## HOUSE BILL NO. HB0152

Industrial siting impact payments.

Sponsored by: Representative(s) Madden and Burkhart and Senator(s) Case and Nicholas, P.

## A BILL

for

- 1 AN ACT relating to impact assistance payments; revising
- 2 duties of the department of environmental quality and
- 3 industrial siting division as specified; revising how
- 4 impact assistance payment amounts are calculated; providing
- 5 rulemaking authority; repealing conflicting provisions;
- 6 providing applicability; providing an appropriation; and
- 7 providing for an effective date.

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9 Be It Enacted by the Legislature of the State of Wyoming:

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- 11 **Section 1.** W.S. 35-12-105(c), 39-15-111(c) and (d)(i)
- 12 and 39-16-111(d) and (e)(i) are amended to read:

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- 35-12-105. Appointment and duties of administrator;
- 15 staff; rules and regulations.

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2 (c) The director, administrator and the staff of the 3 division are authorized to the extent possible, at the 4 request of local governments, to provide technical assistance to local governments in the preparation of 5 6 anticipated impacts related to a proposed project consistent with W.S. 39-15-111(c) and (d) and 39-16-111(d)7 8 and (e) and negotiation of agreements with applicants as provided for in W.S. 35-12-107. and 35-12-113(a)(vi). 9

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## 11 **39-15-111.** Distribution.

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13 (c) If any person commences after the effective date 14 of this act to construct an industrial facility, as that term is defined in W.S. 35-12-102, under a permit issued 15 16 pursuant to W.S. 35-12-106, or if the federal or state government commences to construct any project within this 17 state with an estimated construction cost as specified in 18 19 the definition of industrial facility in W.S. 35-12-102 the 20 state treasurer department of revenue shall thereafter pay 21 to the county treasurer and the county treasurer will 22 distribute to the county, cities and towns of that county 23 in which the industrial facility or project is located,

impact assistance payments from the monies available under 1 2 paragraph (b)(i) of this section. Each payment to the 3 county treasurer shall be equal to the excess of each 4 monthly payment made under paragraph (b) (iii) of this 5 section during the period of construction over the base 6 period amount an amount determined by the industrial siting council under this subsection and shall continue during the 7 8 period of construction except that in the case of an 9 industrial facility or a federal or state government 10 project which is expected to continue in phases for an 11 indefinite period of time, the state treasurer department 12 of revenue shall discontinue payments under this section and establish a new base period when construction of any 13 14 phase has ceased or been substantially completed for twelve 15 consecutive months. The person constructing the (12)16 industrial facility and the counties affected by the construction of the industrial facility shall provide 17 18 evidence at the public hearing held pursuant to W.S. 19 35-12-110(f)(i) of the mitigated and unmitigated impacts 20 that the construction will have on the counties, cities and 21 towns determined by the industrial siting council to be 22 affected by the construction of the industrial facility. 23 The industrial siting council shall review the evidence of

the impacts and determine, applying a preponderance of 1 2 evidence standard, the dollar amount of the unmitigated 3 impacts. The council shall state, in the order issued under 4 W.S. 35-12-113(a), the total dollar amount of the impact assistance payment and the reasons for determining that 5 6 amount. The impact assistance payment shall be distributed by the department of revenue in an amount and on a schedule 7 8 determined by the council, based on evidence presented at 9 the hearing. Under no circumstances shall the impact 10 assistance payment exceed two and seventy-six hundredths percent (2.76%) of the total estimated material costs of 11 12 the facility, as those costs are determined by the council. 13 The impact assistance payments shall be distributed to the 14 county treasurer and the county treasurer will distribute 15 to the county and to the cities and towns therein based on 16 a ratio established by the industrial siting council during a public hearing held in accordance with W.S.  $\frac{35-12-110}{}$ 17 18 35-12-110(f)(i). The industrial siting council shall review 19 the distribution ratio for construction projects on a 20 regular basis and make appropriate adjustments. A governing 21 body which is primarily affected by the facility, or any person issued a permit pursuant to W.S. 35-12-106, 22 petition the industrial siting council for review 23 and

adjustment of the distribution ratio or the amount of the 1 2 impact assistance payment upon a showing of good cause. The 3 impact assistance payment shall be in addition to all other 4 distributions under this section, but no impact assistance 5 payment shall be made for any period in which the county or counties are not imposing at least a one percent (1%) tax 6 authorized by W.S. 39-15-204(a)(i) and 39-16-204(a)(i) or 7 8 at least a total of a two percent (2%) sales tax authorized 9 under W.S. 39-15-204(a)(i), (iii) and (vi) and at least a 10 total of a two percent (2%) use tax authorized under W.S. 11 39-16-204(a)(i), (ii) and (v). For purposes of 12 subsection, the industrial facility or federal or state 13 government project will be deemed to be located in the 14 county in which a majority of the construction costs will 15 be expended, provided that upon a request from the county 16 commissioners of any adjoining county to the industrial 17 siting council, the council may determine that the social and economic impacts from construction of the industrial 18 19 facility or federal or state government project upon the 20 adjoining county are significant and establish the ratio of 21 impacts between the counties and certify that ratio to the 22 state treasurer department of revenue who will thereafter 23 distribute the impact assistance payment to the counties

pursuant to that ratio. The industrial siting council shall 1 adopt rules as necessary to implement this subsection. 2 3 4 (d) As used in subsection (c) of this section: 5 (i) "Period of construction" begins at the 6 commencement of construction and ends when the physical 7 8 components of the industrial facility or federal or state government project are ninety percent (90%) complete, 9 10 provided, if payments are already being made under this 11 act, commencement of construction of another industrial 12 facility or federal or state government project will not be 13 considered for purposes of establishing a new base period 14 impact assistance payment amount or determining when payments will commence under this act, but will only be 15 16 considered for determining when the period of construction 17 ends; 18 19 39-16-111. Distribution. 20 21 (d) If any person commences after the effective date of this act to construct an industrial facility, as that 22 term is defined in W.S. 35-12-102, under a permit issued 23

pursuant to W.S. 35-12-106, or if the federal or state 1 2 government commences to construct any project within this 3 state with an estimated construction cost as specified in 4 the definition of industrial facility in W.S. 35-12-102 the state treasurer department of revenue shall thereafter pay 5 to the county treasurer and the county treasurer will 6 distribute to the county, cities and towns of that county 7 8 in which the industrial facility or project is located, 9 impact assistance payments from the monies available under 10 paragraph (b)(i) of this section. Each payment to the 11 county treasurer shall be equal to the excess of each 12 monthly payment made under paragraph (b) (iii) of this 13 section during the period of construction over the base 14 period amount an amount determined by the industrial siting 15 council under this subsection and shall continue during the 16 period of construction except that in the case of an 17 industrial facility or a federal or state government 18 project which is expected to continue in phases for an 19 indefinite period of time, the state treasurer department 20 of revenue shall discontinue payments under this section 21 and establish a new base period when construction of any 22 phase has ceased or been substantially completed for twelve 23 (12) consecutive months. The person constructing the

industrial facility and the counties affected by the 1 construction of the <u>industrial facility shall provide</u> 2 3 evidence at the public hearing held pursuant to W.S. 4 35-12-110(f)(i) of the mitigated and unmitigated impacts 5 that the construction will have on the counties, cities and 6 towns determined by the industrial siting council to be affected by the construction of the industrial facility. 7 The industrial siting council shall review the evidence of 8 9 the impacts and determine, applying a preponderance of 10 evidence standard, the dollar amount of the unmitigated 11 impacts. The council shall state, in the order issued under 12 W.S. 35-12-113(a), the total dollar amount of the impact 13 assistance payment and the reasons for determining that 14 amount. The impact assistance payment shall be distributed by the department of revenue in an amount and on a schedule 15 16 determined by the council, based on evidence presented at 17 the hearing. Under no circumstances shall the impact 18 assistance payment exceed two and seventy-six hundredths percent (2.76%) of the total estimated material costs of 19 20 the facility, as those costs are determined by the council. 21 The impact assistance payments shall be distributed to the county treasurer and the county treasurer will distribute 22 23 to the county and to the cities and towns therein based on

a ratio established by the industrial siting council during 1 2 a public hearing held in accordance with W.S. 35-12-110 3 35-12-110(f)(i). The industrial siting council shall 4 review the distribution ratio for construction projects on 5 a regular basis and make appropriate adjustments. A 6 governing body which is primarily affected by the facility, or any person issued a permit pursuant to W.S. 35-12-106, 7 8 may petition the industrial siting council for review and 9 adjustment of the distribution ratio or the amount of the 10 impact assistance payment upon a showing of good cause. 11 The impact assistance payment shall be in addition to all 12 other distributions under this section, but no impact 13 assistance payment shall be made for any period in which 14 the county or counties are not imposing at least a one 15 percent (1%) tax authorized by W.S. 39-15-204(a)(i) and 16 39-16-204(a)(i) or at least a total of a two percent (2%) sales tax authorized under W.S. 39-15-204(a)(i), (iii) and 17 (vi) and at least a total of a two percent (2%) use tax 18 19 authorized under W.S. 39-16-204(a)(i), (ii) and (v). For 20 purposes of this subsection, the industrial facility or 21 federal or state government project will be deemed to be located in the county in which a majority of the 22 23 construction costs will be expended, provided that upon a

request from the county commissioners of an adjoining 1 2 county to the industrial siting council, the council may 3 determine that the social and economic impacts from 4 construction of the industrial facility or federal or state 5 government project upon the adjoining county significant and establish the ratio of impacts between the 6 counties and certify that ratio to the state treasurer 7 8 department of revenue who will thereafter distribute the 9 impact assistance payment to the counties pursuant to that 10 ratio. The industrial siting council shall adopt rules as 11 necessary to implement this subsection.

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(e) As used in subsection (d) of this section:

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(i) "Period of construction" begins at the commencement of construction and ends when the physical components of the industrial facility or federal or state government project are ninety percent (90%) complete, and provided, if payments are already being made under this act, commencement of construction of another industrial facility or federal or state government project will not be considered for purposes of establishing a new base period impact assistance payment amount or determining when

- 1 payments will commence under this act, but will only be
- 2 considered for determining when the period of construction
- 3 ends;

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- 5 **Section 2.** W.S. 39-15-111(d)(ii) and 39-16-111(e)(ii)
- 6 are repealed.

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- 8 Section 3. This act shall only apply to permits submitted
- 9 to the council on or after the effective date of this act.
- 10 The impact assistance payment for industrial facilities
- 11 which are not subject to this act shall be determined on
- 12 the basis of the law as it existed prior to the adoption of
- 13 this act.

- 15 **Section 4.** There is appropriated forty thousand dollars
- 16 (\$40,000.00) from the general fund to the department of
- 17 environmental quality, industrial siting division to
- 18 contract with a consultant for the purpose of assisting
- 19 with the timely development of the criteria to be used by
- 20 the industrial siting council in making impact assistance
- 21 decisions pursuant to this act. This is a one-time
- 22 appropriation and shall not be included in the department's
- 23 2017-2018 standard budget request.

Section 5. This act is effective July 1, 2015.

(END)