

HOUSE BILL NO. HB0167

Education legislative stabilization reserve account.

Sponsored by: Representative(s) Harshman, Hammons,
Hinckley, Powers and Wasserburger and
Senator(s) Jennings and Nicholas

A BILL

for

1 AN ACT relating to public funds; providing for an education
2 legislative stabilization reserve account; providing
3 limitations on appropriations from the account; providing
4 for investment of funds; specifying intent; providing for
5 funding of the account; limiting funds within the school
6 foundation program account; and providing for an effective
7 date.

8

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

10

11 **Section 1.** W.S. 9-4-219 is created to read:

12

13 **9-4-219. Education legislative stabilization reserve**
14 **account created; funding; investments; excess funds.**

15

16 (a) There is created an education legislative

1 stabilization reserve account. Funds within this reserve
2 account shall not be expended except upon a two-thirds
3 (2/3) vote of each house of the legislature voting
4 separately. This education legislative stabilization
5 reserve account is created in anticipation of the passage
6 of 2006 House Joint Resolution 1, authorizing the creation
7 of state legislative stabilization reserve accounts and
8 restricting appropriations from the reserve accounts
9 created pursuant to Article 16, Section 14 of the Wyoming
10 Constitution. Funds within the education legislative
11 stabilization reserve account created by this act shall not
12 be appropriated until the results of the 2006 general
13 election have been certified. If the Constitutional
14 amendment proposed by 2006 House Joint Resolution 1 is
15 approved by the electors the education legislative
16 stabilization reserve account created by this act shall be
17 designated as an account created pursuant to Wyoming
18 Constitution, Article 16, Section 14, and the account shall
19 be restricted as provided in Article 16, Section 14. Funds
20 within the account shall be invested by the state treasurer
21 as authorized under W.S. 9-4-711 in a manner to obtain the
22 highest return possible consistent with the preservation of
23 the corpus. If the electors approve 2006 House Joint
24 Resolution 1, monies within the account shall be considered

1 permanent funds of the state for purposes of Article 16,
2 Section 6 of the Wyoming Constitution. Any earnings from
3 investment of monies in the education legislative
4 stabilization reserve account shall be credited by the
5 state treasurer to the account.

6
7 (b) The education legislative stabilization reserve
8 account shall be funded as provided by W.S. 9-4-601(d)(vi)
9 and shall also include any additional appropriation
10 provided by law. If the education legislative
11 stabilization reserve account balance exceeds one billion
12 dollars (\$1,000,000,000.00) on June 30, in any fiscal year,
13 funds then in excess of that amount shall be credited by
14 the state treasurer to the common school permanent land
15 fund account.

16
17 **Section 2.** W.S. 9-4-601(d)(iii), (iv), (v)(C) and by
18 creating a new paragraph (vi) is amended to read:

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20 **9-4-601. Distribution and use; funds, accounts,**
21 **cities and towns benefited; exception for bonus payments.**
22

23 (d) Any revenue received under subsection (a) of this
24 section in excess of two hundred million dollars

1 (\$200,000,000.00) shall be distributed as follows:

2

3 (iii) Subject to ~~paragraph~~paragraphs (v) and
4 (vi) of this subsection, one-third (1/3) to the school
5 foundation program account;

6

7 (iv) Two-thirds (2/3) to the budget reserve
8 account;~~and~~

9

10 (v) From the amounts which would otherwise be
11 distributed to the school foundation program account under
12 paragraph (iii) of this subsection, amounts shall be
13 deposited to the higher education endowment account and the
14 student scholarship endowment account created by W.S.
15 21-16-1201 in accordance with and subject to the
16 requirements of this paragraph. The amounts specified in
17 this paragraph shall be reduced as the state treasurer
18 determines necessary to ensure that as of July 1 of each
19 fiscal year, there is an unobligated, unencumbered balance
20 of one hundred million dollars (\$100,000,000.00) within the
21 school foundation program account. Distributions under
22 this paragraph shall be as follows:

23

24 (C) After the amounts specified in

1 subparagraphs (A) and (B) of this paragraph are deposited
2 to the appropriate account, remaining funds shall be
3 deposited to the ~~school foundation program account~~
4 education legislative stabilization reserve account as
5 provided in paragraph ~~(iii)~~ (vi) of this subsection.

6
7 (vi) From the amounts which would otherwise be
8 distributed to the school foundation program account under
9 paragraph (iii) of this subsection and after making
10 distributions pursuant to paragraph (v) of this subsection,
11 amounts shall be deposited to the education legislative
12 stabilization reserve account created by W.S. 9-4-219 in
13 accordance with and subject to the requirements of this
14 paragraph. The amounts specified in this paragraph shall
15 be reduced as the state treasurer determines necessary to
16 ensure that as of July 1 of each fiscal year, there is an
17 unobligated, unencumbered balance of one hundred million
18 dollars (\$100,000,000.00) within the school foundation
19 program account.

20
21 **Section 3.** This act is effective July 1, 2006.

22
23 (END)