

HOUSE BILL NO. HB0056

Examination of books of certain districts and entities.

Sponsored by: Management Audit Committee

A BILL

for

1 AN ACT relating to the department of audit examination of
2 books of special districts and certain specified entities;
3 clarifying audit and reporting requirements for special
4 districts and other specified entities; clarifying the
5 dissolution process for non-compliance; clarifying
6 recreation boards of trustees; and providing for an
7 effective date.

8

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

10

11 **Section 1.** W.S. 9-1-507(a)(iii)(intro), (v)(intro),
12 (vii) and (j)(ii), 16-12-202(a)(xii) and 35-28-101(a)(vi)
13 are amended to read:

14

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

4

5 (a) The director of the state department of audit
6 shall:

7

8 (iii) Require state institutions, state
9 agencies, ~~the~~ special districts and other entities
10 described in W.S. 16-4-125(c) or specified in W.S.
11 16-12-202(a) and incorporated cities and towns with a
12 population of less than four thousand (4,000) inhabitants
13 to file with the department such reports of the books and
14 accounts of the institution, agency, district or entity as
15 the director deems necessary. The director shall promulgate
16 rules under which special districts and other entities
17 described in W.S. 16-4-125(c) or specified in W.S.
18 16-12-202(a) shall prepare and file an annual report of
19 their books and records with the department of audit. These
20 rules shall apply to special districts which are subject to
21 administration by the courts as provided in subsection (e)
22 of this section. These rules shall provide for different
23 levels of oversight, at the expense of the district,

1 depending upon the higher of the total revenues received or
2 expenditures made by the district during the fiscal year
3 under review subject to the following limitations:

4
5 (v) Perform an audit or specified procedures of
6 any books and records of any state institution, state
7 agency, incorporated city or town with a population of less
8 than four thousand (4,000) inhabitants or any special
9 district or other entity described in W.S. 16-4-125(c) or
10 specified in W.S. 16-12-202(a) whenever the director feels
11 the audit or procedures are necessary. In lieu of
12 performing such audit or procedures, the director may
13 accept an audit or specified procedures performed by a
14 certified public accountant. Specified procedures shall
15 include procedures conducted under one (1) of the following
16 standards:

17
18 (vii) Require ~~each county, city and town,~~
19 ~~special district and joint powers board~~ counties, cities,
20 towns and special districts and other entities described in
21 W.S. 16-4-125(c) or specified in W.S. 16-12-202(a) in this
22 state to report to the department revenues received and
23 expenditures made each fiscal year. The reports shall be

1 made not later than September 30 for the prior fiscal year.
2 The format of the reports required by this paragraph shall
3 be established by the department of audit by rule. Not
4 later than December 31 of each year, the department shall
5 provide a copy of the report on special districts and other
6 entities described in W.S. 16-4-125(c) or specified in W.S.
7 16-12-202(a) under this paragraph to the board of county
8 commissioners for each special district and other entity
9 located in that county;

10

11 (j) The director of the department of audit shall
12 certify:

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14 (ii) To the board of county commissioners and to
15 the special district or other entity described in W.S.
16 16-4-125(c) or specified in W.S. 16-12-202(a) by October 5
17 of each year any special district or other entity in the
18 county, no matter how formed, ~~which has that~~ failed to
19 comply with paragraph (a)(vii) of this section. If, by
20 November 30 of that same year, the district or other entity
21 has failed to comply with paragraph (a)(vii) of this
22 section, the director of the department of audit shall file
23 notice with the county commissioners, the county treasurer

1 and the county clerk. The county commissioners shall place
2 a public notice in a newspaper of general circulation in
3 the county indicating the special district or other entity
4 is in danger of being dissolved due to failure to comply
5 with the legal reporting requirements. The county
6 commissioners shall assess the special district or other
7 entity the cost of the public notice. The county treasurer
8 shall withhold any further distribution of money to the
9 district until the department certifies to the county
10 treasurer that the district or other entity has complied
11 with all reporting requirements. If the special district
12 or other entity fails to file the required report on or
13 before December 30 of that same year, the county
14 commissioners shall seek to dissolve the special district
15 or other entity in accordance with W.S. 22-29-401 et seq.
16 or any other applicable laws providing for the dissolution
17 of the special district or other entity. This paragraph
18 shall apply in addition to any other provision for
19 dissolution in the principal act for a special district or
20 other entity.

21

22 **16-12-202. Applicability to special districts and**
23 **other specified entities; general provisions.**

1

2 (a) This chapter applies to the following entities
3 unless otherwise specified:

4

5 (xii) Recreation ~~districts~~ boards of trustees
6 appointed pursuant to W.S. 18-9-201;

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8 **35-28-101. Definitions.**

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10 (a) As used in this act:

11

12 (vi) "Person" means municipalities, recreation
13 ~~districts~~ boards of trustees, counties, state agencies,
14 individuals, corporations, partnerships, enterprises or
15 associations;

16

17 **Section 2.** This act is effective July 1, 2022.

18

19 (END)