

SENATE FILE NO. SF0005

Budget reserve account-repeal.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to the budget reserve account; repealing the
2 budget reserve account; amending loan authority,
3 distributions, reversions and transfers of funds authorized
4 to or from the budget reserve account; providing for a general
5 fund reserve amount and authorizing the transfer of excess
6 general funds as specified; making conforming amendments;
7 repealing obsolete language; and providing for an effective
8 date.

9

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

11

12 **Section 1.** W.S. 9-1-417(a), 9-1-507(j)(i),
13 9-2-102(a)(iii), 9-2-1012(e), 9-2-1013(d)(ii), (iii)(B) and
14 (iv), 9-2-1014.1(a) through (d), (e)(intro) and (iii),
15 9-4-601(d)(iv) and (vii), 35-1-1002(a)(vi), 35-11-528(e),

1 35-11-529, 39-14-801(d)(intro) and 39-19-111(a)(intro) are
2 amended to read:

3

4 **9-1-417. Interfund loans; repayment; maximum amount;**
5 **interest.**

6

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

1

2 **9-1-507. Examination of books of state institutions,**
3 **agencies and certain districts and entities; independent**
4 **audit authorized; guidelines.**

5

6 (j) The director of the department of audit shall
7 certify:

8

9 (i) To the state treasurer by October 5 of each
10 year, a list of counties, cities and towns which have failed
11 to comply with paragraph (a)(vii) of this section. The state
12 treasurer shall withhold the annual distribution, which would
13 otherwise be made under W.S. 9-2-1014.1, to any county, city
14 or town failing to comply with paragraph (a)(vii) of this
15 section. The withheld distribution shall be retained in the
16 ~~budget reserve account~~ general fund until the director of the
17 department of audit certifies that the county, city or town
18 has filed the required report;

19

20 **9-2-102. Department of health; duties and**
21 **responsibilities; state grants.**

22

1 (a) The department of health is the state mental health
2 authority, the developmental disabilities authority and the
3 substance abuse authority. The department through its
4 divisions has the following duties and responsibilities to:

5
6 (iii) Establish minimum standards and approve
7 policies and procedures for the establishment and operation
8 of community-based mental health, substance abuse and
9 developmental disabilities programs receiving state support.

10 The department through its mental health division and its
11 substance abuse division shall annually withhold not less
12 than five percent (5%) of all amounts provided in each
13 contract with a community-based mental health, substance
14 abuse or drug court program or provider and shall not release
15 the funds withheld to the individual program or provider until
16 the respective division and the individual program or
17 provider enter into a written agreement that provides for
18 performance and outcome measures. If the respective division
19 and an individual program or provider do not enter into a
20 mutually agreed upon set of performance and outcome measures,
21 the funds withheld under this paragraph shall revert to the
22 ~~budget reserve account~~ general fund at the end of the biennium
23 in which the funds were withheld;

1

2 **9-2-1012. Duties of budget division; transmittal of**
3 **standard budget and manual; return of completed exception and**
4 **expanded budgets; submission to governor; general fund**
5 **reserve amount; disposition of excess general funds;**
6 **submission of selected budget information to joint**
7 **appropriations committee.**

8

9 (e) In preparing the overall state budget for
10 distribution to the legislature, including any supplemental,
11 budget shortfall or other emergency changes to the budget,
12 the governor shall recommend to the legislature ~~that a general~~
13 ~~fund reserve amount of~~ not less than five percent (5%) of
14 estimated general fund receipts for the next biennial budget
15 period, ~~shall be appropriated from the general fund to the~~
16 ~~budget reserve account within the earmarked fund. This~~
17 ~~appropriation shall be in addition to any fund balance within~~
18 ~~the budget reserve account~~ which shall not be included in any
19 request for appropriation and shall remain in the general
20 fund. At the end of each biennial budget period, general
21 fund appropriations for the biennium in excess of
22 expenditures including encumbrances during the biennium, as
23 identified by the state auditor in accordance with the

1 provisions of W.S. 9-2-1008 and 9-4-207, shall ~~be transferred~~
2 ~~into the budget reserve account. All funds in the budget~~
3 ~~reserve account shall be invested by the state treasurer and~~
4 ~~earnings therefrom shall be credited into the general fund.~~
5 ~~Appropriations to the account shall not lapse at the end of~~
6 ~~any fiscal period. Expenditures from the budget reserve~~
7 ~~account shall be by legislative appropriation only~~ revert to
8 the general fund. Subject to accrual accounting principles
9 and including funds reverted under this subsection, any
10 unappropriated, unexpended and unobligated funds in the
11 general fund on June 30 of the end of each biennial budget
12 period in excess of the general fund reserve amount shall be
13 transferred to the legislative stabilization reserve account.

14

15 **9-2-1013. State budget; distribution of copies to**
16 **legislators; copies and reports of authorizations; interfund**
17 **loans.**

18

19 (d) In addition to the items contained in subsection
20 (a) of this section and notwithstanding any other
21 recommendations made by the governor, the state budget shall
22 also include the governor's recommendations for
23 appropriations for the ensuing two (2) years, or if a

1 supplemental budget request, the remainder of the budget
2 period, subject to the following:

3
4 (ii) The total recommended appropriations under
5 this subsection for any two (2) fiscal year budget period
6 shall not exceed the total estimated revenues for that two
7 (2) year period. The total estimated revenues computed under
8 this paragraph shall not include increases in existing
9 revenue sources which would be available to the state only
10 after enactment of legislation in addition to existing law,
11 but shall include the unencumbered balances in all other
12 accounts in all other expendable funds subject to this
13 section, and as further provided herein, as those funds are
14 identified in accordance with standards promulgated by the
15 governmental accounting standards board, but specifically
16 excluding pension funds, nonexpendable trust funds, debt
17 service funds and intragovernmental funds, that would be
18 available for that budget period. Funds within the permanent
19 Wyoming mineral trust fund reserve account created under W.S.
20 9-4-719(b), the common school permanent fund reserve account
21 created under W.S. 9-4-719(f), and funds within the legislative
22 stabilization reserve account in excess of the limitation
23 under subparagraph (iii)(C) of this section, ~~or funds within~~

1 ~~five percent (5%) of estimated general fund receipts for the~~
2 ~~next biennium to be appropriated to the budget reserve account~~
3 ~~as required by~~ the general fund reserve amount specified by
4 W.S. 9-2-1012(e) shall not be included in total estimated
5 revenues computed under this paragraph. Funds from a
6 contingent appropriation shall not be included as an
7 estimated source of revenue or funds available unless those
8 funds previously had been authorized to be expended within
9 the fiscal period covering the budget period of the
10 recommendation;

11

12 (iii) The total recommended appropriations under
13 this subsection shall not include any of the following:

14

15 (B) The transfer of funds from an account to
16 another account; ~~except transfers from the budget reserve~~
17 ~~account;~~

18

19 (iv) As used in this subsection, "appropriations"
20 include any of the following:

21

1 (A) Specific legislative authorization to
2 expend state revenues contained in a budget bill that is
3 enacted into law;~~;~~

4

5 (B) An amount to be expended from an account
6 which does not require additional specific legislative
7 authorization;~~;~~ ~~the transfer of funds from the budget reserve~~
8 ~~account to another account or~~

9

10 (C) A specific statutory distribution of a
11 revenue source.~~;~~

12

13 **9-2-1014.1. State budget; requests by recipients of**
14 **certain funds for additional funding.**

15

16 (a) Any state agency that receives federal mineral
17 royalties or severance tax distributions may request
18 additional funding from the ~~budget reserve account~~ general
19 fund as provided in this section.

20

21 (b) The total amount available for the purpose of this
22 section shall be the estimated deposits into the ~~budget~~

1 ~~reserve account~~ general fund for the next biennial budget
2 period under W.S. 9-4-601(d)(iv) and 39-14-801(d)(ii).

3

4 (c) Any state agency eligible to request additional
5 funds ~~from the budget reserve account~~ under this section shall
6 submit its request as part of the budget process under W.S.
7 9-2-1010 through 9-2-1014.

8

9 (d) The governor shall include his recommendations for
10 additional funding under this section for state agencies and
11 for local governments ~~from the budget reserve account~~ in his
12 December 1 budget recommendation to the legislature. His
13 total recommendations under this section shall not exceed the
14 total amount determined under subsection (b) of this section.

15

16 (e) To the extent the legislature appropriates funds
17 under this section ~~from the budget reserve account~~ for local
18 governments, the appropriation shall comply with and be
19 subject to the following:

20

21 (iii) The distributions to local governments under
22 this section shall be made by the state treasurer no later
23 than October 15⁷ of the fiscal year next following the fiscal

1 year for which the appropriation is made. The distributions
2 shall be from revenues actually recognized in the fiscal year
3 for which the appropriation is made. ~~Any interest earned on~~
4 ~~invested funds allocated to local governments under this~~
5 ~~section shall be retained in the budget reserve account.~~

6
7 **9-4-601. Distribution and use; funds, accounts, cities**
8 **and towns benefited; exception for bonus payments.**

9
10 (d) Except as provided in subsection (k) of this
11 section, any revenue received under subsection (a) of this
12 section in excess of two hundred million dollars
13 (\$200,000,000.00) shall be distributed as follows:

14
15 (iv) Subject to paragraph (vii) of this
16 subsection, two-thirds (2/3) to the ~~budget reserve account~~
17 general fund;

18
19 (vii) From the amounts that would otherwise be
20 distributed to the ~~budget reserve account~~ general fund under
21 paragraph (iv) of this subsection and paragraph (k)(ii) of
22 this section, amounts necessary to make the required revenue

1 bond payments as provided by W.S. 9-4-1003(d), but in no event
2 more than eighteen million dollars (\$18,000,000.00) annually;

3

4 **35-1-1002. Definitions.**

5

6 (a) As used in this article:

7

8 (vi) "Unobligated," for purposes of W.S.
9 35-1-1003(b), ~~and (d),~~ means no commitment meeting the
10 requirements of subparagraph (iii)(B) of this subsection was
11 received prior to June 30, 2012.

12

13 **35-11-528. Municipal solid waste facilities cease and**
14 **transfer program created; criteria for grants and loans; loan**
15 **terms; availability of other state funding sources.**

16

17 (e) Loans may be made under the program at zero interest
18 rate, up to an annual interest rate equal to the average prime
19 interest rate as determined in accordance with this
20 subsection. Loans provided under the program shall be
21 adequately collateralized as determined by the state loan and
22 investment board. Principal and interest payments shall be
23 deposited in the ~~budget reserve account~~ general fund. The

1 state loan and investment board shall establish interest
2 rates to be charged for loans under the program, but the
3 interest rate shall not exceed an annual interest rate equal
4 to the average prime interest rate as determined by the state
5 treasurer. To determine the average prime interest rate, the
6 state treasurer shall average the prime interest rate for at
7 least seventy-five percent (75%) of the thirty (30) largest
8 banks in the United States. The interest rate shall be
9 adjusted on January 1 of each year. Interest rates shall be
10 established in recognition of the repayment abilities and
11 needs of the local municipal solid waste facility operator
12 eligible for loans under the program. The state loan and
13 investment board shall establish loan amortization schedules,
14 terms and conditions for each loan approved based on an
15 applicant's need, financial condition of the landfill
16 operator or the entity responsible for solid waste funding,
17 the projected life of the transfer facility and the ability
18 of that entity to repay the loan in a timely manner.

19

20 **35-11-529. Municipal solid waste facilities cease and**
21 **transfer accounts created; authorized expenditures from the**
22 **accounts.**

23

1 (a) There is created the municipal solid waste cease
2 and transfer grant account. Monies from the account shall be
3 awarded for grants to fund approved activities pursuant to
4 W.S. 35-11-528. Interest earned by this account shall be
5 deposited in the ~~budget reserve account~~ general fund.
6 Notwithstanding W.S. 9-2-1008, 9-2-1012(e) and 9-4-207(a),
7 funds deposited in this account shall not revert without
8 further action of the legislature.

9

10 (b) There is created the municipal solid waste cease
11 and transfer loan account. Monies from the account shall be
12 awarded for loans to fund approved activities pursuant to
13 W.S. 35-11-528. Interest earned by this account shall be
14 deposited in the ~~budget reserve account~~ general fund.
15 Notwithstanding W.S. 9-2-1008, 9-2-1012(e) and 9-4-207(a),
16 funds deposited in this account shall not revert without
17 further action of the legislature.

18

19 **39-14-801. Severance tax distributions; distribution**
20 **account created; formula.**

21

22 (d) After making distributions pursuant to subsections
23 (b), (c) and (f) of this section, distributions under

1 subsection (e) of this section shall be made from the
2 severance tax distribution account. The amount of
3 distributions under subsection (e) of this section shall not
4 exceed one hundred fifty-five million dollars
5 (\$155,000,000.00) in any fiscal year. To the extent that
6 distributions under subsection (e) of this section would
7 exceed that amount in any fiscal year, except as provided in
8 subsection (g) of this section, the excess shall be credited+
9 to the general fund.

10
11 **39-19-111. Distribution.**

12
13 (a) All money collected under W.S. 39-19-101 through
14 39-19-111 shall be credited ~~as follows:~~ to the general fund.

15
16 **Section 2.** W.S. 35-1-1003(d), 39-14-801(d)(i) and (ii),
17 39-19-111(a)(i) and (ii) and 41-2-124(e)(ii) are repealed.

18
19 **Section 3.** On the effective date of this act the budget
20 reserve account is repealed and all funds in the budget
21 reserve account shall be transferred to the general fund.
22 All unexpended funds appropriated from the budget reserve

1 account prior to the effective date of this act shall be paid
2 from the general fund.

3

4 **Section 4.** This act is effective July 1, 2020.

5

6

(END)