

SENATE FILE NO. SF0168

Budget reserve account-repeal.

Sponsored by: Senator(s) Hicks, Driskill, Gierau, Laursen,
D, Nethercott and Salazar and
Representative(s) Allemand, Angelos, Bear,
Heiner, Neiman, Pendergraft and Smith, S

A BILL

for

1 AN ACT relating to public funds; repealing the budget
2 reserve account; providing for the transfer from and the
3 reversion of funds from the budget reserve account; making
4 conforming amendments; repealing obsolete language;
5 requiring reports; and providing for an effective date.

6

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

8

9 **Section 1.** W.S. 9-1-417(a), 9-2-102(a)(iii),
10 9-2-1012(e) and by creating a new subsection (j),
11 9-2-1013(d)(ii), (iii)(B), (iv) and by creating a new
12 paragraph (vii), 9-3-413.1(a)(v), 9-4-601(d)(intro), (iv),
13 (vii) and (ix), 21-16-720(b), 35-1-1002(a)(vi),

1 35-11-528(e), 35-11-529(a) and (b), 39-14-801(d)(intro) and
2 39-19-111(a)(intro) are 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
12 due prior to receipt of revenues. The interfund loans shall
13 be repaid as soon as the anticipated revenue is received.
14 The total amount of interfund loans under this subsection
15 outstanding at one (1) time shall not exceed sixty million
16 dollars (\$60,000,000.00). These loans shall not be used to
17 fund shortages caused by expenditures exceeding projected
18 revenues but are to be used only to fund temporary
19 shortages caused by meeting obligations which come due
20 prior to receipt of revenues. The interest charged on each
21 interfund loan under this subsection, other than to the
22 general fund, ~~or budget reserve account,~~ shall be the

1 interest rate earned on pooled fund investments in the
2 previous fiscal year.

3

4 **9-2-102. Department of health; duties and**
5 **responsibilities; state grants.**

6

7 (a) The department of health is the state mental
8 health authority, the developmental disabilities authority
9 and the substance abuse authority. The department through
10 its divisions has the following duties and responsibilities
11 to:

12

13 (iii) Establish minimum standards and approve
14 policies and procedures for the establishment and operation
15 of community-based mental health, substance abuse and
16 developmental disabilities programs receiving state
17 support. The department through its mental health division
18 and its substance abuse division shall annually withhold
19 not less than five percent (5%) of all amounts provided in
20 each contract with a community-based mental health or
21 substance abuse program or provider and shall not release
22 the funds withheld to the individual program or provider
23 until the respective division and the individual program or

1 provider enter into a written agreement that provides for
2 performance and outcome measures. If the respective
3 division and an individual program or provider do not enter
4 into a mutually agreed upon set of performance and outcome
5 measures, the funds withheld under this paragraph shall
6 revert to the ~~budget reserve account~~ general fund at the
7 end of the biennium in which the funds were withheld;

8

9 **9-2-1012. Duties of the department; transmittal of**
10 **standard budget and manual; return of completed exception**
11 **and expanded budgets; submission to governor; disposition**
12 **of excess general fund appropriations; submission of**
13 **selected budget information to joint appropriations**
14 **committee.**

15

16 (e) In preparing the overall state budget for
17 distribution to the legislature, including any
18 supplemental, budget shortfall or other emergency changes
19 to the budget, the governor shall recommend to the
20 legislature that not less than five percent (5%) of
21 estimated general fund receipts for the next biennial
22 budget period shall be ~~appropriated from~~ maintained in the
23 general fund ~~to the budget as a~~ reserve ~~account within the~~

1 ~~earmarked fund. This appropriation shall be in addition to~~
2 ~~any fund balance within the budget reserve account. At the~~
3 ~~end of each biennial budget period, general fund~~
4 ~~appropriations for the biennium in excess of expenditures~~
5 ~~including encumbrances during the biennium, as identified~~
6 ~~by the state auditor in accordance with the provisions of~~
7 ~~W.S. 9-2-1008 and 9-4-207, shall be transferred into the~~
8 ~~budget reserve account. All funds in the budget reserve~~
9 ~~account shall be invested by the state treasurer and~~
10 ~~earnings therefrom shall be credited into the general fund.~~
11 ~~Appropriations to the account shall not lapse at the end of~~
12 ~~any fiscal period. Expenditures from the budget reserve~~
13 ~~account shall be by legislative appropriation only amount.~~
14 This general fund reserve amount request shall be separate
15 from all other requests for appropriations during the
16 biennial budget period for which it is recommended. Subject
17 to accrual accounting principles, any unappropriated fund
18 balance in the general fund on June 30 in the last year of
19 each biennial budget period in excess of the general fund
20 reserve amount recommended under this subsection shall be
21 transferred to the legislative stabilization reserve
22 account.

23

1 (j) At the end of fiscal year 2028 and the end of
2 each succeeding fiscal biennium and subject to accrual
3 accounting principles, the state auditor shall transfer the
4 unobligated, unencumbered fund balance as defined in W.S.
5 9-2-1002(a)(xxii) of the general fund in excess of the
6 amount specified in subsection (e) of this section for that
7 fiscal biennium to the legislative stabilization reserve
8 account.

9
10 **9-2-1013. State budget; distribution of copies to**
11 **legislators; copies and reports of authorizations;**
12 **interfund loans.**

13
14 (d) In addition to the items contained in subsection
15 (a) of this section and notwithstanding any other
16 recommendations made by the governor, the state budget
17 shall also include the governor's recommendations for
18 appropriations for the ensuing two (2) years, or if a
19 supplemental budget request, the remainder of the budget
20 period, subject to the following:

21
22 (ii) The total recommended appropriations under
23 this subsection for any two (2) fiscal year budget period

1 shall not exceed the total estimated revenues for that two
2 (2) year period. The total estimated revenues computed
3 under this paragraph shall not include increases in
4 existing revenue sources which would be available to the
5 state only after enactment of legislation in addition to
6 existing law, but shall include the unencumbered balances
7 in all other accounts in all other expendable funds subject
8 to this section, and as further provided herein, as those
9 funds are identified in accordance with standards
10 promulgated by the governmental accounting standards board,
11 but specifically excluding pension funds, nonexpendable
12 trust funds, debt service funds and intragovernmental
13 funds, that would be available for that budget period.
14 Funds within the permanent Wyoming mineral trust fund
15 reserve account created under W.S. 9-4-719(b), the common
16 school permanent fund reserve account created under W.S.
17 9-4-719(f), and funds within the legislative stabilization
18 reserve account in excess of the limitation under
19 subparagraph (iii)(C) of this ~~section, or funds within five~~
20 ~~percent (5%) of estimated~~ subsection and the general fund
21 ~~receipts for the next biennium to be appropriated to the~~
22 ~~budget~~ reserve ~~account as required~~ amount specified by W.S.
23 9-2-1012(e) shall not be included in total estimated

1 revenues computed under this paragraph. Funds from a
2 contingent appropriation shall not be included as an
3 estimated source of revenue or funds available unless those
4 funds previously had been authorized to be expended within
5 the fiscal period covering the budget period of the
6 recommendation;

7

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

10

11 (B) The transfer of funds from an account
12 to another account; ~~except transfers from the budget~~
13 ~~reserve account;~~

14

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

17

18 (A) Specific legislative authorization to
19 expend state revenues contained in a budget bill that is
20 enacted into law; ~~7~~

21

22 (B) An amount to be expended from an
23 account which does not require additional specific

1 legislative authorization; ~~the transfer of funds from the~~
2 ~~budget reserve account to another account or~~

3
4 (C) A specific statutory distribution of a
5 revenue source.†

6
7 (vii) The state budget may include
8 recommendations for additional funding for state agencies
9 that receive federal mineral royalties or severance tax
10 distributions and for local governments from federal
11 mineral royalties or severance tax distributions under W.S.
12 9-4-601(d)(iv) and 39-14-801(d), subject to the following:

13
14 (A) To the extent the legislature
15 appropriates funds under this paragraph from the general
16 fund for local governments, the appropriation shall comply
17 with and be subject to the following:

18
19 (I) The amount appropriated to local
20 governments shall not exceed the amount available under
21 this paragraph, less appropriations under this paragraph to
22 state agencies;

23

1 (II) A total amount shall be annually
2 appropriated to the state treasurer to be distributed to
3 all local governments as follows:

4
5 (1) Thirty percent (30%) to
6 counties, in the proportion which the population of the
7 county bears to total state population;

8
9 (2) Seventy percent (70%) to
10 cities and towns, each city and town to receive an amount
11 in the proportion which the population of the city or town
12 bears to the population of all cities and towns in Wyoming.

13
14 (III) The distributions to local
15 governments under this paragraph shall be made by the state
16 treasurer not later than October 15 of the fiscal year next
17 following the fiscal year for which the appropriation is
18 made. The distributions shall be from revenues actually
19 recognized in the fiscal year for which the appropriation
20 is made. Any interest earned on invested funds allocated to
21 local governments under this paragraph shall be retained in
22 the general fund as a reserve amount.

23

1 (B) To the extent that actual recognized
2 revenues are less than the estimated deposits referenced in
3 this paragraph:

4
5 (I) The distribution of any
6 appropriation to local governments under this paragraph
7 shall be reduced by a pro rata amount; and

8
9 (II) The state auditor shall reduce
10 the spending authority of any state agency receiving an
11 appropriation under this paragraph by a pro rata amount.

12
13 (C) As used in this paragraph:

14
15 (I) "Local government" means any
16 county or municipality;

17
18 (II) "State agency" means the
19 department of transportation, the University of Wyoming and
20 the water development office.

21

1 **9-3-413.1. Members' and employers' contributions**
2 **based on actuarially determined contribution rates;**
3 **calculation of rates; reports.**

4

5 (a) Beginning with the 2027-2028 fiscal biennium, the
6 retirement system shall calculate the percentage of salary
7 for members' contributions required under W.S. 9-3-412(a)
8 and for the employers' contribution required under W.S.
9 9-3-413 based on an actuarially determined contribution
10 rate in accordance with the following:

11

12 (v) After calculation of the actuarially
13 determined contribution rate under paragraph (ii) of this
14 subsection, the state budget department and the retirement
15 system shall calculate necessary amounts to account for any
16 changes in the appropriations necessary to fund the
17 contributions for the public employee retirement plan and
18 shall include those amounts in the budget prepared under
19 W.S. 9-2-1010 through ~~9-2-1014.1~~9-2-1014, including
20 changes in amounts for school districts necessary to
21 account for the employer's share of the actuarially
22 determined contribution rate in accordance with this
23 section for benefits paid from the education resource block

1 grant model defined in W.S. 21-13-101(a)(xiv) and as
2 enumerated in Attachment A(b)(xxxviii), as defined in W.S.
3 21-13-101(a)(xvii);

4

5 **9-4-601. Distribution and use; funds, accounts,**
6 **cities and towns benefited; exception for bonus payments.**

7

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

13

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

17

18 (vii) From the amounts that would otherwise be
19 distributed to the ~~budget reserve account general fund~~
20 under paragraph (iv) of this subsection ~~and paragraphs~~
21 ~~(k)(ii), (m)(ii), (n)(ii) and (o)(ii) of this section,~~
22 amounts necessary to make the required revenue bond
23 payments as provided by W.S. 9-4-1003(d), but in no event

1 more than eighteen million dollars (\$18,000,000.00)
2 annually;

3

4 (ix) For the period beginning July 1, 2019 and
5 ending June 30, 2049, from the amounts that would otherwise
6 be distributed to the ~~budget reserve account~~ general fund
7 under paragraph (iv) of this subsection, the first eight
8 million dollars (\$8,000,000.00) shall be distributed to a
9 separate account for the University of Wyoming. These
10 funds are continuously appropriated to the university upon
11 deposit to the account. The University of Wyoming shall
12 reduce its standard budget request for the 2021-2022
13 biennium by an amount equal to the maximum amount of funds
14 authorized to be deposited under this paragraph. The
15 University of Wyoming shall acknowledge this reduction of
16 its 2021-2022 budget request pursuant to this paragraph in
17 each standard budget request submitted to the governor's
18 office through June 30, 2048.

19

20 **21-16-720. Annual report and budget.**

21

22 (b) The authority shall submit its budget for review
23 as provided by W.S. 9-2-1010 through ~~9-2-1014.1~~ 9-2-1014.

1

2 **35-1-1002. Definitions.**

3

4 (a) As used in this article:

5

6 (vi) "Unobligated," for purposes of W.S.
7 35-1-1003(b), ~~and (d),~~ means no commitment meeting the
8 requirements of subparagraph (iii)(B) of this subsection
9 was received prior to June 30, 2012.

10

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

14

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

1 program, but the interest rate shall not exceed an annual
2 interest rate equal to the average prime interest rate as
3 determined by the state treasurer. To determine the
4 average prime interest rate, the state treasurer shall
5 average the prime interest rate for at least seventy-five
6 percent (75%) of the thirty (30) largest banks in the
7 United States. The interest rate shall be adjusted on
8 January 1 of each year. Interest rates shall be
9 established in recognition of the repayment abilities and
10 needs of the local municipal solid waste facility operator
11 eligible for loans under the program. The state loan and
12 investment board shall establish loan amortization
13 schedules, terms and conditions for each loan approved
14 based on an applicant's need, financial condition of the
15 landfill operator or the entity responsible for solid waste
16 funding, the projected life of the transfer facility and
17 the ability of that entity to repay the loan in a timely
18 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
3 be awarded for grants to fund approved activities pursuant
4 to W.S. 35-11-528. Interest earned by this account shall
5 be 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
12 be awarded for loans to fund approved activities pursuant
13 to W.S. 35-11-528. Interest earned by this account shall
14 be 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
23 subsections (b), (c), (f) and (j) of this section,

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

16

17 **Section 2.** W.S. 9-2-1014.1, 9-4-601(k), (m) and (n),
18 35-1-1003(d), 39-14-801(d)(i), (ii), (g), (h) and (k) and
19 39-19-111(a)(i) and (ii) are repealed.

20

21 **Section 3.** The budget reserve account is repealed.

22

