

HOUSE BILL NO. HB0340

State government-prohibition on federal funds.

Sponsored by: Representative(s) Wharff

A BILL

for

1 AN ACT relating to the administration of the government;
2 prohibiting the state from accepting and expending federal
3 funds as specified; authorizing the recapture and return of
4 federal funds already appropriated as specified; making
5 conforming amendments; repealing conflicting provisions;
6 requiring reports; specifying applicability; and providing
7 for effective dates.

8

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

10

11 **Section 1.** W.S. 9-2-1038 is created to read:

12

13 **9-2-1038. Acceptance and expenditure of federal funds**
14 **prohibited.**

15

1 (a) As used in this section, "state entity" means the
2 state of Wyoming, an agency, department, instrumentality or
3 other entity of the state of Wyoming, community colleges
4 and the University of Wyoming.

5

6 (b) Notwithstanding any other provision of law, no
7 state entity shall accept, appropriate, disburse or expend
8 money or other funds from the government of the United
9 States or any department or agency of the government of the
10 United States.

11

12 (c) Any state entity that violates subsection (b) of
13 this section shall, not later than June 30 of the
14 applicable year, remit to the state treasurer an amount of
15 general funds equal to the federal funds that the state
16 entity accepted, disbursed or expended. The state treasurer
17 shall deposit any funds received under this subsection to
18 the general fund.

19

20 (d) On July 1, 2026, each state entity that is in
21 possession of federal funds shall transfer any unexpended,
22 unobligated federal funds that were accepted by,
23 appropriated or disbursed to or otherwise held by the state

1 entity to the state auditor. Upon receipt of federal funds
2 under this subsection and not later than September 1, 2026,
3 the state auditor shall return, revert or transfer funds,
4 as applicable, to the United States in accordance with the
5 laws and rules of the United States.

6

7 (e) To the extent that the prohibition in subsection
8 (b) of this section conflicts with any other provision of
9 law, this section shall control and supersede those other
10 provisions.

11

12 **Section 2.** W.S. 9-1-208(a)(i), 9-1-209(b)(ii), (iv)
13 and (c), 9-1-210 and 9-2-1005(b)(intro), (ii)(intro) and
14 (p) are amended to read:

15

16 **9-1-208. Prior approval of governor required.**

17

18 (a) No state department, board, commission or agency
19 whose director, board or commission members are appointed
20 by the governor shall, without prior approval of the
21 governor:

22

1 (i) Apply for ~~federal funds or~~ private endowment
2 funds;

3
4 **9-1-209. Coordinator of state-federal relations;**
5 **appointment; removal; employment of personnel; duties;**
6 **information to be supplied by agencies.**

7

8 (b) The coordinator shall:

9

10 (ii) Aid, assist and advise the governor on all
11 ~~federal aid and~~ private endowment programs;

12

13 (iv) Collect data and information on ~~federal aid~~
14 ~~and~~ private endowment programs and maintain a central
15 depository for the data and information relating to all
16 programs, including the cost of the state or local
17 participation. This information shall be available to all
18 state agencies and units of local government;

19

20 (c) All state departments, boards and commissions
21 shall provide to the coordinator information and data
22 requested by the coordinator, including cost of programs,
23 of all ~~federal aid or~~ private endowment programs in which

1 they participate. This information and data shall be
2 supplied the coordinator within forty-five (45) days from
3 the date of request unless more time is granted by the
4 coordinator.

5

6 **9-1-210. State authorized to accept gifts.**

7

8 The state, through the governor may accept gifts, grants,
9 funds or assistance from any ~~federal,~~ state or local
10 governmental agencies or from any private source.

11

12 **9-2-1005. Payment of warrants; budget powers of**
13 **governor; agency budgets; federal funds; new employees.**

14

15 (b) Subject to subsections (c), ~~(g)~~ and (q) of this
16 section, the governor may:

17

18 (ii) Authorize revisions, changes,
19 redistributions or increases to amounts authorized for
20 expenditure by legislative appropriation acts from fund
21 sources identified in W.S. 9-4-204(t) as special revenue
22 funds, capital project funds, debt service funds or
23 proprietary fund types, ~~and from federal funds as provided~~

1 ~~under paragraph (iii) of this subsection, subsections (g)~~
2 ~~and (q) of this section and W.S. 9-4-206,~~ if in his opinion
3 a public welfare emergency exists, general fund
4 appropriations can be conserved, agency program
5 requirements have significantly changed or unanticipated
6 revenues from fund sources specified in this paragraph
7 become available and qualify pursuant to W.S. 9-2-1006(a).
8 For any revision, change, redistribution or increase in
9 amounts authorized for expenditure under this paragraph in
10 excess of one hundred thousand dollars (\$100,000.00), the
11 governor's office shall:

12

13 (p) The governor shall make available monthly for
14 public inspection information on the exercise of his
15 authority under paragraphs (b)(i), (ii), ~~(iii),~~ (v) and
16 (vi) ~~and subsection (g)~~ of this section and under W.S.
17 9-2-1014.2 and 9-2-1014.3 for the immediately preceding
18 month. The information shall be made available on the
19 Wyoming public finance and expenditure of funds website
20 created by W.S. 9-2-3220(a).

21

1 **Section 3.** W.S. 9-1-209(b)(v), 9-2-1005(a)(xi),
2 (b)(iii), (c)(i)(C), (g), (q) and (r), 9-4-206(b) and
3 9-4-207(b) are repealed.

4

5 **Section 4.**

6

7 (a) This act shall not apply to any federal funds
8 that have been previously appropriated, disbursed or
9 expended by the state of Wyoming before July 1, 2026. As of
10 the effective date of this section, no state entity shall
11 accept, appropriate, disburse or expend any federal funds.

12

13 (b) This act shall not be construed to alter, amend
14 or impair any contract or agreement entered into before
15 July 1, 2026.

16

17 (c) To the extent that any legislation enacted in the
18 2026 Budget Session appropriates federal funds in violation
19 of this act, the provisions of this act shall control and
20 supersede that conflicting legislation.

21

22 **Section 5.**

23

1 (a) Not later than October 1, 2025, each state
2 entity, as defined by W.S. 9-2-1038(a), as created by
3 section 1 of this act, shall:

4

5 (i) Account for any federal funds that have been
6 received by or disbursed to the state entity on or before
7 July 1, 2025;

8

9 (ii) Attempt to reclaim or recapture any federal
10 funds that have already been obligated to the greatest
11 extent possible;

12

13 (iii) Report to management council and the joint
14 appropriations committee on the amount of federal funds
15 that the state entity will forgo, return or otherwise lose
16 as a result of this act and on any additional changes to
17 current law necessary to account for this act.

18

1 **Section 6.**

2

3 (a) Except as provided in subsection (b) of this
4 section, this act is effective July 1, 2026.

5

6 (b) Sections 5 and 6 of this act are effective
7 immediately upon completion of all acts necessary for a
8 bill to become law as provided by Article 4, Section 8 of
9 the Wyoming Constitution.

10

11

(END)