

## HOUSE BILL NO. HB0147

Cash based budget development.

Sponsored by: Representative(s) Barlow, Gray, Harshman and  
Olsen and Senator(s) Case, Driskill and  
Hicks

A BILL

for

1 AN ACT relating to state budgeting; providing that  
2 recommended appropriations in the state budget shall be  
3 limited to specified prior revenues; amending revenue  
4 distribution and fund transfers; requiring a study;  
5 specifying legislative intent; sunseting and repealing  
6 conflicting provisions; and providing for effective dates.

7

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

9

10 **Section 1.** W.S. 9-2-1013(d)(ii), (iii)(B) and by  
11 creating a new paragraph (vii), 9-4-219(b),  
12 9-4-601(d)(intro), (vi), (vii) and by creating a new  
13 subsection (n), 9-4-719(b)(i) and (q)(i), 39-14-801(b)(v),  
14 (d)(intro) and by creating a new subsection (j) are amended  
15 to read:

1

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

5

6           (d) In addition to the items contained in subsection  
7 (a) of this section and notwithstanding any other  
8 recommendations made by the governor, the state budget  
9 shall also include the governor's recommendations for  
10 appropriations for the ensuing two (2) years, or if a  
11 supplemental budget request, the remainder of the budget  
12 period, subject to the following:

13

14           (ii) The total recommended appropriations under  
15 this subsection for any two (2) fiscal year budget period  
16 shall not exceed the total estimated revenues for that two  
17 (2) year period. The total estimated revenues computed  
18 under this paragraph shall not include increases in  
19 existing revenue sources which would be available to the  
20 state only after enactment of legislation in addition to  
21 existing law, but shall include the unencumbered balances  
22 in all other accounts in all other expendable funds subject  
23 to this section, and as further provided herein, as those

1 funds are identified in accordance with standards  
2 promulgated by the governmental accounting standards board,  
3 but specifically excluding pension funds, nonexpendable  
4 trust funds, debt service funds and intragovernmental  
5 funds, that would be available for that budget period.  
6 Funds within the permanent Wyoming mineral trust fund  
7 reserve account created under W.S. 9-4-719(b), the common  
8 school permanent fund reserve account created under W.S.  
9 9-4-719(f) funds within the legislative stabilization  
10 reserve account in excess of the limitation under  
11 subparagraph (iii)(C) of this section, or funds within five  
12 percent (5%) of estimated general fund receipts for the  
13 next biennium to be appropriated to the budget reserve  
14 account as required by W.S. 9-2-1012(e) shall not be  
15 included in total estimated revenues computed under this  
16 paragraph. Funds from a contingent appropriation shall not  
17 be included as an estimated source of revenue or funds  
18 available unless those funds previously had been authorized  
19 to be expended within the fiscal period covering the budget  
20 period of the recommendation. This paragraph is repealed  
21 effective July 1, 2023;

22

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

3  
4           (B) The transfer of funds from an account  
5 to another account except transfers from the budget reserve  
6 account. This subparagraph is repealed effective July 1,  
7 2023;

8  
9           (vii) Beginning July 1, 2023, the total  
10 recommended biennial appropriations from the general fund  
11 under this subsection for any two (2) fiscal year budget  
12 period shall not exceed the total revenue to the general  
13 fund and budget reserve account attributable to the  
14 immediately preceding three (3) fiscal years as determined  
15 by the state auditor, multiplied by two-thirds (2/3). The  
16 total revenue computed under this paragraph shall not  
17 include any reversions of previously appropriated funds or  
18 revenues subject to statutory transfers required under W.S.  
19 9-4-719.

20

21           **9-4-219. Legislative stabilization reserve account**  
22 **created; purposes; legislative deficit control account.**

23

1           (b) To the extent funds are available after all other  
2 appropriations or transfers from the legislative  
3 stabilization reserve account to be made on or prior to  
4 June 30 of the applicable fiscal year have been made, an  
5 amount necessary to restore the unobligated, unencumbered  
6 balance within the public school foundation program account  
7 to one hundred million dollars (\$100,000,000.00) on June 30  
8 of each fiscal year shall be transferred from the  
9 legislative stabilization reserve account into the public  
10 school foundation program account. This subsection is  
11 repealed the month immediately following the date that the  
12 state auditor and the state treasurer first certify to the  
13 governor and the department of revenue, and the governor  
14 certifies the same to the secretary of state, that the  
15 unobligated, unencumbered balance in the legislative  
16 stabilization reserve account is less than ~~five hundred~~  
17 ~~million dollars (\$500,000,000.00)~~ two hundred fifty million  
18 dollars (\$250,000,000.00).

19

20           **9-4-601. Distribution and use; funds, accounts,**  
21 **cities and towns benefited; exception for bonus payments.**

22

1           (d) Except as provided in subsections (k), ~~and~~ (m)  
2 and (n) of this section, any revenue received under  
3 subsection (a) of this section in excess of two hundred  
4 million dollars (\$200,000,000.00) shall be distributed as  
5 follows:

6  
7           (vi) From the amounts which would otherwise be  
8 distributed to the school foundation program account under  
9 paragraph (iii) of this subsection and paragraphs (k)(i),  
10 ~~and~~ (m)(i) and subsection (n) of this section, there is  
11 annually appropriated to the common school permanent fund  
12 reserve account the amount determined under W.S.  
13 9-4-719(g). The appropriation shall be credited to the  
14 account as provided in W.S. 9-4-719(g);

15  
16           (vii) From the amounts that would otherwise be  
17 distributed to the budget reserve account under paragraph  
18 (iv) of this subsection and paragraphs (k)(ii), ~~and~~ (m)(ii)  
19 and subsection (n) of this section, amounts necessary to  
20 make the required revenue bond payments as provided by W.S.  
21 9-4-1003(d), but in no event more than eighteen million  
22 dollars (\$18,000,000.00) annually;

23

1       (n) For fiscal year 2023, any revenue received under  
2 subsection (a) of this section in excess of four hundred  
3 fifty-nine million dollars (\$459,000,000.00) and for fiscal  
4 year 2024, any revenue received under subsection (a) of  
5 this section in excess of four hundred twenty-nine million  
6 two hundred thousand dollars (\$429,200,000.00) shall be  
7 credited to the legislative stabilization reserve account.

8  
9       **9-4-719. Investment earnings spending policy**  
10 **permanent funds.**

11  
12       (b) There is created the permanent Wyoming mineral  
13 trust fund reserve account. All funds within the account  
14 shall be invested by the state treasurer as authorized  
15 under W.S. 9-4-715(a), (d), (e) and (r) and all investment  
16 earnings from the account shall be credited to the account.  
17 Beginning July 1, 2021 for fiscal year 2022 and each fiscal  
18 year thereafter, to the extent funds are available, the  
19 state treasurer shall transfer unobligated funds from this  
20 account to the general fund on a quarterly, pro-rata basis  
21 as necessary to ensure that an amount equal to two and  
22 one-half percent (2.5%) of the previous five (5) year  
23 average market value of the permanent Wyoming mineral trust

1 fund, calculated on the first day of the fiscal year, is  
2 available for expenditure during each fiscal year. As soon  
3 as possible after the end of each of the fiscal years  
4 beginning on and after July 1, 2017, after making any  
5 transfer required pursuant to paragraphs (i) and (ii) of  
6 this subsection, revenues in this account in excess of one  
7 hundred fifty percent (150%) of the spending policy amount  
8 in subsection (d) of this section shall be credited to the  
9 permanent Wyoming mineral trust fund. For fiscal year 2020  
10 and for each fiscal year thereafter:

11

12 (i) As soon as practicable after the end of the  
13 fiscal year, after making any other transfers provided by  
14 law from the permanent Wyoming mineral trust fund reserve  
15 account, but prior to calculating the balance of the  
16 account under this subsection, the state treasurer shall  
17 transfer from the account an amount equal to the difference  
18 between:

19

20 (A) The maximum amount which may be  
21 credited to the strategic investments and project account  
22 pursuant to subsection (q) of this section and the amount

1 actually credited to that account in the applicable fiscal  
2 year through fiscal year 2024;

3

4 (B) One-half (1/2) of the maximum amount  
5 which may be credited to the legislative stabilization  
6 reserve account pursuant to subsection (q) of this section  
7 and one-half (1/2) of the amount actually credited to that  
8 account in the applicable fiscal year for fiscal year 2025  
9 and each fiscal year thereafter.

10

11 (q) The earnings from the permanent Wyoming mineral  
12 trust fund under W.S. 9-4-204(u)(iii) during each fiscal  
13 year beginning July 1, 2016, which are less than the  
14 spending policy established in subsection (d) of this  
15 section are appropriated from the general fund subject to  
16 subsection (s) of this section and the following:

17

18 (i) Any earnings in excess of two and one-half  
19 percent (2.5%) of the previous five (5) year average market  
20 value of the trust fund, calculated from the first day of  
21 the fiscal year and less than or equal to the spending  
22 policy amount specified in subsection (d) of this section  
23 shall be credited to:

1

2 (A) The legislative stabilization reserve  
3 account created by W.S. 9-4-219 and the strategic  
4 investments and projects account created by W.S. 9-4-220 in  
5 equal amounts for fiscal year 2022 through fiscal year  
6 2024;

7

8 (B) The legislative stabilization reserve  
9 account created by W.S. 9-4-219 for fiscal year 2025 and  
10 each fiscal year thereafter.

11

12 **39-14-801. Severance tax distributions; distribution**  
13 **account created; formula.**

14

15 (b) Before making distributions from the severance  
16 tax distribution account under subsections (c) through (e)  
17 of this section, an amount equal to two-thirds (2/3) of the  
18 amount of tax collected under W.S. 39-14-104(a)(i) and  
19 (b)(i) and 39-14-204(a)(i) for the same period shall be  
20 deposited as follows:

21

22 (v) For fiscal year 2023 ~~through fiscal year~~  
23 ~~2028 and thereafter~~ these funds shall be deposited ~~equally~~

1 to the ~~permanent Wyoming mineral trust fund and to the~~  
2 ~~common school account within the permanent land fund~~  
3 legislative stabilization reserve account;

4  
5 (d) After making distributions pursuant to  
6 subsections (b), (c) and (f) of this section, distributions  
7 under subsection (e) of this section shall be made from the  
8 severance tax distribution account. The amount of  
9 distributions under subsection (e) of this section shall  
10 not exceed one hundred fifty-five million dollars  
11 (\$155,000,000.00) in any fiscal year. To the extent that  
12 distributions under subsection (e) of this section would  
13 exceed that amount in any fiscal year, except as provided  
14 in subsections (g), ~~and~~ (h) and (j) of this section, the  
15 excess shall be credited:

16  
17 (j) For fiscal year 2023, when distributions under  
18 paragraph (d)(ii) of this section equal one hundred fifteen  
19 million five hundred thousand dollars (\$115,500,000.00) and  
20 for fiscal year 2024, when distributions under paragraph  
21 (d)(ii) of this section equal one hundred two million two  
22 hundred thousand dollars (\$102,200,000.00), additional  
23 funds that would otherwise be distributed under paragraphs

1 (d)(i) and (ii) of this section shall be credited to the  
2 legislative stabilization reserve account.

3

4 **Section 2.** W.S. 9-4-719(f) is amended to read:

5

6 **9-4-719. Investment earnings spending policy**  
7 **permanent funds.**

8

9 (f) There is created the common school permanent fund  
10 reserve account. All funds within the account shall be  
11 invested by the state treasurer as authorized under W.S.  
12 9-4-715(a), (d), (e) and (r) and all investment earnings  
13 from the account shall be credited to the account.  
14 Beginning July 1, 2017 for fiscal year 2018 and each fiscal  
15 year thereafter, the state treasurer shall transfer  
16 unobligated funds from this account to the common school  
17 account within the permanent land income fund as necessary  
18 to ensure that an amount equal to the spending policy  
19 amount established in subsection (h) of this section is  
20 available for expenditure annually during the fiscal year.  
21 As soon as possible after the end of each of the fiscal  
22 years beginning on and after July 1, 2017, revenues in this  
23 account in excess of ~~one hundred fifty percent (150%)~~ three

1 hundred percent (300%) of the spending policy amount shall  
2 be credited to the common school account within the  
3 permanent land fund.

4

5 **Section 3.**

6

7 (a) The joint revenue interim committee shall review  
8 all statutory revenue deposits to the general fund and  
9 budget reserve account and recommend any statutory  
10 revisions required to implement a biennial, cash based  
11 budgeting framework in the most efficient manner beginning  
12 with the 2025-2026 biennial budget period. The joint  
13 revenue interim committee shall report any recommended  
14 legislation to the legislature not later than October 15,  
15 2022.

16

17 (b) It is the intent of the legislature that:

18

19 (i) Not less than fifty percent (50%) of the  
20 2025-2026 biennial general fund budget be derived from  
21 appropriations or transfers from the legislative  
22 stabilization reserve account; and

23

1           (ii) The 2025-2026 biennial general fund budget  
2 include a commensurate deposit to the legislative  
3 stabilization reserve account equal to the amount of  
4 revenue deposited to the general fund and budget reserve  
5 account for the period beginning July 1, 2022 and ending  
6 June 30, 2023, excluding reversions, federal funds, special  
7 revenue or statutory transfers from the general fund  
8 required by W.S. 9-4-719.

9

10           **Section 4.** W.S. 39-14-801(b)(vi) is repealed.

11

12           **Section 5.**

13

14           (a) Except as provided in subsection (b) of this  
15 section, this act is effective July 1, 2022.

16

17           (b) Sections 2, 3 and 5 of this act are effective  
18 immediately upon completion of all acts necessary for a  
19 bill to become law as provided by Article 4, Section 8 of  
20 the Wyoming Constitution.

21

22

(END)