

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Mahony**

A Bill

HOUSE BILL 1565

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE §§ 22-5-802, 22-5-804, 22-
9 5-809 AND 22-5-812 TO EXEMPT THE ARKANSAS GAME AND FISH
10 COMMISSION FROM THE PROVISIONS OF ARKANSAS CODE §§ 22-5-
11 801 THROUGH 22-5-813 WITH RESPECT TO GAME AND FISH LANDS,
12 TO REQUIRE THE GAME AND FISH COMMISSION TO LEASE THEIR
13 LANDS AND ISSUE PERMITS FOR TAKING THE MINERALS UNDER THE
14 SAME PROCEDURES AS PRESCRIBED FOR THE NATURAL RESOURCES
15 COMMITTEE, TO INSURE ANY REVENUES DERIVED FROM MINERAL
16 RIGHTS SHALL ACCRUE TO THE GAME AND FISH COMMISSION, AND
17 TO REQUIRE THE GAME AND FISH COMMISSION TO PROMULGATE
18 RULES AND REGULATIONS TO SET UP LEASING AND PERMITTING
19 PROCEDURES FOR MINERAL RIGHTS LIKE THOSE OF THE NATURAL
20 RESOURCES COMMITTEE; AND FOR OTHER PURPOSES."

21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23

24 SECTION 1. Arkansas Code §§ 22-5-802 is hereby amended to read as
25 follows:

26 "22-5-802. Leases and permits - Exemptions for state agencies.

27 (a) The provisions of this section and §§ 22-5-801 and 22-5-803 - 22-5-
28 813 shall not be applicable to the severance, sale, or other disposition of
29 sand, gravel, timber, or minerals salvaged, severed, or removed by a state
30 agency from lands held in the name of or managed by the agency if the sand,
31 gravel, timber, or minerals are salvaged, severed, or removed in the course of
32 managing, developing, and improving the lands by the state agency. This
33 exemption shall not apply to sales for commercial purposes.

34 (b) Any state agency, department, or institution or any county,
35 municipality, or other division of government desiring to sever or take any

1 sand, gravel, timber, or minerals from any lands held in the name of or
2 managed by the state or a state agency or from the beds and bars of rivers in
3 this state, other than lands held in the name of or managed by the agency or
4 division of government so desiring, shall obtain a permit to do so from the
5 Department of Finance and Administration but shall not be required to comply
6 with the bid procedures contained in §§ 22-5-801 - 22-5-813 or to pay any fee,
7 royalty, or taxes otherwise required by §§ 22-5-801 - 22-5-813.

8 (c) The provisions of this section and §§ 22-5-801 and 22-5-803 - 22-5-
9 813 relating to the authority to lease and permit lands held in the name of or
10 managed by the Arkansas Game and Fish Commission shall not be applicable to
11 the lands of that agency. The Arkansas Game and Fish Commission shall retain
12 control over the procedures for awarding and shall retain the authority over
13 the issuance of leases for the mineral rights and of permits for the rights to
14 produce and sever minerals from lands held in their name or managed by them.
15 Provided, that the Game and Fish Commission shall use the same requirements,
16 procedures, standards, and methods required under Arkansas Code §§ 22-5-801
17 through 22-5-813 for other state agencies to lease mineral rights and to issue
18 permits to produce and sever minerals."

19

20 SECTION 2. Arkansas Code § 22-5-804 is hereby amended to read as
21 follows:

22 "22-5-804. Leases and permits - Natural Resources Committee.

23 (a) The Natural Resources Committee created by this section shall be
24 composed of the Director of the Department of Finance and Administration or
25 his designee, the Director of the Oil and Gas Commission, the State Geologist,
26 the State Forester, the Director of the Arkansas Soil and Water Conservation
27 Commission, the Commissioner of State Lands, the Director of the Arkansas
28 State Game and Fish Commission, the Director of the Department of Parks and
29 Tourism or his designee, the Director of the Arkansas Department of Pollution
30 Control and Ecology, and the Director of the Arkansas Natural Heritage
31 Commission.

32 (b) The chairman of the committee shall be appointed by the Governor
33 from among the committee members and shall serve as chairman at the pleasure
34 of the Governor.

35 (c) The committee shall establish a schedule of minimum fees and

1 royalties, as well as the terms and conditions for various types of permits
2 and leases. No permit or lease shall be granted for less than the minimums
3 prescribed in the schedule.

4 (d) The committee shall prescribe the permit and lease forms and shall
5 have the authority to change the schedule of minimum fees and royalties and
6 the terms of permits and leases.

7 (e) The Arkansas Game and Fish Commission shall have the authority for
8 all lands held in the name of and managed by their agency;

9 (1) to establish a schedule of minimum fees and royalties, as
10 well as the terms and conditions for various types of permits and leases for
11 Game and Fish lands;

12 (2) to take bids on and to award the leases and permits to
13 produce or sever minerals from those lands and to set up application
14 procedures and fees for those leases and permits;

15 (3) to set the length of time for leases or permits to expire and
16 the terms and conditions for their transfer or renewal;

17 (4) to set the minimum fees and royalties for leases and permits
18 and to insure that severance taxes on minerals from such leases or permits are
19 paid to the proper agencies; and

20 (5) shall have such other duties, responsibilities, and authority
21 required for the issuance of mineral leases and permits under Arkansas Code §§
22 22-5-801 through 22-5-812 for other state lands."

23

24 SECTION 3. Subsection (c) of Arkansas Code § 22-5-809 is hereby amended
25 to read as follows:

26 "(c) (1) Except for application and bid fees, all funds received by the
27 Department of Finance and Administration as fees, compensation, or royalties
28 for leases or permits issued for the taking of any sand, gravel, minerals, or
29 timber for lands owned or held in the name of a state agency or institution
30 shall be special revenues and shall be deposited in the State Treasury and
31 credited to the fund or account from which the agency or institution receives
32 its support.

33 (2) Except for application and bid fees, all funds received by
34 the department for leases or permits for the taking of any sand, gravel,
35 minerals, or timber from all other state-owned lands shall be deposited in the

1 State Treasury as general revenues.

2 (3) All funds received by the Game and Fish Commission as fees,
3 compensation, or royalties, including any application or bid fees, for leases
4 or permits issued for the taking of any minerals for lands held in the name of
5 the Game and Fish Commission shall be special revenues and shall be deposited
6 in the State Treasury and credited to the Game Protection Fund for the use of
7 the Commission."

8

9 SECTION 4. Arkansas Code § 22-5-812 is hereby amended to read as
10 follows:

11 "22-5-812. Leases and permits - Rules and regulations.

12 (a) The Department of Finance and Administration shall promulgate any
13 rules and regulations which may be deemed necessary to carry out the
14 provisions of this section and §§ 22-5-801 - 22-5-811 and 22-5-813.

15 (b) The Department of Finance and Administration shall include in the
16 rules and regulations all grounds and conditions for the revocation or
17 termination of any lease or permit issued under this section and §§ 22-5-801 -
18 22-5-811 and 22-5-813 and shall provide for reasonable notice to the lessee or
19 permittee of an opportunity to be heard prior to terminating or revoking any
20 lease or permit.

21 (c) The Arkansas Game and Fish Commission shall promulgate rules and
22 regulations necessary to lease mineral rights and to issue permits to produce
23 and sever minerals on Game and Fish Commission lands in conformity with the
24 requirements, procedures, standards, and methods as provided in §§22-5-801
25 through 22-5-813."

26

27 SECTION 5. All provisions of this act of a general and permanent nature
28 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
29 Revision Commission shall incorporate the same in the Code.

30

31 SECTION 6. If any provision of this act or the application thereof to
32 any person or circumstance is held invalid, such invalidity shall not affect
33 other provisions or applications of the act which can be given effect without
34 the invalid provision or application, and to this end the provisions of this
35 act are declared to be severable.

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

SECTION 7. All laws and parts of laws in conflict with this act are hereby repealed.

/s/ J. Mahony