

BRINE SHRIMP ROYALTY AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stewart E. Barlow

Senate Sponsor: David P. Hinkins

LONG TITLE

General Description:

This bill modifies the Brine Shrimp Royalty Act by amending provisions relating to the brine shrimp royalty.

Highlighted Provisions:

This bill:

- ▶ reduces the royalty rate on the total number of pounds of unprocessed brine shrimp eggs that a person harvests within the state during a tax year;
- ▶ amends the distribution of the revenue generated by the brine shrimp royalty;
- ▶ requires revenue generated by the brine shrimp royalty that is deposited in the Sovereign Lands Management Account to be used for certain purposes; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2019:

- ▶ to the Department of Natural Resources -- Division of Forestry, Fire, and State Lands -- Project Management, as an ongoing appropriation:
 - from the General Fund Restricted -- Sovereign Lands Management, \$125,000.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-23-4, as last amended by Laws of Utah 2016, Chapter 135

29 **65A-5-1**, as last amended by Laws of Utah 2014, Chapter 313



31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **59-23-4** is amended to read:

33 **59-23-4. Brine shrimp royalty -- Royalty rate -- Commission to prepare billing**
34 **statement -- Deposit of revenue.**

35 (1) A person shall pay for each tax year a brine shrimp royalty of [~~3.75~~] 3.25 cents
36 multiplied by the total number of pounds of unprocessed brine shrimp eggs that the person
37 harvests within the state during the tax year.

38 (2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the
39 Department of Natural Resources the total number of pounds of unprocessed brine shrimp eggs
40 harvested by that person for that tax year on or before the February 15 immediately following
41 the last day of that tax year.

42 (b) The Department of Natural Resources shall provide the following information to
43 the commission on or before the March 1 immediately following the last day of a tax year:

44 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that tax
45 year; and

46 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:

47 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that
48 person for that tax year; and

49 (B) a current billing address for that person; and

50 (iii) any additional information required by the commission.

51 (c) (i) The commission shall prepare and mail a billing statement to each person that
52 harvested unprocessed brine shrimp eggs in a tax year by the March 30 immediately following
53 the last day of a tax year.

54 (ii) The billing statement under Subsection (2)(c)(i) shall specify:

55 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that

56 person for that tax year;

57 (B) the brine shrimp royalty that the person owes; and

58 (C) the date that the brine shrimp royalty payment is due as provided in Section

59 [59-23-5](#).

60 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
61 commission may make rules prescribing the information required under Subsection (2)(b)(iii).

62 (3) Revenue generated by the brine shrimp royalty shall be deposited [~~in the Species~~
63 ~~Protection Account created in Section [79-2-303](#);~~] as follows:

64 (a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in
65 the Sovereign Lands Management Account created in Section [65A-5-1](#); and

66 (b) the remainder of the revenue generated by the brine shrimp royalty shall be
67 deposited in the Species Protection Account created in Section [79-2-303](#).

68 Section 2. Section **65A-5-1** is amended to read:

69 **65A-5-1. Sovereign Lands Management Account -- Creation -- Contents --**
70 **Appropriation to fund division expenses.**

71 (1) There is created within the General Fund a restricted account known as the
72 Sovereign Lands Management Account.

73 (2) The account shall consist of the following:

74 (a) all revenues derived from sovereign lands;

75 (b) that portion of all revenues derived from mineral leases on other lands managed by
76 the division necessary to recover management costs; [~~and~~]

77 (c) any fees deposited by the division[~~;~~]; and

78 (d) amounts deposited into the account in accordance with Section [59-23-4](#).

79 (3) All expenditures of the division relating directly to the management of state lands
80 shall be funded by appropriation by the Legislature from the Sovereign Lands Management
81 Account or other sources.

82 (4) The Legislature may appropriate funds in the account to reimburse one or more

83 state government entities for money spent on the operation of national parks, national
84 monuments, national forests, and national recreation areas in the state during a fiscal
85 emergency, as defined in Section 79-4-1102.

86 (5) The division shall use the amount deposited into the account under Subsection
87 (2)(d) for the Great Salt Lake as described in Section 65A-10-8 as directed by the Great Salt
88 Lake Advisory Council created in Section 70-30-201.

89 Section 3. **Appropriation.**

90 The following sums of money are appropriated for the fiscal year beginning July 1,
91 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for
92 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
93 Act, the Legislature appropriates the following sums of money from the funds or accounts
94 indicated for the use and support of the government of the state of Utah.

95 ITEM 1

96 To Department of Natural Resources -- Division of Forestry, Fire, and
97 State Lands

98 From General Fund Restricted -- Sovereign Lands Management \$125,000

99 Schedule of Programs:

100 Project Management \$125,000

101 Section 4. **Effective date.**

102 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2018.

103 (2) The amendments to the following sections take effect on February 1, 2019:

104 (a) Section 59-23-4; and

105 (b) Section 65A-5-1.