HOUSE BILL NO. HB0278

School capital construction reserve account.

Sponsored by: Representative(s) Harshman, Jorgensen, McOmie and Quarberg and Senator(s) Coe, Job and Nicholas

A BILL

for

AN ACT relating to federal mineral royalties; establishing the school capital construction reserve account; specifying purpose and disposition of amounts within account; redistributing federal mineral royalties; specifying application; and providing for an effective date.

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

Section 1. W.S. 21-15-122 is created to read:

21-15-122. School capital construction account created; disposition of account funds.

(a) There is created school capital construction reserve account to ensure sufficient funds are available in periods of declining revenues for distributions to school districts from the school capital construction account for purposes specified under W.S. 21-15-109 and 21-15-111 through 21-15-121. The account shall consist of funds appropriated or designated to the account by law or by gift from whatever source.

(b) Earnings from the account created under subsection (a) of this section and any subsequent deposits to the account mandated by law or appropriation shall remain in the account until appropriated by the legislature to the school capital construction account.

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

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

(d) Any revenue received under subsection (a) of this section in excess of two hundred million dollars ($200,000,000.00) shall be distributed as follows:

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

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

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

(C) After the amounts specified in subparagraphs (A) and (B) of this paragraph are deposited to the appropriate account, remaining funds shall be deposited to the school ~~foundation program~~ capital construction reserve account as provided in paragraph ~~(iii)~~ (vi) of this subsection.

(vi) From the amounts which would otherwise be distributed to the school foundation program account under paragraph (iii) of this subsection and after making distributions pursuant to paragraph (v) of this subsection, amounts shall be deposited to the school capital construction reserve account created by W.S. 21-15-122 in accordance with and subject to the requirements of this paragraph, until the account balance equals one hundred fifty million dollars ($150,000,000.00). Distributions under this paragraph shall be reduced as the state treasurer determines necessary to ensure that as of June 30 of each fiscal year, there is an unobligated, unencumbered balance of one hundred million dollars ($100,000,000.00) within the school foundation program account. After the maximum account balance is established pursuant to this paragraph, remaining funds shall be deposited to the common school account within the permanent land fund subject to requirements imposed under this paragraph on unobligated, unencumbered school foundation program balance levels as of June 30 of each fiscal year.

Section 3. Distributions under W.S. 9-4-601(d)(v)(C) and (vi), as amended under section 2 of this act, shall apply commencing with the fiscal year beginning July 1, 2007, if the maximum account balance amount specified under W.S. 9-4-601(d)(v)(A) and (B) are attained prior to June 30, 2008.

Section 4. This act is effective July 1, 2007.

(END)