

## **Freudenthal critical of mineral royalties distribution change**

**By The Associated Press**

CHEYENNE - A change in federal mineral royalties distribution will hurt the state budget including education funding, Gov. Dave Freudenthal said.

President Bush last week signed a spending bill that increases the federal share of mineral royalties from 50 to 52 percent while decreasing the state's share from 50 to 48 percent.

Wyoming received \$927 million from mineral royalties last fiscal year, more than any other state. Officials estimate that Wyoming will lose \$18 million to \$20 million a year under the change.

Freudenthal said Wyoming's congressional delegation in the 1970s worked hard to create the 50-50 split. Previously the state received 37 percent.

"We're quietly watching the erosion of it," Freudenthal said Wednesday.

Freudenthal said the state budget remains solid enough that the reduction this year probably won't be noticeable. But he said the reduction could eventually affect things like education.

In the meantime, he said the state is seeking clarification whether the change would apply to 50-50 federal-state split of coal lease bonuses - money that coal companies pay to the federal government when they secure mining leases.

Sens. Mike Enzi and John Barrasso, both R-Wyo., voted against the spending bill and said they would try to restore the 50-50 split.

Federal officials have said the change is needed to make up for administrative costs.