

WORKING DRAFT

HOUSE BILL NO. _____

Wyoming Grant Assistance Program.

Sponsored by: Joint Minerals, Business and Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to economic development; creating a grant
2 assistance program; specifying criteria for the program;
3 providing for administration; and providing for an
4 effective date.

5

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

7

8 **Section 1.** W.S. 9-12-901 through 9-12-905 are created
9 to read:

10

11

ARTICLE 9

12

WYOMING GRANT ASSISTANCE PROGRAM

13

14

9-12-901. Definitions.

15

1 (a) As used in this article:

2

3 (i) "Economic development account" means as
4 defined by W.S. 9-12-301(a)(iii);

5

6 (ii) "Grant assistance program" means the
7 provision of financing for that portion of the interim
8 period between the legal notification date of an award of a
9 federal or state government grant and the actual date of
10 receipt of the funding from the federal or state government
11 grant.

12

13 **9-12-902. Wyoming grant assistance program; created;**
14 **administration of account.**

15

16 (a) There is established a "Wyoming grant assistance
17 account" within the economic development account to provide
18 loans under this article.

19

20 (b) The council shall establish and administer a
21 Wyoming grant assistance program. The program shall
22 provide for loans to any Wyoming entity, public or private,
23 needing financial assistance to cover the period of time
24 between receiving notification the entity will receive a

1 state or federal grant and the time when the entity
2 actually receives the state or federal grant funds.

3

4 (c) The council shall establish all fees and interest
5 rates to be charged for each grant assistance loan. The
6 interest rate for loans made under the grant assistance
7 program shall be not less than four percent (4%) per annum.
8 Principal, fees and interest on grant assistance loans
9 shall be paid completely during the loan period and
10 deposited into the Wyoming grant assistance account which
11 is continuously appropriated to the council to be expended
12 solely for the purpose of providing loans under this
13 article.

14

15 (d) The total principal balance of outstanding loans
16 shall not exceed the amounts appropriated by the
17 legislature plus interest accrued and collected less any
18 losses of loan principal or interest.

19

20 **9-12-903. Actions on loan applications.**

21

22 (a) Any Wyoming entity, public or private, may submit
23 an application to the council for a grant assistance loan
24 as defined in W.S. 9-12-901(a)(ii).

1

2 (b) The council shall prescribe the form and contents
3 of the application.

4

5 (c) The council shall review each application and
6 make a determination of eligibility for the grant
7 assistance loan as soon as practical.

8

9 (d) The council shall structure any grant assistance
10 loan so all loans, including principal, fees and interest,
11 shall be repaid beginning immediately upon the entity
12 receiving the state or federal government grant funds, with
13 complete repayment, including interest, during the term of
14 the grant.

15

16 **9-12-904. Criteria for loans.**

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18 (a) Loans shall be made under this article only if:

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20 (i) There are sufficient funds in the grant
21 assistance account to fully fund it and all other
22 outstanding commitments and loans;

23

1 (ii) The loan is adequately collateralized or
2 risks are sufficiently mitigated. The adequacy of the
3 collateral policy shall be determined by the council.

4
5 **9-12-905. Audit; report.**

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7 (a) The director of the state department of audit or
8 his designee shall annually examine the grant assistance
9 program created under this article and submit his report of
10 examination to the governor, the legislature and the
11 council. This examination shall include a financial and
12 compliance audit of the council's operations, and any
13 financial audit of borrowers under this article as the
14 examiner deems appropriate. As a condition of any loan
15 under this article, the borrower shall agree to allow the
16 examiner to examine its books and records. The examiner
17 shall treat all proprietary information received in the
18 course of the examination or audit as confidential.

19
20 (b) On or before July 15 of each year, the council
21 shall submit a written report to the joint minerals,
22 business and economic development interim committee,
23 presenting a portfolio of loans made under this grant
24 assistance program and presenting a risk analysis of the

1 portfolio of loans prepared by the state banking
2 commissioner. The report, portfolio of loans and risk
3 analysis required under this subsection shall be public
4 records. The risk analysis prepared by the state banking
5 commissioner shall not be subject to the limitations of
6 W.S. 9-1-512.

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8 **Section 2.** W.S. 9-12-121(a) by creating a new
9 paragraph (v) and 9-12-307 are amended to read:

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11 **9-12-112. Annual report and budget.**

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13 (a) The council shall submit an annual report in the
14 manner provided by W.S. 9-2-1014 and using the benchmarks
15 prescribed in this act. In addition to the requirements of
16 W.S. 9-2-1014, included within the annual report shall be:

17

18 (v) A summary of the total investments made by
19 the council under the Wyoming grant assistance program,
20 article 9 of this chapter, including:

21

22 (A) The name of each borrower and the
23 amount of each loan;

24

1 (B) An evaluation of the loan success in
2 economic development using appropriate performance
3 indicators as identified by the council;

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5 (C) The cost of the loan program.

6

7 **9-12-307. Penalty.**

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9 Any person who knowingly makes a false statement to the
10 council in connection with an application under this
11 article or ~~who violates W.S. 9-12-302(e)~~ article 9 of this
12 chapter is guilty of a felony punishable by imprisonment
13 for not more than two (2) years, a fine of not more than
14 two thousand dollars (\$2,000.00), or both.

15

16 **Section 3.** This act is effective immediately upon
17 completion of all acts necessary for a bill to become law
18 as provided by Article 4, Section 8 of the Wyoming
19 Constitution.

20

21

(END)