

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO.

Subleasing of state lands-exemptions.

Sponsored by: Joint Agriculture, State and Public Lands &  
Water Resources Interim Committee

A BILL

for

1 AN ACT relating to state lands; amending provisions and  
2 creating exemptions regarding the subleasing of state  
3 grazing lands; providing definitions; establishing a non-  
4 owned livestock fee; repealing obsolete provisions; and  
5 providing for an effective date.

6

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

8

9 **Section 1.** W.S. 36-5-105(d)(iii) and (iv) by creating  
10 new subparagraphs (D) and (E) is amended to read:

11

1           36-5-105. Criteria for leasing; preferences;  
2 assignments, subleases or contracts; lands taken for war  
3 purposes; mineral lands excepted; agricultural lands.

4  
5           (d) If the lessee of state lands shall assign,  
6 sublease or contract all or any part of the lease area, the  
7 lease shall be subject to cancellation unless the director  
8 approves the assignment, sublease or contract subject to  
9 criteria established by the board of land commissioners  
10 provided that:

11  
12           (iii) In no event shall the lands be subleased  
13 unless one-half (1/2) of the excess rental is paid to the  
14 state. For purposes of this paragraph, "excess rental"  
15 means the amount of money received from the sublease by the  
16 lessee is in excess of the current annual grazing and  
17 agricultural lease rental. "Excess rental" shall be  
18 calculated by identifying the total money received for only  
19 the use of leased or subleased state lands and subtracting  
20 the annual lease rental;

21  
22           (iv) A lessee of state lands whose lease  
23 authorizes grazing on the state lands shall not be required

1 to obtain the approval of the director to allow livestock  
2 the lessee does not own to graze on the state lands  
3 provided that:

4  
5 (D) Notice of the presence of livestock not  
6 owned by the lessee shall be given to the board on a form  
7 provided by the office of state lands and investments not  
8 more than thirty (30) days after the arrival of the  
9 livestock on the leased land;

10  
11 (E) In addition to the annual rental  
12 amount, the lessee shall pay a monthly fee per head of non-  
13 owned livestock which shall be established by the board and  
14 shall not exceed fifty percent (50%) of the annual animal  
15 unit month rental rate. The payment shall be made to the  
16 board not later than thirty (30) days after the removal of  
17 the non-owned livestock. For purposes of this subparagraph,  
18 "animal unit month" means as defined by W.S. 41-3-  
19 116(a)(ii).

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21 \*\*\*\*\*

22 \*\*\*\*\*

23 STAFF COMMENT  
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1 The Committee may wish to consider adding language to (E)  
2 above indicating how often the fee per head of non-owned  
3 livestock should be paid and when.

4  
5 The definition of animal unit month is as follows. The  
6 Committee may change this definition if necessary.

7  
8 **41-3-116. Permit for watering livestock on federal**  
9 **land.**

10  
11 (a) As used in this section:

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13 (ii) "Animal unit month" or "AUM" means the  
14 amount of forage needed to sustain one (1) cow and her  
15 calf, one (1) horse or five (5) sheep or goats for one (1)  
16 month;

17  
18 \*\*\*\*\*  
19 \*\*\*\*\*  
20

21 (k) If at any time a lessee of state lands and  
22 another person notify the office of state lands and  
23 investments that the lessee and the other person are  
24 grazing livestock on a state land lease where the common  
25 ownership of the livestock between the two (2) persons is  
26 greater than or equal to eighty percent (80%), a sublease  
27 and a non-owned livestock fee shall not be required.

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29 **Section 2.** W.S. 36-5-105(d)(iv)(A) through (C), (v)  
30 and (vi) are repealed.

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32 \*\*\*\*\*  
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## STAFF COMMENT

The repealed language is stricken in blue:

**36-5-105. Criteria for leasing; preferences; assignments, subleases or contracts; lands taken for war purposes; mineral lands excepted; agricultural lands.**

(d) If the lessee of state lands shall assign, sublease or contract all or any part of the lease area, the lease shall be subject to cancellation unless the director approves the assignment, sublease or contract subject to criteria established by the board of land commissioners provided that:

(iv) A lessee of state lands whose lease authorizes grazing on the state lands shall not be required to obtain the approval of the director to allow livestock the lessee does not own to graze on the state lands provided that:

~~(A) The ratio of owned to non-owned livestock grazed by the lessee does not exceed one to one (1:1) for more than two (2) years in any ten (10) year period;~~

~~(B) The lessee provides documentation on the lessee's grazing of non-owned livestock to the office of state lands and investments; and~~

~~(C) The lessee retains full management responsibility of the livestock that grazes on the state lands.~~

~~(v) Use of state lands as provided by paragraph (iv) of this subsection shall not be considered a sublease;~~

~~(vi) For purposes of paragraph (iv) of this subsection, "full management responsibility" includes all duties, obligations and liabilities as if the livestock were owned by the lessee.~~

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1       **Section 3.** This act is effective July 1, 2026.

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3 (END)