the construction of the 21 industrial facility. The industrial siting council shall 22 review the evidence of the impacts and determine, applying 23 a preponderance of evidence standard, the dollar amount of

1 the unmitigated impacts. The council shall state, in the 2 order issued under W.S. 35-12-113(a), the total dollar 3 amount of the impact assistance payment and include 4 specific findings of fact detailing the basis for the total amount determination and 5 dollar if requested by the affected county, city or town, its 6 justification rejecting, in whole or in part, an application for an 7 8 impact assistance payment. The impact assistance payment 9 shall be distributed by the department of revenue in an 10 amount and on a schedule determined by the council, based 11 evidence presented the hearing. Under on at no 12 circumstances shall the total dollar amount of the impact 13 assistance payment exceed the maximum allowable percentage specified in this subsection of the total estimated 14 15 material costs of the facility, as those costs 16 determined by the council. The maximum allowable percentage 17 shall be two and twenty-five hundredths percent (2.25%) for facilities with total estimated materials costs of three 18 19 hundred fifty million dollars (\$350,000,000.00) or less 20 except as otherwise provided in this subsection, two percent (2%) for facilities with total estimated materials 21 costs in excess of three hundred fifty million dollars 22 (\$350,000,000.00) but less than eight hundred fifty million 23

1 dollars (\$850,000,000.00) and one and one-half percent 2 (1.50%) for facilities with total estimated materials costs 3 of eight hundred fifty million dollars (\$850,000,000.00) or 4 more. For facilities with total estimated materials costs of three hundred fifty million dollars (\$350,000,000.00) or 5 less, the council may increase the maximum allowable 6 percentage to not more than two and seventy-six hundredths 7 8 percent (2.76%) if the council includes in the specific findings required under this subsection that the maximum 9 10 allowable percentage of two and twenty-five hundredths 11 percent (2.25%) is insufficient to mitigate the identified 12 impacts. For facilities with total estimated materials 13 costs exceeding three hundred fifty million dollars (\$350,000,000.00), the council may increase the maximum 14 allowable percentage to not more than two and seventy-six 15 hundredths percent (2.76%) in accordance with subsection 16 17 (r) of this section. The council shall submit a report to the joint appropriations committee and the joint minerals, 18 business and economic development interim committee not 19 20 later than ten (10) business days after increasing the 21 maximum allowable percentage as specified in this 22 subsection, including data to support the increase. impact assistance payments shall be distributed to 23 the

1 county treasurer and the county treasurer will distribute 2 to the county and to the cities and towns therein based on 3 a ratio established by the industrial siting council during 4 public hearing held in accordance with W.S. 5 35-12-110(f)(i). In determining the distribution ratio, the industrial siting council may consider the extent 6 location of the unmitigated impacts, the populations of the 7 8 affected counties, cities and towns, including any 9 disproportionate impacts on smaller communities, and any 10 other equitable factor. The industrial siting council shall 11 review the distribution ratio for construction projects on 12 regular basis and make appropriate adjustments. 13 governing body which is primarily affected by the facility, or any person issued a permit pursuant to W.S. 35-12-106, 14 may petition the industrial siting council for review and 15 16 adjustment of the distribution ratio or the amount of the 17 impact assistance payment upon a showing of good cause. The impact assistance payment shall be in addition to all other 18 19 distributions under this section, but no impact assistance 20 payment shall be made for any period in which the county or 21 counties are not imposing at least a one percent (1%) tax authorized by W.S. 39-15-204(a)(i) and 39-16-204(a)(i) or 22 23 at least a total of a two percent (2%) sales tax authorized

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1 under W.S. 39-15-204(a)(i), (iii) and (vi) and at least a 2 total of a two percent (2%) use tax authorized under W.S. 3 39-16-204(a)(i), (ii) and (v). For purposes of 4 subsection, the industrial facility or federal or state government project will be deemed to be located in the 5 county in which a majority of the construction costs will 6 be expended, provided that upon a request from the county 7 8 commissioners of any adjoining county to the industrial 9 siting council, the council may determine that the social 10 and economic impacts from construction of the industrial 11 facility or federal or state government project upon the 12 adjoining county are significant and establish the ratio of impacts between the counties and certify that ratio to the 13 department of revenue who will thereafter distribute the 14 impact assistance payment to the counties pursuant to that 15 16 Each county, city and town that receives 17 distribution under this subsection shall provide an annual report to the industrial siting council describing how the 18 19 impact assistance payment was expended. The report shall 20 first be submitted not later than one (1) year after the 21 impact assistance payment is approved and annually each year thereafter for the duration in which distributions are 22 all distributions 23 made and until are expended. The

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1 industrial siting council shall adopt rules as necessary to 2 implement this subsection. 3 4 (d) As used in subsection subsections (c) and (r) of this section: 5 6 7 (r) For industrial facilities for which the total 8 estimated materials costs exceed three hundred fifty 9 million dollars (\$350,000,000.00), the industrial siting 10 council may increase the maximum allowable percentage of 11 any impact assistance payment to not more than two and seventy-six hundredths percent (2.76%) in accordance with 12 13 the following: 14 15 (i) The council shall include in the specific findings required under subsection (c) of this section that 16 17 the maximum allowable percentage, as applicable, for the 18 industrial facility is insufficient to mitigate the 19 identified impacts; 20 21 (ii) Upon making the findings required in 22 paragraph (i) of this subsection, the council shall forward 23 the proposed percentage increase, the permit order or

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1	decision and, if requested by the board, the record of the
2	hearing, to the state loan and investment board. The board
3	shall not accept or consider any new evidence in its
4	consideration under this paragraph. Not later than the next
5	regularly scheduled board meeting after receiving a
6	proposed percentage increase for an impact assistance
7	payment, the state loan and investment board shall consider
8	the council's proposed percentage increase and shall:
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10	(A) Approve the proposed percentage
11	<u>increase;</u>
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13	(B) Deny the proposed percentage increase;
14	<u>or</u>
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16	(C) Modify the proposed percentage increase
17	to any percentage between the maximum allowable percentage
18	as specified under subsection (c) of this section and two
19	and seventy-six hundredths percent (2.76%).
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21	(iii) The council shall authorize that payments
22	made under subsection (c) of this section be made at a
23	percentage not to exceed the applicable maximum allowable

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1	percentage	specified	in	subsection	(c)	of	this	section

2 while the proposed percentage increase is pending before

3 the state loan and investment board;

(iv) If the state loan and investment board
approves or modifies the proposed percentage increase under
paragraph (ii) of this subsection and upon direction by the
council, the department shall make payments in an amount
sufficient to make the payments equal to the amount
necessary to make the impact assistance payment's increased
percentage retroactive to the beginning of the period of

construction;

(v) The decision of the state loan and investment board to approve, deny or modify a proposed percentage increase under paragraph (ii) of this subsection is final and shall not be subject to further review by the industrial siting council or subject to any judicial review. Nothing in this paragraph shall be construed to abrogate any other right of review specified in the Industrial Development Information and Siting Act.

39-16-111. Distribution.

2 (d) If any person commences after the effective date 3 of this act to construct an industrial facility, as that 4 term is defined in W.S. 35-12-102, under a permit issued pursuant to W.S. 35-12-106, or if the federal or state 5 government commences to construct any project within this 6 state with an estimated construction cost as specified in 7 8 the definition of industrial facility in W.S. 35-12-102 the 9 department of revenue shall thereafter pay to the county 10 treasurer and the county treasurer will distribute to the 11 county, cities and towns of that county in which the 12 industrial facility or project is located, assistance payments from the monies available under 13 paragraph (b)(i) of this section. Each payment to the 14 county treasurer shall be equal to an amount determined by 15 16 the industrial siting council under this subsection and 17 shall continue during the period of construction except that in the case of an industrial facility or a federal or 18 19 state government project which is expected to continue in 20 phases for an indefinite period of time, the department of 21 revenue shall discontinue payments under this section when construction of any phase has ceased or been substantially 22 23 completed for twelve (12) consecutive months. The person

1 constructing the industrial facility and the counties 2 affected by the construction of the industrial facility 3 shall provide evidence at the public hearing held pursuant 4 to W.S. 35-12-110(f)(i) of the mitigated and unmitigated impacts that the construction will have on the counties, 5 towns determined by the industrial siting 6 cities and council to be affected by the construction of 7 8 industrial facility. The industrial siting council shall 9 review the evidence of the impacts and determine, applying 10 a preponderance of evidence standard, the dollar amount of 11 the unmitigated impacts. The council shall state, in the 12 order issued under W.S. 35-12-113(a), the total dollar 13 amount of the impact assistance payment and include specific findings of fact detailing the basis for the total 14 dollar amount determination and if 15 requested by the 16 affected county, city or town, its justification 17 rejecting, in whole or in part, an application for an 18 impact assistance payment. The impact assistance payment 19 shall be distributed by the department of revenue in an 20 amount and on a schedule determined by the council, based 21 on evidence presented at the hearing. Under no circumstances shall the total dollar amount of the impact 22 23 assistance payment exceed the maximum allowable percentage

1 specified in this subsection of the total estimated 2 material costs of the facility, as those costs 3 determined by the council. The maximum allowable percentage 4 shall be two and twenty-five hundredths percent (2.25%) for facilities with total estimated materials costs of three 5 hundred fifty million dollars (\$350,000,000.00) or less 6 except as otherwise provided in this subsection, two 7 8 percent (2%) for facilities with total estimated materials costs in excess of three hundred fifty million dollars 9 10 (\$350,000,000.00) but less than eight hundred fifty million 11 dollars (\$850,000,000.00) and one and one-half percent (1.50%) for facilities with total estimated materials costs 12 of eight hundred fifty million dollars (\$850,000,000.00) or 13 more. For facilities with total estimated materials costs 14 of three hundred fifty million dollars (\$350,000,000.00) or 15 16 less, the council may increase the maximum allowable 17 percentage to not more than two and seventy-six hundredths percent (2.76%) if the council includes in the specific 18 findings required under this subsection that the maximum 19 20 allowable percentage of two and twenty-five hundredths percent (2.25%) is insufficient to mitigate the identified 21 impacts. For facilities with total estimated materials 22 23 costs exceeding three hundred fifty million dollars

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(\$350,000,000.00), the council may increase the maximum allowable percentage to not more than two and seventy-six 2 3 hundredths percent (2.76%) in accordance with subsection 4 (p) of this section. The council shall submit a report to the joint appropriations committee and the joint minerals, 5 business and economic development interim committee not 6 later than ten (10) business days after increasing the 7 8 allowable percentage as specified in maximum this 9 subsection, including data to support the increase. 10 impact assistance payments shall be distributed to the 11 county treasurer and the county treasurer will distribute 12 to the county and to the cities and towns therein based on 13 a ratio established by the industrial siting council during accordance 14 public hearing held in with W.S. 15 35-12-110(f)(i). In determining the distribution ratio, the 16 industrial siting council may consider the extent 17 location of the unmitigated impacts, the populations of the affected counties, cities 18 and towns, including any 19 disproportionate impacts on smaller communities, and any 20 other equitable factor. The industrial siting council shall review the distribution ratio for construction projects on 21 and 22 a regular basis make appropriate adjustments. A 23 governing body which is primarily affected by the facility,

or any person issued a permit pursuant to W.S. 35-12-106, 1 2 may petition the industrial siting council for review and 3 adjustment of the distribution ratio or the amount of the 4 impact assistance payment upon a showing of good cause. The impact assistance payment shall be in addition to all 5 other distributions under this section, but no 6 assistance payment shall be made for any period in which 7 8 the county or counties are not imposing at least a one 9 percent (1%) tax authorized by W.S. 39-15-204(a)(i) and 10 39-16-204(a)(i) or at least a total of a two percent (2%) 11 sales tax authorized under W.S. 39-15-204(a)(i), (iii) and 12 (vi) and at least a total of a two percent (2%) use tax 13 authorized under W.S. 39-16-204(a)(i), (ii) and (v). For purposes of this subsection, the industrial facility or 14 federal or state government project will be deemed to be 15 16 in the county in which a majority of the 17 construction costs will be expended, provided that upon a request from the county commissioners of an adjoining 18 19 county to the industrial siting council, the council may 20 determine that the social and economic impacts 21 construction of the industrial facility or federal or state 22 government project upon the adjoining county significant and establish the ratio of impacts between the 23

counties and certify that ratio to the department of 1 2 revenue who will thereafter distribute the 3 assistance payment to the counties pursuant to that ratio. 4 Each county, city and town that receives a distribution under this subsection shall provide an annual report to the 5 industrial siting council describing how the 6 assistance payment was expended. The report shall first be 7 8 submitted not later than one (1) year after the impact 9 assistance payment is approved and annually each year thereafter for the duration in which distributions are made 10 and until all distributions are expended. The industrial 11 12 siting council shall adopt rules as necessary to implement 13 this subsection.

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15 (e) As used in <u>subsection subsections</u> (d) <u>and (p)</u> of 16 this section:

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(p) For industrial facilities for which the total estimated materials costs exceed three hundred fifty million dollars (\$350,000,000.00), the industrial siting council may increase the maximum allowable percentage of any impact assistance payment to not more than two and

1 seventy-six hundredths percent (2.76%) in accordance with 2 the following: 3 4 (i) The council shall include in the specific 5 findings required under subsection (d) of this section that the maximum allowable percentage, as applicable, for the 6 7 industrial facility is insufficient to mitigate the 8 identified impacts; 9 10 (ii) Upon making the findings required in 11 paragraph (i) of this subsection, the council shall forward the proposed percentage increase, the permit order or 12 13 decision and, if requested by the board, the record of the hearing, to the state loan and investment board. The board 14 15 shall not accept or consider any new evidence in its 16 consideration under this paragraph. Not later than the next 17 regularly scheduled board meeting after receiving a proposed percentage increase for an impact assistance 18 19 payment, the state loan and investment board shall consider 20 the council's proposed percentage increase and shall: 21 (A) Approve the proposed percentage 22

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increase;

1	
2	(B) Deny the proposed percentage increase;
3	<u>or</u>
4	
5	(C) Modify the proposed percentage increase
б	to any percentage between the maximum allowable percentage
7	as specified under subsection (d) of this section and two
8	and seventy-six hundredths percent (2.76%).
9	
10	(iii) The council shall authorize that payments
11	made under subsection (d) of this section be made at a
12	percentage not to exceed the applicable maximum allowable
13	percentage specified in subsection (d) of this section
14	while the proposed percentage increase is pending before
15	the state loan and investment board;
16	
17	(iv) If the state loan and investment board
18	approves or modifies the proposed percentage increase under
19	paragraph (ii) of this subsection and upon direction by the
20	council, the department shall make payments in an amount
21	sufficient to make the payments equal to the amount
22	necessary to make the impact assistance payment's increased

percentage retroactive to the beginning of the period of
construction;
(v) The decision of the state loan and
investment board to approve, deny or modify a proposed
percentage increase under paragraph (ii) of this subsection
is final and shall not be subject to further review by the
industrial siting council or subject to any judicial
review. Nothing in this paragraph shall be construed to
abrogate any other right of review specified in the
Industrial Development Information and Siting Act.
Section 2. This act shall only apply to impact
assistance payments for industrial facility permit
applications submitted on and after the effective date of
this act.
Section 3. This act is effective July 1, 2025.
(END)