

SENATE FILE NO. SF0120

Critical access hospitals-challenge program.

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

A BILL

for

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

5

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

7

8 **Section 1.** W.S. 35-1-1002(a)(iii)(intro) and (v) and
9 35-1-1004(b) and (h) are amended to read:

10

11 **35-1-1002. Definitions.**

12

13 (a) As used in this article:

14

15 (iii) "Endowment gift" means an irrevocable gift
16 or transfer to a Wyoming critical access or rural hospital

1 foundation of money or other property, whether real,
2 personal, tangible or intangible, and whether or not the
3 donor or transferor retains an interest in the property,
4 where the gift or the foundation's interest in the property
5 is required to be used by the foundation exclusively for
6 endowment purposes, subject to expenditure for emergency
7 purposes pursuant to W.S. 35-1-1004(b), and provided:

8
9 (v) "Permanent endowment funds managed by a
10 Wyoming critical access or rural hospital foundation" means
11 the endowment funds that are invested by the respective
12 Wyoming critical access or rural hospital foundation on a
13 permanent basis, subject to expenditure for emergency
14 purposes pursuant to W.S. 35-1-1004(b), and the earnings on
15 those investments are dedicated to be expended exclusively
16 to benefit and promote the mission, operation or any
17 program or activity of the respective critical access or
18 rural hospital, including but not limited to capital and
19 programmatic expenses, healthcare, increases to the corpus
20 of the endowment and to defray reasonable costs of
21 endowment administration.

22

1 35-1-1004. Endowment challenge account matching
2 program; matching payments; agreements with foundations;
3 annual reports.
4

5 (b) Each critical access hospital shall enter into an
6 agreement with its foundation under which the foundation,
7 subject to emergency expenditures provisions of this
8 subsection, shall manage the matching funds received under
9 subsection (a) of this section in the same manner as other
10 permanent endowment funds are managed by its foundation,
11 including the permanent investment of funds, maintenance of
12 the fund corpus as inviolate and the expenditure of fund
13 earnings for endowment purposes only. The foundation may
14 expend endowment gifts matched under this section as
15 follows:
16

17 (i) The foundation board shall first determine
18 that the expenditure of the endowment gift is necessary to
19 meet an emergency need of the hospital and that no other
20 funds of the hospital are immediately available to meet the
21 emergency need;
22

23 (ii) The expenditure of the endowment gift is
24 not inconsistent with the terms of the gift;

1

2 (iii) Any funds withdrawn shall be returned to
3 the endowment to the extent they are not expended for the
4 emergency need; and

5

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

9

10 (h) Each critical access or rural hospital shall on
11 or before October 1 of each year submit a report to the
12 state treasurer from its foundation on the endowment
13 matching program under this section for the preceding
14 fiscal year. The report shall include an itemization of
15 any funds withdrawn pursuant to the emergency provisions of
16 W.S. 35-1-1004(b) including the amounts withdrawn and
17 expended and the emergency necessitating the expenditure,
18 and a financial summary and a review of the accomplishments
19 resulting from endowment program expenditures. The report
20 required under this subsection shall be for each applicable
21 fiscal year through June 30, 2014.

22

1 **Section 2.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

5

6

(END)