

HOUSE BILL NO. HB0156

Local water system funding.

Sponsored by: Representative(s) Harshman, Banks, Campbell, E, Nicholas and Riggins and Senator(s) Anderson and Landen

A BILL

for

1 AN ACT relating to the administration of the government;  
2 establishing a local water system funding program;  
3 specifying requirements and project eligibility for local  
4 water system funding; specifying duties; authorizing the  
5 borrowing of funds; requiring reports; requiring  
6 rulemaking; and providing for an effective date.

7

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

9

10 **Section 1.** W.S. 16-1-401 and 16-1-402 are created to  
11 read:

12

13

ARTICLE 4

14

LOCAL WATER SYSTEM FUNDING

15

1           **16-1-401. Definitions.**

2

3           (a) As used in this article:

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5                   (i) "Board" means the state loan and investment  
6 board and includes the office of state lands and  
7 investments;

8

9                   (ii) "Program" means the local water system  
10 funding program created by this article.

11

12           **16-1-402. Local water system funding program;**  
13 **creation; requirements; duties.**

14

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

20

21           (b) The state loan and investment board, with  
22 assistance from the office of state lands and investments,

1 shall administer the program. The board shall promulgate  
2 all rules necessary to implement the program.

3

4 (c) The board shall:

5

6 (i) Establish an application process by which  
7 cities, towns and special districts may apply for financial  
8 assistance under the program;

9

10 (ii) Receive and review applications for  
11 financial assistance under the program, in accordance with  
12 subsection (f) of this section;

13

14 (iii) Administer the financial assistance  
15 available under the program, including processing and  
16 receiving repayments;

17

18 (iv) Conduct an annual audit of the program;

19

20 (v) Report to the joint appropriations committee  
21 and the joint minerals, business and economic development  
22 interim committee not later than November 1 of each year on

1 the financial assistance provided under the program for the  
2 immediately preceding fiscal year.

3

4 (d) Subject to subsection (e) of this section, funds  
5 under the program shall be available only to cities, towns  
6 and special districts for financial assistance for eligible  
7 projects for the following purposes:

8

9 (i) Predevelopment and preapplication costs;

10

11 (ii) Planning and technical assistance;

12

13 (iii) Local matching funds;

14

15 (iv) Repayment of federal or state loans  
16 received from other programs or funds;

17

18 (v) Costs related to joining a regional water  
19 system or regional wastewater system.

20

21 (e) Projects shall be eligible for financial  
22 assistance from the program only if the project is for a  
23 water system or wastewater system for which consumer rates

1 are charged in accordance with W.S. 15-7-407 and if the  
2 project meets at least one (1) of the following:

3

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

8

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

13

14 (iii) The project is under the Wyoming water  
15 development office and is approved by the legislature;

16

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

19

20 (f) Upon receiving an application for financial  
21 assistance under the program, the board shall review the  
22 application to determine whether the application qualifies  
23 for the program in accordance with this article. Financial

1 assistance under the program shall be approved by majority  
2 vote of the state loan and investment board. In reviewing  
3 applications for the program, the board shall consider, at  
4 a minimum, the following factors:

5

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

8

9 (ii) The ability of the city, town or special  
10 district to pay for or repay funds for the project for  
11 which financial assistance is sought under the program;

12

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

19

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

23

1           (v) The results and record of the city, town or  
2 county based on the annual audit required under W.S.  
3 9-1-507.

4

5           (g) A city, town or special district that receives  
6 financial assistance under the program shall establish or,  
7 if already established, maintain funds for depreciation in  
8 accordance with W.S. 15-7-407(b).

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10          (h) Funding for the program shall be from funds  
11 borrowed under subsection (j) of this section and from any  
12 other funds received by the board for the program.

13

14          (j) The board is authorized to borrow an amount not  
15 to exceed fifty million dollars (\$50,000,000.00) in any one  
16 (1) fiscal year to provide financial assistance under the  
17 program. The board shall borrow funds under this subsection  
18 from the strategic investments and projects account,  
19 provided that if there are not sufficient unexpended,  
20 unobligated funds within the strategic investments and  
21 projects account in the applicable fiscal year, the board  
22 may borrow funds under this subsection from the legislative  
23 stabilization reserve account subject to the limits

1 specified in this subsection. In no event shall the board  
2 borrow more than fifty million dollars (\$50,000,000.00) for  
3 the program in any one (1) fiscal year. The amounts  
4 borrowed under this subsection shall be repaid to the  
5 account from which the funds were borrowed. Interest on any  
6 unpaid loan balance shall be charged and shall be equal to  
7 the total rate of return earned on the fund from which the  
8 funds were borrowed during the previous fiscal year,  
9 provided that the interest rate shall be not less than zero  
10 percent (0%) and not more than one and five-tenths percent  
11 (1.5%).

12

13       **Section 2.** The state loan and investment board shall  
14 promulgate all rules necessary to implement this act.

15

16       **Section 3.** This act is effective immediately upon  
17 completion of all acts necessary for a bill to become law  
18 as provided by Article 4, Section 8 of the Wyoming  
19 Constitution.

20

21 (END)