

Wyoming State Trust Lands

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Director
April 21, 2021



Wyoming
Office of State Lands
& Investments



Impact.

5 Year Revenue: \$910,588,450

K-12 Funding: \$810,423,720



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State Trust Land Basics



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Mission Statement

Effectively managing natural resources and funds for
current and future generations



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US History

1780s ... Our Founding Fathers consider the concept of lands for schools.



~1780s
America's Founders



~1860s
American Schoolchildren



States with Trust Land



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History and Nature of Trust Land

Organic Act

- Approved by Congress on July 25, 1868
- Provided temporary government for the Territory of Wyoming
- Provided that sections numbered 16 and 36 in each township in the territory shall be reserved for the purpose of public schools in the state

6	5	4	3	2	1	6	5	4	3	2	1	6	5	4	3	2	1
7	8	9	10	11	12	7	8	9	10	11	12	7	8	9	10	11	12
18	17	16	15	14	13	18	17	16	15	14	13	18	17	16	15	14	13
19	20	21	22	23	24	19	20	21	22	23	24	19	20	21	22	23	24
30	29	28	27	26	25	30	29	28	27	26	25	30	29	28	27	26	25
31	32	33	34	35	36	31	32	33	34	35	36	31	32	33	34	35	36



History and Nature of Trust Land

Wyoming Constitution

- Constitutional Convention September 2, 1889 to September 30, 1889
- Ratified by the Wyoming voters on November 5, 1889
- **Article 7:**
 - All money arising from the sale or lease of school lands are perpetual funds and only the annual income from the funds can be appropriated
 - All funds belonging to the state for public school purposes is deemed trust funds in the care of the State, which is kept for the exclusive benefit of public schools
 - Income from perpetual funds and rents from unsold school lands is exclusively applied to the support of free schools in every county.



Constitutional Framework

Wyoming Constitution, Article 18, Section 1:

- ❑ The State of Wyoming accepts the grants of lands made by the United States to the state, for educational purposes, for public buildings and institutions and for other objects

Wyoming Constitution, Article 18, Section 3:

- ❑ Board of Land Commissioners shall have direction, control, disposition and care of all lands granted to the state

State Trust Land is owned by the State and held in a Trust for the benefit of public education in the State and other state institutions. The Board of Land Commissioners is the trustee of trust lands.



Board of Land Commissioners

The Board of Land Commissioners is composed of the Governor, Secretary of State, State Auditor, State Treasurer, and Superintendent of Public Instruction.

The Board is constitutionally charged with optimizing revenue from state trust lands to support public education and beneficiary institutions, while concurrently striving to protect, conserve, and maintain the lands so they may be used by future generations.



Constitutional Framework

- Article 18, Sec. 4:

The Legislature:

Enacts the necessary laws for the sale, disposal, leasing or care of all lands granted to the State

Passes laws for suitable safekeeping, transfer and disbursement of land grant funds



History and Nature of Trust Land

Act of Admission

- Admitted the State of Wyoming into the Union
- Approved July 10, 1890
- Ratified the Wyoming Constitution
- Again addresses the granting of Sections 16 and 36 of each township to the state for purpose of maintaining common schools
- School lands may only be disposed of at public auction
- Granted certain lands to support other state purposes – UW, Vets Home, State Hospital, etc.
- Legislature has the power to regulate leasing of lands so long as the term of agricultural and grazing leases shall not exceed 10 years



Direction, control, disposition and care

W.S. 36-2-107 (a)

The Board of Land Commissioners shall have the power and authority to promulgate and adopt rules and regulations not inconsistent with the laws of the state, as it may from time to time deem necessary in the direction, control, disposition and care of all state lands, and to preserve the value of the land and to recognize the fiduciary duties of the state land office.



Statutory Principles:

- State land trust shall be managed under a total asset management policy.
- State land trust is intergenerational and must be managed with a focus on protecting the corpus for the long term.
- Trust land should remain a substantial component of the trust portfolio.
- All leases shall provide a fair market value return, considering the lessees' management practices and risk.
- Investment policies must protect permanent land fund from effects of inflation.



Office of State Land & Investments

- Administrative arm of the Board of Land Commissioners and the State Loan and Investment Board
 - Statutory responsibility to carry out the policy directives of the Boards



State Trust Land Beneficiaries

Land Grant/Fund	Beneficiary
Common School	Wyoming Public Schools K-12
University Land	University of Wyoming
Fish Hatchery	Wyoming Game & Fish
Agricultural College	University of Wyoming
Deaf, Dumb & Blind	School for Deaf
Poor Farm	
Penitentiary	Penitentiary
Public Buildings at the Capitol	Public Buildings in Capitol Complex
Penal, Reform or Education Institutions	Retirement Center, Honor Farm, Women's Center, Conservation Camp, Youth Treatment Center, Girls School, Boys School
Insane Asylum	Wyoming State Hospital
Miner's Hospital	Minor's Hospital Board
Soldiers & Sailors Home	Veteran's Home
State Law Library	State Law Library
State Library	State Library
Omnibus (SCEP&R Grant Lands - State Charitable, Education, Penal & Reform Institutions)	Department of Health, Department of Corrections, Department of Family Services

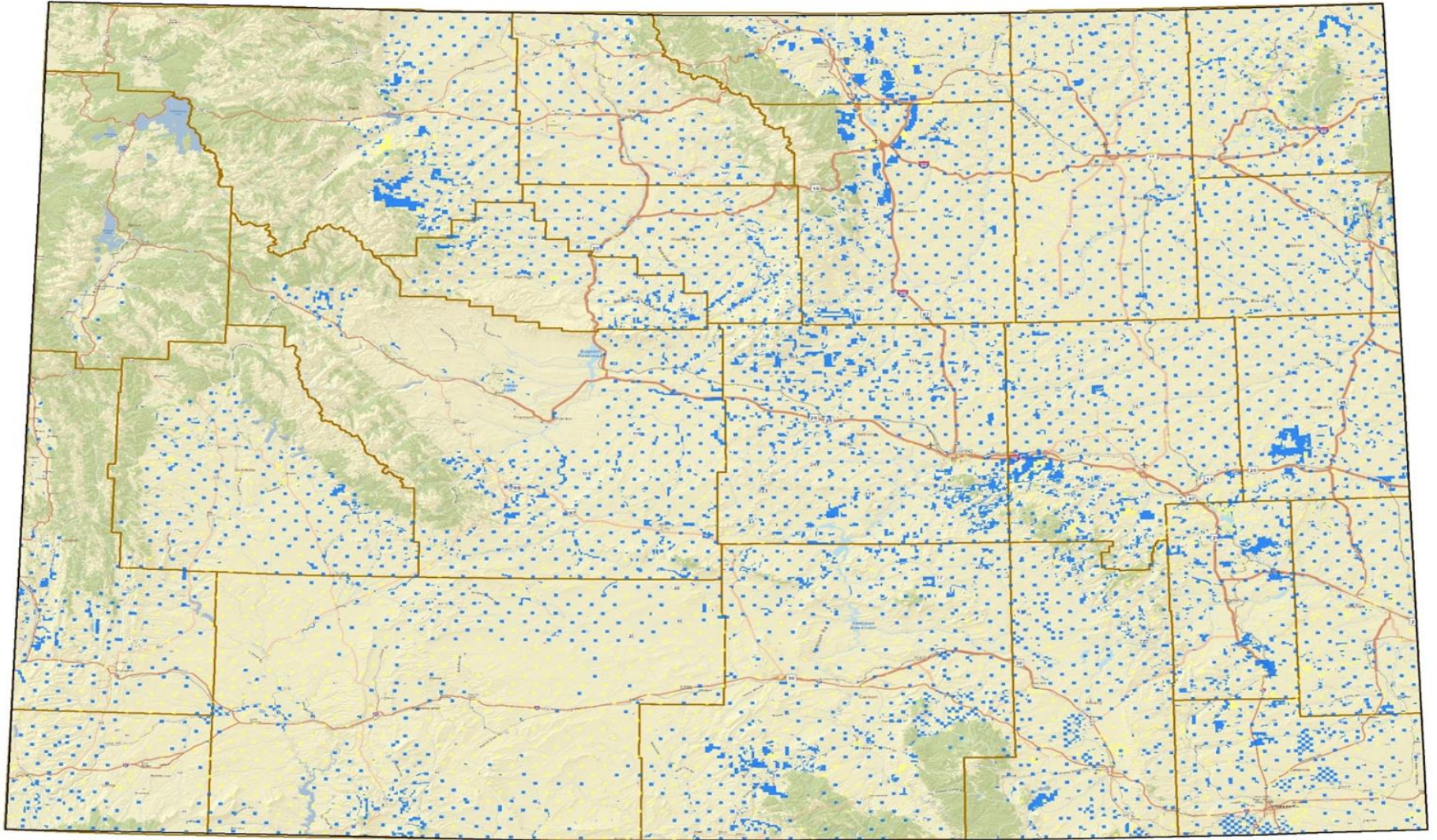


The Trust Assets

- Trust Land
 - 3.4 million surface acres
- Trust Minerals
 - 3.9 million mineral acres
- State Permanent Land Fund
 - Over \$4.5 billion

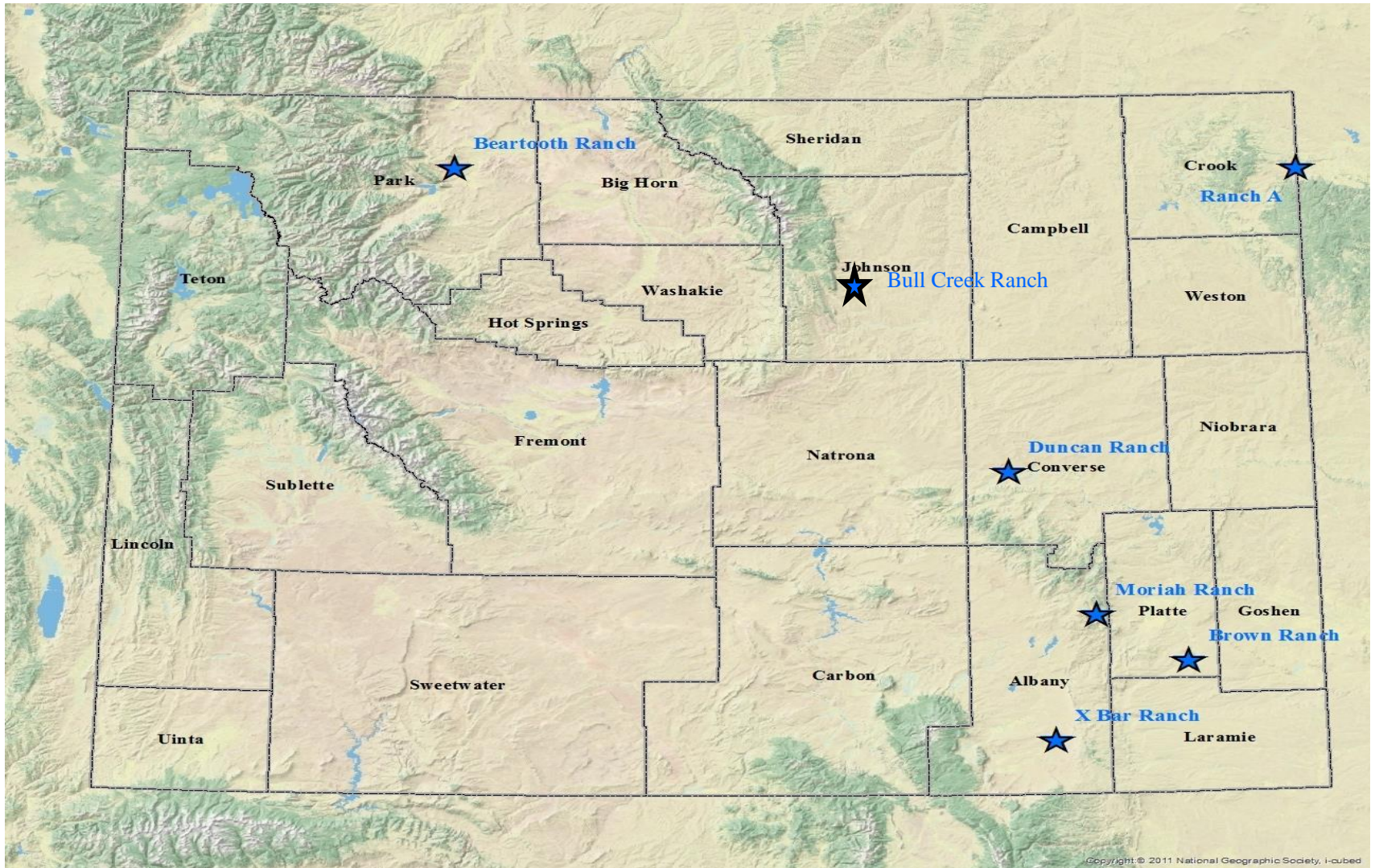


● Wyoming State Trust Lands



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● Board Managed Ranches



The “How”

- Grazing and Agricultural Leasing
- Easements
- Temporary Use Permits
- Special Use Leasing
- Land Sales, Exchanges, and Acquisitions
- Renewables Leasing
- Mineral Leasing
- Forest Product Sales

Always searching for opportunities for compatible uses



Trust Land Management Objectives

- When OSLI evaluates courses of action with State Trust Land OSLI follows what are known as Trust Land Management objectives.
 - A proposal need not meet all objectives.
 - The objectives are listed in order of decreasing priority (highest to lowest).



Trust Land Management Objectives

1. **Better meet the beneficiaries' short and/or long term objectives:**
 - a. Revenue-
 - Improve income generating potential
 - Alone or in combination with other state lands
 - Single or multiple uses
 - b. Investment Value-
 - Improve returns
 - Improve portfolio diversification
 - Improve appreciation potential
 - Improve intrinsic natural resource values (i.e. habitat, water)



Trust Land Management Objectives (cont.)

2. **Improve the manageability of the land asset:**
 - a. Consolidate ownership patterns
 - b. Leverage management resources of other agencies/entities

3. **Meet a specific school and/or community need:**
 - a. Improve stability
 - b. Provide growth opportunity
 - c. Improve access/recreational opportunity



Management Paradigm

State Trust Land



“Public” Land

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BLM/Forest Service

Optimize Revenue vs. Multiple Use & Sustained Yield



The Privilege to Use State Trust Lands for Recreation

Rules and Regulations of the Board of Land Commissioners

Chapter 13, Section 4

The Board extends to the public the privilege of using **legally accessible** state lands for **casual day uses**, unless otherwise closed by direction of the Board, on its own motion or upon the request of the surface lessee. This privilege shall only be allowed when it will not result in damage to the state land or the roads and improvements thereon. Organized, developed, or commercial recreation use of state trust lands is prohibited unless it occurs under the provisions of a special use lease issued under Chapter 5 or a temporary use permit under Chapter 14 of the Board's rules.



Recreation on State Lands

Recreational uses include hunting, fishing, and casual day recreation such as horseback riding, photography, hiking, wildlife observation, etc.

- Camping is not allowed
- Fires of any kind are not allowed
- Motorized vehicle use must be confined to established roads
- The Board may order closure of any parcel and failure to abide by the closure and other misuses of state lands are misdemeanors. Wyo. Stat. 36-2-107



State Trust Land Revenue



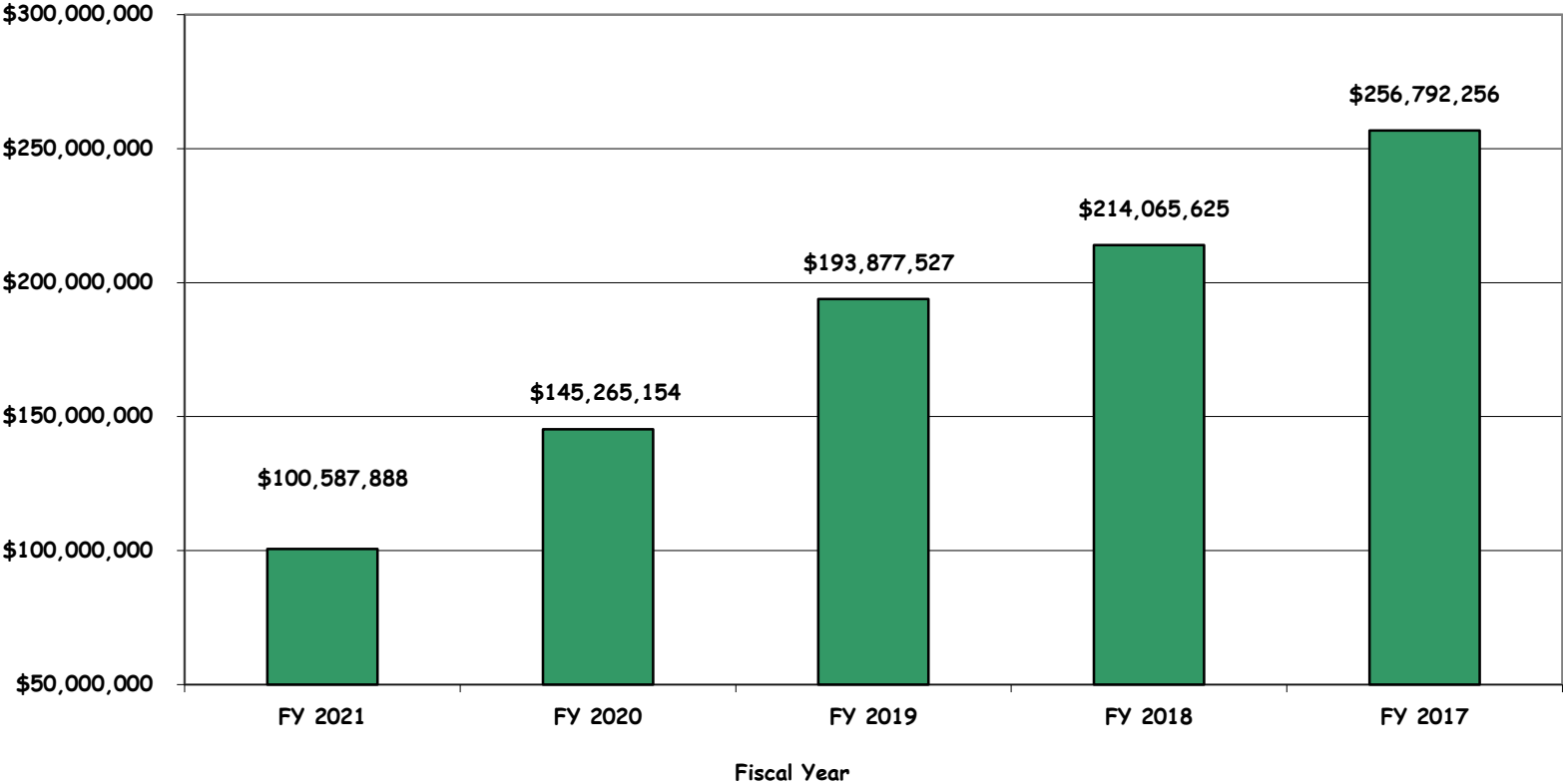
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Trust Land Earnings

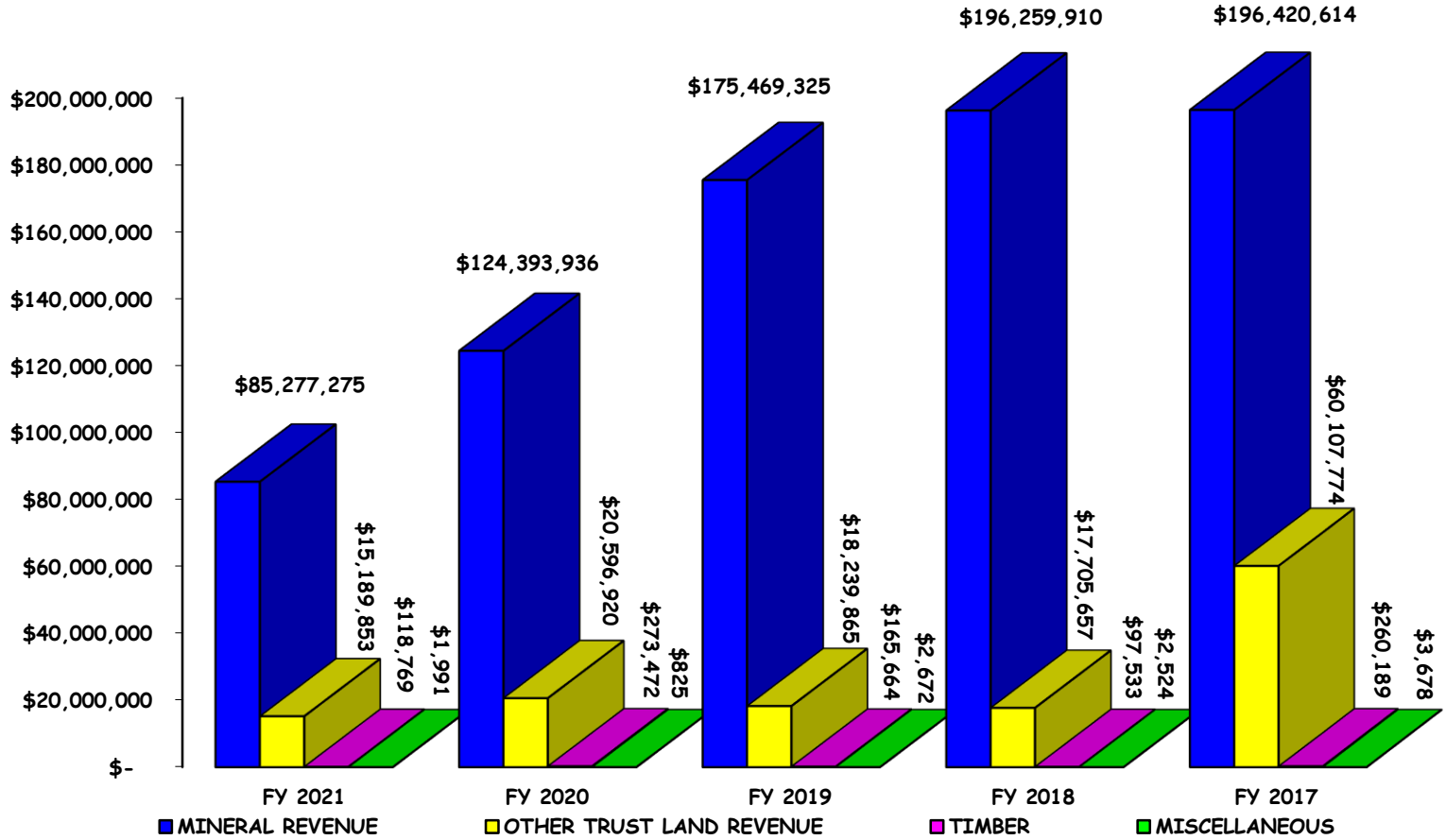
- 86% of state trust lands are classified as “Common School Trust Lands,” more commonly referred to as “State School Sections” and support K-12 education
- 14% of state trust lands generate revenues to support other state institutions such as UW and the Veterans Home
- Grazing is the most prevalent use on state trust lands with approximately 4,000 grazing leases covering over 98% of state trust land surface acreage. We rely on our grazing lessees to help us manage our surface acres.
- Mineral development generates the most income for the state trust land beneficiaries



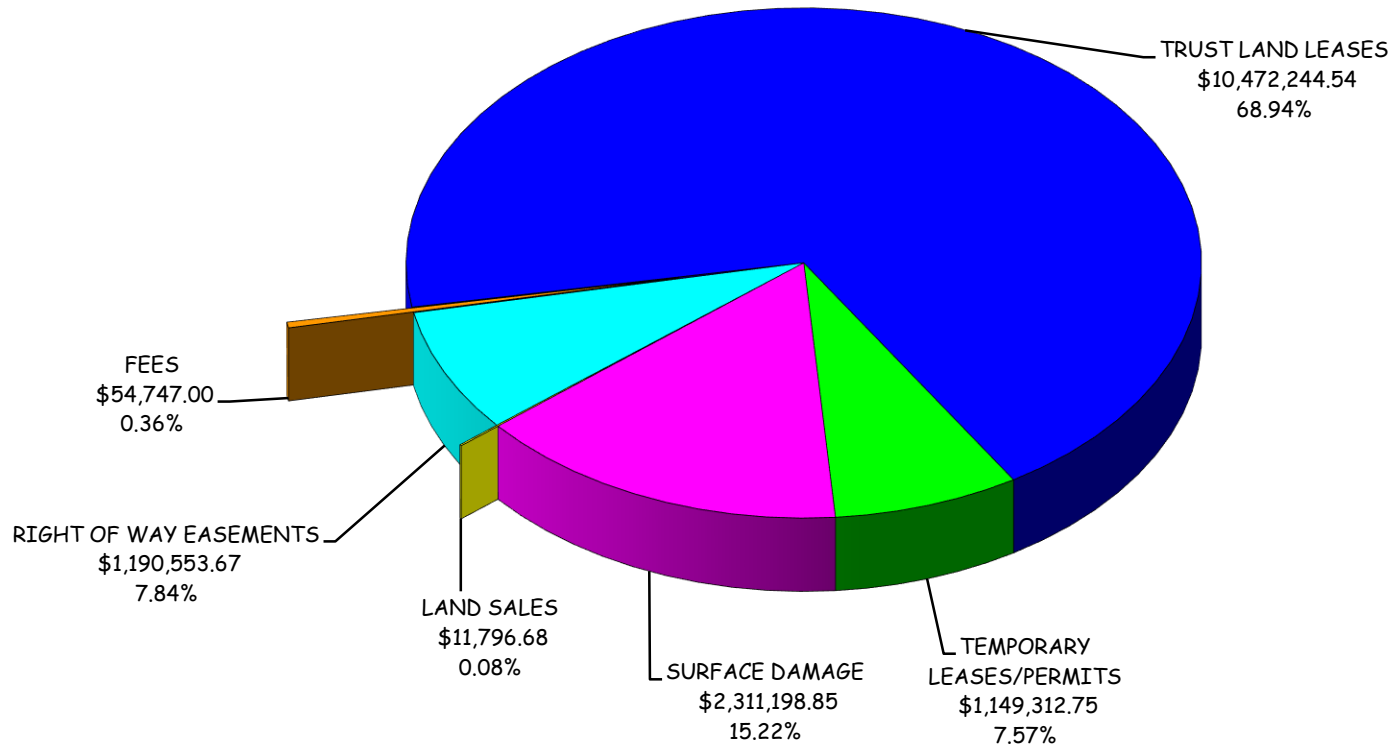
Five Year Trust Land Fiscal Year Revenue Summary



Fiscal Year Trust Land Revenue Summary by Category



Fiscal Year 2021 \$15,189,853 Other Trust Land Revenue



Wyoming OSLI Mineral Leasing

FY 21 Revenue

- \$100,587,888 Total Trust Land Revenue
- \$85,277,275 mineral revenue (85% of total)
- **\$64,462,737 oil and gas revenue** (75.5% of total)

8th highest

\$\$ spent per pupil nationwide

(\$1,384/pupil higher than US avg.)

<https://worldpopulationreview.com/state-rankings/per-pupil-spending-by-state>

Per Pupil Spending by State 2021



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Questions??



Thank You!



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