

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO.

Mine reclamation bonding-voluntary assigned trusts.

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

A BILL

for

1 AN ACT relating to environmental quality; authorizing and  
2 requiring the department of environmental quality and the  
3 environmental quality council to establish a voluntary  
4 assigned trust option for reclamation bonds as specified;  
5 specifying requirements for voluntary assigned trusts;  
6 specifying that any voluntary assigned trust proceeds are  
7 held in trust by the state on behalf of each operator's  
8 permit or license for fulfilling all or a portion of  
9 reclamation requirements; requiring rulemaking; and  
10 providing for effective dates.

11

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



1 Any rules promulgated under this subsection shall be in  
2 accordance with the following:

3  
4 (i) Participation in an assigned trust program  
5 shall be voluntary on the part of an operator. An operator  
6 seeking to participate in a voluntary assigned trust as  
7 part of the operator's bonding option shall elect to create  
8 an assigned trust as required by rules promulgated by the  
9 council;

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11 (ii) The amount necessary for an operator to  
12 fully fund the voluntary assigned trust shall be  
13 recommended by the administrator and determined by the  
14 director in accordance with the provisions of this article  
15 for each operator's permit or license;

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17 (iii) For each payment plan for a voluntary  
18 assigned trust:

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20 (A) The department shall provide the state  
21 treasurer with a copy of the director's annual bond letter  
22 that discloses the reclamation obligation and the estimated

1 mine life and duration of reclamation for each individual  
2 voluntary assigned trust;

3

4 (B) Participants in the assigned trust shall  
5 provide annual payments of not less than five percent (5%)  
6 of the total annual reclamation bond obligation until the  
7 assigned trust is fully funded and sufficient to cover the  
8 cost of the reclamation obligation as provided in W.S. 35-  
9 11-417(c);

10

11 (C) Participants in the assigned trust  
12 shall, upon request in writing by the operator, be granted  
13 a payment holiday not to exceed five percent (5%) not more  
14 than one (1) time in five (5) years, if necessary;

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16 (D) In the event a required annual payment  
17 is missed, the participant shall forfeit all interest  
18 earned by the assigned trust for the year the annual  
19 payment was missed;

20

21 (E) Any forfeited interest shall be  
22 deposited into a state fund for unfunded mine reclamation;

23

1                   (F) Participants in the assigned trust shall  
2 provide other acceptable bonding instruments authorized by  
3 this act to cover the remaining full cost of reclamation.

4  
5                   (iv) The funds received for a voluntary assigned  
6 trust for coal shall be invested by the state treasurer as  
7 authorized by law and in a manner to obtain the highest net  
8 return possible consistent with the preservation of one  
9 hundred percent (100%) of the corpus of the assigned trust.  
10 All earnings from investment of the corpus of the assigned  
11 trust shall be credited by the state treasurer to the  
12 balance of each voluntary assigned trust;

13  
14                   (v) The funds received for a voluntary assigned  
15 trust for non-coal shall be invested by the state treasurer  
16 as authorized by law and in a manner to obtain the highest  
17 net return possible less any administrative fees consistent  
18 with the preservation of the corpus of the assigned trust.  
19 All earnings from investment of the corpus of the assigned  
20 trust shall be credited by the state treasurer to the  
21 balance of each voluntary assigned trust;

22

1           (vi) The investment options of the treasurer  
2 shall include funds authorized by law. The investment fund  
3 options used shall be based on the corpus protection  
4 requirements as provided in paragraphs (iv) and (v) of this  
5 subsection. No funds shall be withdrawn by the participant  
6 from these accounts during the first year after the  
7 establishment of the participant's voluntary assigned  
8 trust;

9  
10           (vii) The operator shall deposit any cash into an  
11 irrevocable assigned trust, managed by the state treasurer  
12 for the benefit of the department. The assets of each  
13 assigned trust shall be available solely to cover the  
14 department's cost of completing reclamation in the event of  
15 forfeiture. No portion of the trust assets shall be  
16 returned to the operator until trust assets are released in  
17 accordance with W.S. 35-11-423.

18  
19           (viii) Any remaining amounts within an assigned  
20 trust shall be released to the operator in the manner  
21 provided for bonds in accordance with the provisions of  
22 W.S. 35-11-423 after funds are applied to cover all costs  
23 of reclaiming the affected land. Reclamation funds from the

1 assigned trust shall be withdrawn last, following  
2 certification of the requested bond release by the  
3 director. Bond reductions to the permit or license shall be  
4 made from any other bond instruments first until the  
5 assigned trust is fully funded;

6  
7 (ix) Each assigned trust shall not be withdrawn  
8 until released by the director in accordance with this act  
9 and any rules promulgated under this act;

10  
11 (x) Any rules shall include:

12  
13 (A) A process for withdrawal of funds that  
14 exceed the bond obligation of a participant;

15  
16 (B) Provisions for each assigned trust to be  
17 assigned to a new owner resulting from a permit or license  
18 transfer.

19  
20 (xi) Permits or licenses that include federal  
21 lands with a federal bonding requirement may participate in  
22 the assigned trust following approval from the appropriate  
23 federal agencies.

1

2           **Section 2.** The department of environmental quality  
3 shall draft, and the environmental quality council shall  
4 promulgate, any rules necessary to implement this act.

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6           **Section 3.**

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8           (a) Except as provided in subsection (b) of this  
9 section, this act is effective immediately upon completion  
10 of all acts necessary for a bill to become law as provided  
11 by Article 4, Section 8 of the Wyoming Constitution.

12

13           (b) Section 1 of this act is effective July 1, 2022.

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15

(END)