SENATE FILE NO. SF0063

Interfund loan accounts and interest rates.

Sponsored by: Management Audit Committee

A BILL

for

AN ACT relating to public funds; amending provisions relating to interfund loans administered by the state auditor and the state treasurer; and providing for an effective date.

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

Section 1. W.S. 9-1-417, 9-1-418, 9-2-1013 by creating a new subsection (f), 9-3-205(e), 21-13-316(a) and by creating a new subsection (c) and 27-3-303(e) are amended to read:

9-1-417. Interfund loans; repayment; maximum amount; interest.

(a) The state treasurer and the state auditor may utilize interfund loans from the ~~general fund or the budget~~ legislative stabilization reserve account to any other fund or account to meet obligations which come due prior to receipt of revenues. The interfund loans shall be repaid as soon as the anticipated revenue is received. The total amount of interfund loans outstanding at one (1) time shall not exceed sixty million dollars ($60,000,000.00). These loans shall not be used to fund shortages caused by expenditures exceeding projected revenues but are to be used only to fund temporary shortages caused by meeting obligations which come due prior to receipt of revenues. The interest charged on each interfund loan, other than to the general fund or budget reserve account, shall be the interest rate earned on pooled fund investments in the previous fiscal year.

(b) To the extent the legislature provides for interfund loans or borrowing authority from one (1) agency, account or fund to another, the interfund loan or borrowing shall come out of the legislative stabilization reserve account to be credited to the borrowing agency, account or fund, except for interfund loans made under W.S. 21-13-316.

The interest charged on each interfund loan or borrowing from the legislative stabilization reserve account shall be the interest rate earned on pooled fund investments for the fiscal year immediately preceding the effective date of the interfund loan.

9-1-418. Pooled fund investment loans; maximum amount; repayment; interest.

The state auditor is authorized to borrow from ~~pooled fund investments in the treasurer's office~~ the legislative stabilization reserve account an amount not to exceed two hundred million dollars ($200,000,000.00) at any one (1) time to meet the obligations of the department of transportation which come due prior to the receipt of revenues. The amounts borrowed under this section shall be repaid as soon as the anticipated revenue is received. Interest on the unpaid balance shall be equal to ~~the greater of two percent (2%) or~~ the rate of return earned on pooled fund investments in the previous fiscal year. These loans shall not be used to fund shortages caused by expenditures exceeding projected revenues but are to be used only to fund temporary shortages caused by meeting obligations which come due prior to receipt of revenues.

9-2-1013. State budget; distribution of copies to legislators; copies and reports of authorizations; interfund loans.

(f) Any interfund loan made under W.S. 21-13-316 or any other interfund loan from permanent funds for which an interest rate is not specified by law shall be charged an interest rate equal to the CPI for the twelve (12) month period immediately preceding the effective date of the interfund loan. "CPI" means the consumer price index for United States city average, all urban consumers, not seasonally adjusted, reported by the bureau of labor statistics of the United States department of labor.

9-3-205. Administration and management of group insurance program; powers and duties; adoption of rules and regulations; interfund borrowing authority.

(e) Upon request of the director of the department, the state treasurer and the state auditor may utilize interfund loans from the ~~general fund or the budget~~ legislative stabilization reserve account to cover the costs of group insurance plan coverage to school districts electing to participate in the group insurance plan under W.S. 9-3-201(e) or the costs of discontinuing plan coverage to districts electing to cease participation under W.S. 9-3-201(f). The interfund loans shall be repaid as soon as anticipated revenue is received. The total amount of interfund loans outstanding at any one (1) time shall not exceed sixty million dollars ($60,000,000.00). The interest charged on each interfund loan shall be the interest rate earned on pooled fund investments in the previous fiscal year.

21-13-316. Interfund borrowing.

(a) The state treasurer may utilize interfund loans from the common school account within the permanent land fund to the school foundation program account to enable statutory payments to be made when dedicated revenues are not yet received. Any interfund loans shall bear interest at the rate of the percentage change in the CPI for the twelve (12) month period immediately preceding the effective date of the interfund loan. Any interfund loans executed pursuant to this section shall be repaid in whole or in part periodically as soon as school foundation program account revenues permit.

(c) As used in this section, "CPI" means the consumer price index for United States city average, all urban consumers, not seasonally adjusted as reported by the bureau of labor statistics of the United States department of labor.

27-3-303. Weekly amount; computation; payment.

(e) Upon periodic certification by the governor to the state treasurer of inadequate revenues, the state treasurer may authorize interfund loans from the ~~permanent Wyoming mineral trust fund or any other available permanent fund not subject to interest earning trust obligations,~~ legislative stabilization reserve account for cumulative amounts not exceeding twenty million dollars ($20,000,000.00), to the unemployment compensation fund as needed to repay revenues borrowed pursuant to W.S. 27-3-208 or to pay benefits through January 1, 1995, which are not able to be paid due to the insufficiency of any available revenues except for those obtained through W.S. 27-3-208. Loans pursuant to this subsection shall bear ~~no~~ interest at the interest rate earned on pooled fund investments in the previous fiscal year and shall be repaid when the unemployment compensation fund is adequately solvent to repay the loans and to continue paying the benefit obligations.

Section 2. This act is effective July 1, 2018.

(END)