

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 18-0976.01 Ed DeCecco x4216

HOUSE BILL 18-1249

HOUSE SPONSORSHIP

Rankin, Hamner, Young

SENATE SPONSORSHIP

Lundberg, Lambert, Moreno

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REQUIREMENT THAT THE STATE TREASURER**
102 **DISTRIBUTE ANY FEDERAL FUNDS RELATED TO THE NAVAL OIL**
103 **SHALE RESERVE LAND TO SPECIFIED COUNTIES OR THEIR**
104 **FEDERAL MINERAL LEASE DISTRICTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. If the state receives any federal mineral lease revenue from oil and gas production on naval oil shale reserve land that was previously set aside and withheld by the federal government,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
March 16, 2018

then instead of depositing the money in the mineral leasing fund the state treasurer is required to distribute the money to the following counties or a related federal mineral lease district, if applicable:

- ! 40% to Garfield county;
- ! 40% to Rio Blanco county;
- ! 10% to Mesa county; and
- ! 10% to Moffat county.

The "Federal Mineral Lease District Act" is amended to permit these distributions to be made to a federal mineral lease district, if one exists, on behalf of a county.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-1303, **amend**
3 (3) as follows:

4 **30-20-1303. Definitions.** As used in this part 13, unless the
5 context otherwise requires:

6 (3) "Funding" means the direct distribution of ~~money~~ MONEY
7 from the local government mineral impact fund to counties as described
8 in section 34-63-102 (5.4)(c) ~~C.R.S.~~ OR A DISTRIBUTION TO THE COUNTY
9 IN ACCORDANCE WITH SECTION 34-63-104 (3).

10 **SECTION 2.** In Colorado Revised Statutes, 30-20-1304, **amend**
11 (4) as follows:

12 **30-20-1304. Power to create federal mineral lease districts.**
13 (4) No later than the first business day after the adoption of a resolution,
14 the county clerk and recorder shall transmit a certified copy of the
15 resolution to the executive director of the department of local affairs, who
16 shall, upon receipt of the certified copy of the resolution, allocate all
17 future funding directly to the district. THE STATE TREASURER SHALL
18 ALLOCATE ALL FUNDING IN ACCORDANCE WITH SECTION 34-63-104 (3)
19 DIRECTLY TO THE DISTRICT.

1 **SECTION 3.** In Colorado Revised Statutes, 34-63-104, **add** (3)
2 as follows:

3 **34-63-104. Special funds relating to oil shale lands - naval oil**
4 **shale reserves - distribution to local governments - legislative**
5 **declaration.** (3) (a) THE GENERAL ASSEMBLY HEREBY FINDS AND
6 DECLARES THAT:

7 (I) COLORADO IS THE LOCATION OF TWO FEDERAL NAVAL OIL
8 SHALE RESERVES (NOSR), NUMBERS 1 AND 3;

9 (II) CONGRESS PASSED THE FEDERAL "TRANSFER ACT", CODIFIED
10 AT 10 U.S.C. SEC. 7439, AS AMENDED, WHICH TRANSFERRED
11 ADMINISTRATIVE JURISDICTION OVER NOSR 1 AND 3 FROM THE UNITED
12 STATES SECRETARY OF ENERGY TO THE UNITED STATES SECRETARY OF
13 THE INTERIOR AND REQUIRES THE SECRETARY OF THE INTERIOR TO
14 MANAGE THE TRANSFERRED LANDS THROUGH THE FEDERAL BUREAU OF
15 LAND MANAGEMENT;

16 (III) THE FEDERAL "TRANSFER ACT" FURTHER SPECIFIED THAT
17 ROYALTIES COLLECTED FROM NOSR 1 AND 3 WOULD BE PLACED IN THE
18 UNITED STATES TREASURY AND NOT DISTRIBUTED TO THE STATE UNTIL
19 THERE WAS ENOUGH MONEY IN THE TREASURY TO REIMBURSE THE UNITED
20 STATES FOR PREVIOUS COSTS INCURRED RELATING TO THE TRANSFERRED
21 LANDS AND TO PROVIDE FOR CLEANUP OF THE ANVIL POINTS SITE AT
22 NOSR 3;

23 (IV) AS A RESULT, MORE THAN ONE HUNDRED THIRTEEN MILLION
24 DOLLARS WAS WITHHELD FROM DISTRIBUTION TO THE STATE FROM 1997
25 TO 2008, AND THIS AMOUNT FAR EXCEEDED THE AMOUNT NEEDED FOR THE
26 REIMBURSEMENT AND THE CLEANUP;

27 (V) APPROXIMATELY EIGHTY MILLION DOLLARS OF THESE FUNDS

1 HAS BEEN SPENT;

2 (VI) IT IS ANTICIPATED THAT A PORTION OF THE WITHHELD MONEY
3 MAY SOON BE DISBURSED TO THE STATE;

4 (VII) GARFIELD, RIO BLANCO, MESA, AND MOFFAT COUNTIES
5 MADE SIGNIFICANT EXPENDITURES TO ADDRESS THE IMPACTS OF THE
6 OPERATION OF THE ANVIL POINTS SITE AND THE MINERAL EXTRACTION
7 FROM WHICH THE WITHHELD MONEY WAS DERIVED, BUT HAVE NOT
8 RECEIVED ANY STATE OR FEDERAL MONEY AS REIMBURSEMENT; AND

9 (VIII) THE COUNTIES HAVE BEEN INSTRUMENTAL IN THE RELEASE
10 OF THE WITHHELD MONEY.

11 (b) IF THE STATE RECEIVES ANY MONEY IN ACCORDANCE WITH THE
12 FEDERAL "MINERAL LANDS LEASING ACT" OF FEBRUARY 25, 1920, AS
13 AMENDED, THAT WAS [REDACTED] SET ASIDE [REDACTED] PRIOR TO JANUARY 1, 2009, AND
14 WITHHELD BY THE FEDERAL GOVERNMENT IN ACCORDANCE WITH 10
15 U.S.C. SEC. 7439, AS AMENDED, THEN THE STATE TREASURER SHALL
16 DISTRIBUTE THE MONEY TO THE FOLLOWING COUNTIES OR RELATED
17 FEDERAL MINERAL LEASE DISTRICTS, IF APPLICABLE:

- 18 (I) FORTY PERCENT TO GARFIELD COUNTY;
- 19 (II) FORTY PERCENT TO RIO BLANCO COUNTY;
- 20 (III) TEN PERCENT TO MESA COUNTY; AND
- 21 (IV) TEN PERCENT TO MOFFAT COUNTY.

22 (c) THE STATE TREASURER SHALL CONSULT WITH THE
23 DEPARTMENT OF LOCAL AFFAIRS TO DETERMINE WHETHER A COUNTY
24 IDENTIFIED IN SUBSECTION (3)(b) OF THIS SECTION HAS CREATED A
25 FEDERAL MINERAL LEASE DISTRICT IN ACCORDANCE WITH THE "FEDERAL
26 MINERAL LEASE DISTRICT ACT", PART 13 OF ARTICLE 20 OF TITLE 30. IF
27 A COUNTY HAS CREATED A DISTRICT, THE STATE TREASURER SHALL

1 DISTRIBUTE ANY MONEY IN ACCORDANCE WITH SUBSECTION (3)(b) OF THIS
2 SECTION DIRECTLY TO THE DISTRICT.

3 **SECTION 4. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.