

[BUDGET(s) AFFECTED]

Section Under Consideration:

**Section 328. [ADDITIONS TO 300 SECTIONS]**

\* \* \* \* \*

1 Page 1-line 8 After "2028;" insert "providing for a local  
2 water system funding program;"  
3

4 Page 141-after line 19 Insert the following new section and  
5 renumber as necessary:  
6

7 "[LOCAL WATER SYSTEM FUNDING]  
8

9 (a) As used in this section:

10  
11 (i) "Board" means the state loan and investment board  
12 and includes the office of state lands and investments;  
13

14 (ii) "Program" means the local water system funding  
15 program created by this section.  
16

17 (b) The local water system funding program is created to  
18 provide financial assistance to cities, towns and special  
19 districts for improvements to community public water systems and  
20 community wastewater systems in accordance with this section.  
21

22 (c) The state loan and investment board, with assistance  
23 from the office of state lands and investments, shall administer  
24 the program. The board shall promulgate all rules necessary to  
25 implement the program.  
26

27 (d) The board shall:

28  
29 (i) Establish an application process by which cities,  
30 towns and special districts may apply for financial assistance  
31 under the program;  
32

33 (ii) Receive and review applications for financial  
34 assistance under the program, in accordance with subsection (f) of  
35 this section;  
36

1 (iii) Administer the financial assistance available  
2 under the program, including processing and receiving repayments;

3  
4 (iv) Conduct an annual audit of the program;

5  
6 (v) Report to the joint appropriations committee and  
7 the joint minerals, business and economic development interim  
8 committee not later than November 1 of each year on the financial  
9 assistance provided under the program for the immediately  
10 preceding fiscal year.

11  
12 (e) Subject to subsection (f) of this section, funds under  
13 the program shall be available only to cities, towns and special  
14 districts for financial assistance for eligible projects for the  
15 following purposes:

16  
17 (i) Predevelopment and preapplication costs;

18  
19 (ii) Planning and technical assistance;

20  
21 (iii) Local matching funds;

22  
23 (iv) Repayment of federal or state loans received from  
24 other programs or funds;

25  
26 (v) Costs related to joining a regional water system or  
27 regional wastewater system.

28  
29 (f) Projects shall be eligible for financial assistance from  
30 the program only if the project is for a water system or wastewater  
31 system for which consumer rates are charged in accordance with  
32 W.S. 15-7-407 and if the project meets at least one (1) of the  
33 following:

34  
35 (i) The project is an eligible project for funding  
36 under the state water pollution control revolving loan account,  
37 subject to the requirements of W.S. 16-1-201 through 16-1-207;

38  
39 (ii) The project is an eligible project for funding  
40 under the state drinking water revolving loan account, subject to  
41 the requirements of W.S. 16-1-301 through 16-1-308;

42  
43 (iii) The project is under the Wyoming water  
44 development office and is approved by the legislature;

45  
46 (iv) The project is an eligible local government  
47 capital construction project under W.S. 9-4-604(a).

1  
2 (g) Upon receiving an application for financial assistance  
3 under the program, the board shall review the application to  
4 determine whether the application qualifies for the program in  
5 accordance with this section. Financial assistance under the  
6 program shall be approved by majority vote of the state loan and  
7 investment board. In reviewing applications for the program, the  
8 board shall consider, at a minimum, the following factors:

9  
10 (i) The population of the city, town or special  
11 district that has applied for financial assistance;

12  
13 (ii) The ability of the city, town or special district  
14 to pay for or repay funds for the project for which financial  
15 assistance is sought under the program;

16  
17 (iii) The level of existing consumer rates charged by  
18 the city, town or special district, including whether the rates  
19 charged are in accordance with W.S. 15-7-407, and the amount of  
20 funding reserves that the city, town or special district has, in  
21 comparison to other cities, towns and special districts;

22  
23 (iv) The ability of the city, town or special district  
24 to join a regional water system or regional wastewater system;

25  
26 (v) The results and record of the city, town or county  
27 based on the annual audit required under W.S. 9-1-507.

28  
29 (h) A city, town or special district that receives financial  
30 assistance under the program shall establish or, if already  
31 established, maintain funds for depreciation in accordance with  
32 W.S. 15-7-407(b).

33  
34 (j) Funding for the program shall be from funds borrowed  
35 under subsection (k) of this section and from any other funds  
36 received by the board for the program.

37  
38 (k) The board is authorized to borrow an amount not to exceed  
39 one hundred million dollars (\$100,000,000.00) during the period  
40 beginning July 1, 2026 and ending June 30, 2028 to provide  
41 financial assistance under the program. The board shall borrow  
42 funds under this subsection from the legislative stabilization  
43 reserve account subject to the limits specified in this subsection.  
44 The amounts borrowed under this subsection shall be repaid to the  
45 account from which the funds were borrowed. Interest on any unpaid  
46 loan balance shall be charged and shall be equal to the total rate  
47 of return earned on the fund from which the funds were borrowed

1 during the previous fiscal year, provided that the interest rate  
2 shall be not less than zero percent (0%) and not more than one and  
3 five-tenths percent (1.5%).

4

5 (m) This section is effective immediately."

6

7 To the extent required by this amendment: adjust totals; and  
8 renumber as necessary. HARSHMAN