Critical access hospitals-challenge program.

Sponsored by: Senator(s) Peterson, Meier and Townsend and Representative(s) Bonner and Harvey

A BILL

for

AN ACT relating to the Wyoming critical access or rural hospital endowment challenge program; authorizing use of certain endowment funds in specified situations; specifying conditions; and providing for an effective date.

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

Section 1. W.S. 35-1-1002(a)(iii)(intro) and (v) and 35-1-1004(b) and (h) are amended to read:

35-1-1002. Definitions.

(a) As used in this article:

(iii) "Endowment gift" means an irrevocable gift or transfer to a Wyoming critical access or rural hospital
of money or other property, whether real, personal, tangible or intangible, and whether or not the donor or transferor retains an interest in the property, where the gift or the foundation's interest in the property is required to be used by the foundation exclusively for endowment purposes, subject to expenditure for emergency purposes pursuant to W.S. 35-1-1004(b), and provided:

(v) "Permanent endowment funds managed by a Wyoming critical access or rural hospital foundation" means the endowment funds that are invested by the respective Wyoming critical access or rural hospital foundation on a permanent basis, subject to expenditure for emergency purposes pursuant to W.S. 35-1-1004(b), and the earnings on those investments are dedicated to be expended exclusively to benefit and promote the mission, operation or any program or activity of the respective critical access or rural hospital, including but not limited to capital and programmatic expenses, healthcare, increases to the corpus of the endowment and to defray reasonable costs of endowment administration.
35-1-1004. Endowment challenge account matching program; matching payments; agreements with foundations; annual reports.

(b) Each critical access hospital shall enter into an agreement with its foundation under which the foundation, subject to emergency expenditures provisions of this subsection, shall manage the matching funds received under subsection (a) of this section in the same manner as other permanent endowment funds are managed by its foundation, including the permanent investment of funds, maintenance of the fund corpus as inviolate and the expenditure of fund earnings for endowment purposes only. The foundation may expend endowment gifts matched under this section as follows:

(i) The foundation board shall first determine that the expenditure of the endowment gift is necessary to meet an emergency need of the hospital and that no other funds of the hospital are immediately available to meet the emergency need;

(ii) The expenditure of the endowment gift is not inconsistent with the terms of the gift;
(iii) Any funds withdrawn shall be returned to the endowment to the extent they are not expended for the emergency need; and

(iv) No matching funds provided under this article shall be expended and shall remain in the endowment to be managed as otherwise provided in this subsection.

(h) Each critical access or rural hospital shall on or before October 1 of each year submit a report to the state treasurer from its foundation on the endowment matching program under this section for the preceding fiscal year. The report shall include an itemization of any funds withdrawn pursuant to the emergency provisions of W.S. 35-1-1004(b) including the amounts withdrawn and expended and the emergency necessitating the expenditure, and a financial summary and a review of the accomplishments resulting from endowment program expenditures. The report required under this subsection shall be for each applicable fiscal year through June 30, 2014.
Section 2. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.