

SENATE FILE NO. SF0146

Sanitation infrastructure revolving account.

Sponsored by: Senator(s) Meier and Sessions and Representative(s) Latta and Reese

A BILL

for

1 AN ACT relating to administration of government;
2 establishing a loan program to provide for public sewer
3 systems; providing for administration; establishing
4 criteria for eligibility; providing an appropriation; and
5 providing for an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

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9 **Section 1.** W.S. 16-1-401 and 16-1-402 are created to
10 read:

11

12 ARTICLE 4

13 SANITATION INFRASTRUCTURE REVOLVING ACCOUNT

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15 **16-1-401. Definitions.**

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1 (a) As used in this article:

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3 (i) "Account" means the state sanitation
4 infrastructure revolving account created by W.S. 16-1-402;

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6 (ii) "Affordable residential property" means
7 residential property at or below an assessed value
8 calculated as follows:

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10 (A) Determine twenty-nine percent (29%) of
11 the gross monthly income based on the average gross annual
12 wage in the state;

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14 (B) Using the interest rate and terms for a
15 loan of thirty (30) years at a fixed rate and terms then
16 available from the Wyoming Community Development Authority,
17 for a single family home, calculate the maximum loan the
18 amount determined under subparagraph (A) of this paragraph
19 would support;

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21 (C) Adjust the amount determined under
22 subparagraphs (A) and (B) of this paragraph annually, using
23 the amounts determined as of December 31, for the prior
24 year;

1 (D) The maximum loan amount determined and
2 adjusted as provided in this paragraph shall be the maximum
3 assessed value of property to qualify as affordable
4 residential property.

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6 (iii) "Board" means the state loan and
7 investment board to include the office of state lands and
8 investments;

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10 (iv) "Eligible public entity" means any city or
11 town;

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13 (v) "Qualifying property" means affordable
14 residential property which;

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16 (A) Is within an area annexed to a city or
17 town after January 1, 2003; or

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19 (B) Is within a developed area in which all
20 residential property was initially constructed after
21 January 1, 2003.

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23 **16-1-402. Account established; account**
24 **administration.**

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2 (a) There is hereby established a state funded
3 sanitation infrastructure revolving account to be
4 administered by the office of state lands and investments
5 subject to direction of the state loan and investment
6 board. The account shall provide loans to qualifying
7 eligible public entities, to be used to pay for the cost of
8 providing main line sewerage system service from the
9 boundaries of the city or town to the boundaries of
10 qualifying property. The interest on these loans shall not
11 exceed four percent (4%). The funds from the revolving
12 account shall be distributed by the board in four (4)
13 separate quarters each fiscal year. The board shall
14 prioritize applications received each quarter in the
15 following order:

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17 (i) The application with the lowest average
18 assessed value of qualifying property shall receive
19 priority if the average is ten percent (10%) or more lower
20 than the application with the next lowest average assessed
21 value. If the application being considered does not have
22 an average assessed value which is at least ten percent
23 (10%) less than any other application being considered the
24 board shall consider the following factors:

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(A) Any critical environmental factors affecting the qualifying properties; and

(B) The loan's ability to provide economic diversity within the state.

(b) Any amount not loaned in any quarter shall be available for loans in the next quarter. Any unexpended balance in the account shall be invested by the state treasurer and the investment proceeds, including the interest earned, shall be credited to the account.

(c) The state loan and investment board may charge the eligible public entity a one (1) time one percent (1%) administration fee of the amount of the loan made.

(d) The application shall meet requirements of rules promulgated by the board, which shall at a minimum require the identification of each qualifying property, and the estimated cost of providing sewerage system service to the property.

1 (e) Loan amounts shall not exceed the estimated cost
2 of the project that includes the installation of a main
3 line sewer system from the boundary of the city to the
4 boundary of the qualifying property. Loans approved by the
5 state loan and investment board shall be payable to the
6 eligible public entity from the account and shall be used
7 by the eligible public entity only for purposes of the
8 approved project. Any loan funds not expended by the
9 eligible public entity shall be paid to the state treasurer
10 within one hundred twenty (120) days after completion of
11 the project as partial repayment for deposit to the
12 account.

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14 (f) Loan repayment proceeds shall be deposited in the
15 sanitation infrastructure revolving account for purposes of
16 this act.

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18 (g) The state loan and investment board is authorized
19 to adopt rules to implement this article.

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21 **Section 2.** W.S. 9-4-701 by creating a new subsection
22 (s) is amended to read:

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1 **9-4-701. Permissible investments; treasurer's rules**
2 **and regulations.**

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4 (s) The limitation on legislatively designated
5 investments under W.S. 9-4-712 applies to this investment.
6 The state treasurer is authorized to invest and keep
7 invested not to exceed thirty million dollars
8 (\$30,000,000.00) from the Wyoming permanent mineral trust
9 fund to provide loans authorized under 16-1-402.

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11 **Section 3.** This act is effective July 1, 2005.

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(END)