

SENATE FILE NO. SF0085

State funds-streamlining transfers and distributions.

Sponsored by: Senator(s) Hicks

A BILL

for

1 AN ACT relating to public funds; eliminating the school
 2 major maintenance subaccount within the strategic
 3 investments and projects account, the school lands mineral
 4 royalties account and the school capital construction
 5 account; modifying the distribution of revenues; clarifying
 6 the timing of transfers from the strategic investments and
 7 projects account as specified; transferring funds; making
 8 conforming amendments; repealing provisions; and providing
 9 for effective dates.

10

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

12

13 **Section 1.** W.S. 9-4-203(a)(xiii), 9-4-220(a),
 14 9-4-305(b), 9-4-601(a)(ii), (b)(i)(intro), (iv)(A) and (B),
 15 9-4-719(b)(intro), 21-13-306(a) and (b), 21-13-311(a),
 16 21-15-108(a) and (d)(vii), 21-15-109(b), 21-15-117(d),

1 21-15-119(a)(ii)(A) and (C) and 21-15-120(b) are amended to
2 read:

3

4 **9-4-203. Definitions.**

5

6 (a) As used in this act:

7

8 (xiii) "This act" means W.S. ~~9-4-201~~9-4-202
9 through ~~9-4-224~~9-4-225.

10

11 **9-4-220. Strategic investments and projects account**
12 **created; purposes.**

13

14 (a) The strategic investments and projects account
15 created by 2013 Wyoming Session Laws, Chapter 73, Section
16 4, Section 300(e) is continued and codified. Funds within
17 the account shall only be expended by legislative
18 appropriation. ~~Subject to subsection (b) of this section,~~
19 The governor may include appropriation requests from funds
20 available within the strategic investments and projects
21 account within his biennial budget requests for one-time
22 expenditures as he deems necessary. All funds within the
23 account shall be invested by the state treasurer and all

1 investment earnings from the account shall be credited to
2 the general fund, except as provided by W.S. 9-4-220.1(a).

3

4 **9-4-305. Disposition of state land revenue.**

5

6 (b) Proceeds from the sale of state lands, mineral
7 royalties and any money designated by the Wyoming
8 constitution or Wyoming statutes as collected shall be
9 transmitted to the state treasurer and credited to the
10 proper accounts within the permanent land fund. As
11 authorized by article 7, section 2 of the Wyoming
12 constitution, thirty-three and one-third percent (33 1/3%)
13 of the mineral royalties received from the lease of any
14 school lands shall be deposited into the public school
15 ~~lands mineral royalties~~ foundation program account. To the
16 extent constitutionally permissible and notwithstanding any
17 other provision of law, at the end of every fiscal year,
18 the state treasurer shall transfer to the corpus of each
19 account within the permanent land fund, except the common
20 school account, from the income earned on the corresponding
21 account within the permanent land fund, to the extent
22 available, an amount as provided by this subsection. In
23 determining the amount to be withheld, the state treasurer

1 shall calculate the fiscal year beginning balance and
2 ignore any appropriations made from the account within that
3 fiscal year. For the fiscal year 2000, he shall transfer an
4 amount equal to five percent (5%) of the inflation rate for
5 the previous twelve (12) month period as determined by the
6 department of administration and information multiplied by
7 the beginning balance of each permanent land fund account,
8 except the common school account. At the end of each
9 succeeding fiscal year, the state treasurer shall increase
10 the amount to be multiplied by that year's inflation rate
11 by five percent (5%) until such time as the multiplier
12 reaches one hundred percent (100%) of the inflation rate,
13 and then multiply that amount by the beginning balance of
14 each permanent land fund account, except the common school
15 account.

16

17 **9-4-601. Distribution and use; funds, accounts,**
18 **cities and towns benefited; exception for bonus payments.**

19

20 (a) All monies received by the state of Wyoming from
21 the secretary of the treasury of the United States under
22 the provisions of the act of congress of February 25, 1920
23 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, or

1 from lessees or authorized mine operators and all monies
2 received by the state from its sale of production from
3 federal mineral leases subject to the act of congress of
4 February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181,
5 191) as amended, except as provided by subsection (b) of
6 this section, shall be deposited into an account and the
7 first two hundred million dollars (\$200,000,000.00) of
8 revenues received in any fiscal year shall be distributed
9 by the state treasurer as provided in this subsection. One
10 percent (1%) of these revenues shall be credited to the
11 general fund as an administrative fee, and the remainder
12 shall be distributed as follows:

13

14 (ii) ~~Subject to paragraph (xi) of this section,~~
15 ~~forty-four and eight-tenths percent (44.8%)~~ Forty-seven and
16 one-half percent (47.5%) to the public school foundation
17 program account subject to allocations under W.S. 9-4-605;

18

19 (b) The state treasurer shall ascertain and withhold
20 all bonus payments received from the federal government
21 attributable to coal, oil shale or geothermal leases of
22 federal land within Wyoming and shall distribute it as
23 follows:

1

2 (i) Fifty percent (50%), the first seven million
3 five hundred thousand dollars (\$7,500,000.00) of which
4 shall be distributed as follows, and any amount in excess
5 of seven million five hundred thousand dollars
6 (\$7,500,000.00) per year shall be deposited into the public
7 school ~~capital construction account established under W.S.~~
8 ~~21-15-111(a)(i), except for fiscal years 2019, 2021 and~~
9 ~~2022 amounts in excess of seven million five hundred~~
10 ~~thousand dollars (\$7,500,000.00) per year shall be~~
11 ~~deposited to the school foundation program reserve account:~~
12 ~~created by W.S. 21-13-306.1:~~

13

14 (iv) And:

15

16 (A) Ten percent (10%) but not to exceed one
17 million six hundred thousand dollars (\$1,600,000.00) per
18 year, to a separate account which may be expended by the
19 community college commission in accordance with and in
20 addition to appropriations available under W.S.
21 21-18-205(c). Any amount in excess of one million six
22 hundred thousand dollars (\$1,600,000.00) together with any
23 unexpended revenues within the account at the end of any

1 biennial budget period shall be credited to the public
 2 school ~~capital construction account established under W.S.~~
 3 ~~21-15-111(a)(i), except for fiscal years 2019, 2021 and~~
 4 ~~2022 these funds shall be deposited to the school~~
 5 foundation program reserve account; ~~created by W.S.~~
 6 ~~21-13-306.1;~~

7

8 (B) Forty percent (40%) to be deposited to
 9 the public school ~~capital construction account established~~
 10 ~~under W.S. 21-15-111(a)(i), except for fiscal years 2019,~~
 11 ~~2021 and 2022 these funds shall be deposited to the school~~
 12 foundation program reserve account. ~~created by W.S.~~
 13 ~~21-13-306.1.~~

14

15 **9-4-719. Investment earnings spending policy**
 16 **permanent funds.**

17

18 (b) There is created the permanent Wyoming mineral
 19 trust fund reserve account. All funds within the account
 20 shall be invested by the state treasurer as authorized
 21 under W.S. 9-4-715(a), (d), (e) and (r) and all investment
 22 earnings from the account shall be credited to the account.

23 ~~Beginning July 1, 2021 for fiscal year 2022 and each fiscal~~

1 ~~year thereafter, to the extent funds are available, the~~
2 ~~state treasurer shall transfer unobligated funds from this~~
3 ~~account to the general fund on a quarterly, pro-rata basis~~
4 ~~as necessary to ensure that an amount equal to two and~~
5 ~~one-half percent (2.5%) of the previous five (5) year~~
6 ~~average market value of the permanent Wyoming mineral trust~~
7 ~~fund, calculated on the first day of the fiscal year, is~~
8 ~~available for expenditure during each fiscal year. As soon~~
9 as possible after the end of each of the fiscal years
10 beginning on and after ~~July 1, 2017, after making any~~
11 ~~transfer required pursuant to paragraphs (i) and (ii) of~~
12 ~~this subsection, July 1, 2024, revenues in this account in~~
13 excess of one hundred fifty percent (150%) of the spending
14 policy amount in subsection (d) of this section shall be
15 credited to the permanent Wyoming mineral trust fund. ~~For~~
16 ~~fiscal year 2020 and for each fiscal year thereafter:~~

17

18 **21-13-306. Foundation program account established;**
19 **disposition of monies.**

20

21 (a) The public school foundation program account is
22 established to consist of funds appropriated to, or
23 designated to the account by law, or by gift from whatever

1 source, for distribution to districts in accordance with
2 ~~this article~~ law.

3

4 (b) Within the limits of legislative appropriation,
5 if any, the resources of the public school foundation
6 program account shall be paid into the state treasury and
7 shall be drawn out and distributed to the districts in
8 accordance with this article upon certification of the
9 state superintendent and upon vouchers approved by the
10 state auditor payable to the treasurer of the several
11 districts.

12

13 **21-13-311. Determination of amount to be distributed**
14 **to each district from foundation account; undistributed**
15 **balance; prohibition on expenditures.**

16

17 (a) The amount of money which shall be distributed to
18 each district in accordance with this article from the
19 public school foundation program account shall be
20 determined by subtracting the sum of the district revenues
21 computed in accordance with W.S. 21-13-310 from the total
22 amount of the foundation program computed in accordance
23 with W.S. 21-13-309.

1

2 **21-15-108. Revenue bonds for grants and loans;**
3 **refunding revenue bonds.**

4

5 (a) Before distribution to the public school lands
6 mineral royalties foundation program account under W.S.
7 9-4-305(b), sufficient revenues for the purposes of this
8 section shall be deducted therefrom and credited to a bond
9 repayment account pursuant to the terms of the resolution,
10 indenture or other appropriate proceeding authorizing the
11 issuance of revenue bonds under this section. The revenues
12 deducted shall be used as provided by this section. The
13 balance of the revenues shall be credited to the public
14 school lands mineral royalties foundation program account
15 as provided under W.S. 9-4-305(b). After available
16 revenues under W.S. 9-4-305(b) have been used, revenues
17 under W.S. 21-13-301 shall also be credited, as necessary,
18 to the bond repayment account and shall be used as provided
19 by this section.

20

21 (d) Any bonds issued under this section shall:

22

1 (vii) Be additionally secured by a reserve fund
2 created from revenues deposited within the public school
3 ~~lands mineral royalties~~ foundation program account under
4 W.S. 9-4-305(b) or from the proceeds of the bonds, or both,
5 in an amount determined by the commission but not to exceed
6 an amount equal to ten percent (10%) of the revenue bonds
7 outstanding.

8

9 **21-15-109. Major building and facility repair and**
10 **replacement payments; computation; square footage**
11 **allowance; use of payment funds; accounting and reporting**
12 **requirements.**

13

14 (b) To the extent funds are available, the state
15 construction department shall, based upon square footage
16 computations computed from the prior school year,
17 distribute the estimated major building and facility repair
18 and replacement payments in quarterly installments to each
19 school district from the public school ~~capital construction~~
20 foundation program account. The department shall distribute
21 the first quarterly payment on July 1 of each fiscal year,
22 with the remaining payments distributed on October 1,
23 January 2 and April 1. Payments shall be made as equal as

1 reasonably possible. If funds within the account are not
2 sufficient for any quarterly payment, the department shall
3 reduce all district payments for that quarter by a uniform
4 percentage. The department shall also increase or reduce a
5 subsequent school district payment, as appropriate, in the
6 event a school district receives an excessive or deficient
7 distribution. Major building and facility repair and
8 replacement payments shall be computed in accordance with
9 subsection (c) of this section.

10

11 **21-15-117. Annual evaluation of school buildings and**
12 **facilities; remediation schedules; needs prioritization;**
13 **combining facilities; implementation of remedy.**

14

15 (d) In determining building and facility remedies
16 under subsection (b) of this section, in developing
17 criteria and procedures for site analysis under W.S.
18 21-15-114(a)(xii) and in approving district facility plans
19 under W.S. 21-15-116 and otherwise administering this act,
20 the commission shall adopt the remedy that is in the best
21 financial and educational interests of the state, taking
22 into consideration the recommendations of the department
23 and the most efficient and cost effective approach in order

1 to deliver quality educational services and address
2 building and facility need. Expenditures from the public
3 foundation program account for school capital construction
4 account—shall be for necessary and related costs to
5 implement efficient and cost effective building and
6 facility remedies required to deliver quality educational
7 services. In making determinations under this subsection,
8 the commission shall take into consideration the effects of
9 the proposed activity on the local community. The
10 commission shall implement this subsection in carrying out
11 building and facility remedies and shall, giving proper
12 consideration to the prevention of unnecessary delays in
13 proceeding with a remedy, establish a process to work with
14 other political subdivisions of the state in implementing
15 this subsection.

16

17 **21-15-119. Commission budget and funding**
18 **recommendations.**

19

20 (a) Notwithstanding W.S. 9-2-1012, the commission
21 shall annually, not later than September 1, develop and
22 submit a recommended budget for projects and school capital
23 construction financing to the governor, through the state

1 budget department and to the select committee on school
2 facilities. The department shall prepare and provide
3 information as requested by the commission. The commission
4 shall include with its recommended budget to the select
5 committee the prioritized schedules of projects specified
6 in W.S. 21-15-117 including the amounts allocated to each
7 project and the annual building status report specified
8 under W.S. 21-15-121. The recommended budget submitted by
9 the commission shall include:

10

11 (ii) Financing alternatives for funding the
12 recommended budget, which uses any combination of the
13 following financing alternatives:

14

15 (A) Direct payment from the public school
16 ~~capital construction~~ foundation program account;

17

18 (C) Real property leasing under W.S.
19 21-15-112. Any payments for real property leasing shall be
20 made from the public school ~~capital construction~~ foundation
21 program account subject to W.S. 21-15-112. For the purpose
22 of this section, real property leasing includes payments

1 sufficient for the exercise of a purchase option under the
2 lease.

3

4 **21-15-120. Emergency facility needs.**

5

6 (b) Upon a finding that an emergency exists under
7 subsection (a) of this section, the commission shall in
8 accordance with rules and regulations promulgated by the
9 commission under this subsection and to the extent funds
10 are available within the public school ~~capital-construction~~
11 foundation program account or otherwise made available by
12 the legislature, acquire facilities and equipment,
13 undertake school building and facility repairs, fund
14 additional operating expenses incurred in providing
15 temporary measures and other responses to the emergency
16 situation including necessary investigative and qualified
17 contract assistance expenses incurred by the commission, as
18 necessary to enable the district to provide educational
19 programs required by law on a temporary basis until
20 permanent action can be taken to address school building
21 and facility adequacy.

22

1 **Section 2.** For fiscal years 2023 and 2024, prior to
2 the transfer of any funds required under W.S. 9-4-220.1
3 from the strategic investments and projects account to the
4 Wyoming state penitentiary capital construction account,
5 the state auditor shall first transfer any funds required
6 under W.S. 9-4-220(b)(i) to the school major maintenance
7 subaccount within the strategic investments and projects
8 account.

9

10 **Section 3.** W.S. 9-4-220(b), 9-4-224, 9-4-601(a)(vii),
11 9-4-719(b)(i) and (ii) and 21-15-111(a)(i) are repealed.

12

13 **Section 4.** The state auditor shall transfer any
14 unencumbered, unobligated funds in the school major
15 maintenance subaccount within the strategic investments and
16 projects account, the school lands mineral royalties
17 account and the school capital construction account to the
18 public school foundation program account. The transfers
19 shall be made on July 1, 2024, subject to accrual
20 accounting principles. Any funds that are directed by law
21 to revert to the school major maintenance subaccount within
22 the strategic investments and projects account, the school
23 lands mineral royalties account or the school capital

1 construction account shall revert to the public school
2 foundation program account.

3

4 **Section 5.**

5

6 (a) Except as provided in subsection (b) of this
7 section, this act is effective July 1, 2024.

8

9 (b) Sections 2 and 5 of this act are effective
10 immediately upon completion of all acts necessary for a
11 bill to become a law as provided by Article 4, Section 8 of
12 this Wyoming Constitution.

13

14 (END)