DRAFT ONLY
NOT APPROVED FOR INTRODUCTION

HOUSE BILL NO.

Consensus block grant local funding program.

Sponsored by: Joint Minerals, Business & Economic Development Interim Committee

A BILL

for

AN ACT relating to the administration of the government; creating and codifying the consensus block grant program for local government projects; specifying requirements and restrictions for the program; specifying duties; creating an account; providing for the annual transfer and continuous appropriation of funds; requiring reports; providing for the reversion of funds; requiring rulemaking; and providing for effective dates.

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

Section 1. W.S. 9-30-101 and 9-30-102 are created to read:

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STAFF COMMENT

In June, the Committee directed that major maintenance be included as a capital project. The Committee may wish to consider providing a further definition for "capital project" and a definition for "local government" to provide further clarity as to which entities qualify for funding and the types of projects for which funds may be expended.

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CHAPTER 30

CONSENSUS BLOCK GRANT FUNDING

9-30-101. Consensus block grant funding program.

(a) As used in this chapter, "capital project" shall include major maintenance for a property, building or facility.

(b) The consensus block grant funding program is created. The office of state lands and investments shall administer the program in accordance with this chapter.

(c) On and after July 1 of each year, the office of state lands and investments shall distribute grants from funds available in the consensus block grant account to local governments. Except as provided in subsection (d) of this section, the distribution shall not be less than fifty million dollars ($50,000,000.00) in total, and shall include any funds appropriated to the consensus block grant account in addition to those funds transferred under W.S. 9-30-102(b), to be allocated for each county as follows:

(i) To each county an amount equal to the total amount allocated in this subsection multiplied by seventy-five percent (75%) divided by the total state population and multiplied by the county's population; plus

(ii) To each county an amount equal to the total amount allocated in this subsection multiplied by twenty-five percent (25%) and then multiplied by each county's inverse per capita assessed valuation factor, computed as follows:

(A) Divide each county's assessed valuation for the immediately preceding tax year by that county's population to compute county assessed valuation per capita and the total state assessed valuation for the immediately preceding tax year by the total state population to compute state assessed valuation per capita;

(B) Divide the state assessed valuation per capita by each county's assessed valuation per capita to compute an inverse ratio for each county;

(C) Sum all the county inverse ratios computed in subparagraph (B) of this paragraph for a state total inverse ratio;

(D) Divide each county's inverse ratio by the state total inverse ratio to compute each county's inverse per capita assessed valuation factor.

(d) On July 1, 2027 and again on July 1, 2028, the office of state lands and investments shall distribute grants from the funds available in the consensus block grant account to local governments, provided that the distribution shall not be less than one hundred million dollars ($100,000,000.00). Distributions shall be made in accordance with the formula provided in subsection (c) of this section and shall be made in accordance with all other requirements of this section.

(e) Funds granted to counties under subsections (c) and (d) of this section shall only be expended for capital projects, including capital projects constructed by special districts.

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STAFF COMMENT

For subsection (c) above, the Committee may wish to consider defining or specifying requirements for what is (or is not) a "capital project." The Committee may also wish to define what is meant by special districts (or, more generally, which governmental entities may be eligible for consensus grants).

The rules that the Office of State Lands and Investments adopted in 2011 (and amended after the 2014 Budget Bill) that define, among other terms, "capital project" are included as a separate attachment in the meeting materials.

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(f) Grant funds shall be awarded to counties for distribution to counties and cities, towns and special districts within the county in accordance with all of the following:

(i) Not less than one (1) time each fiscal year, the board of county commissioners in each county shall solicit requests for capital projects using grant funding under this chapter from cities, towns and special districts in the county. The board of county commissioners may determine the county's requests for capital projects for the county. The board of county commissioners shall compile the list of requests received from the county and each city, town and special district in the county and make that list public;

(ii) Each board of county commissioners shall provide not less than one (1) opportunity for public comment on the list of proposed capital projects for funding;

(iii) The board of county commissioners shall submit to the office of state lands and investments a list of all proposed capital projects for which a consensus of the board of county commissioners and the governing bodies of not less than fifty percent (50%) of the incorporated cities and towns in that county have agreed should be funded using grant funds awarded under this chapter;

(iv) Upon receipt of a list of capital projects under paragraph (iii) of this subsection, the office of state lands and investments shall disburse grant funds to the county treasurer. The county treasurer shall distribute grant funds to the county and each city, town and special district that has capital projects that were included on the list submitted under paragraph (iii) of this subsection;

(v) The office of state lands and investments may promulgate rules to establish deadlines by which counties, cities, towns and special districts shall comply with this subsection.

(g) For purposes of this chapter, the population of a city, town or county shall be determined by resort to the most recently completed federal decennial census as reported by the economic analysis division within the department of administration and information.

(h) Nothing in this chapter shall be construed to limit the governor from making additional budget recommendations for appropriations to cities, towns and counties for capital projects under this chapter.

(j) The office of state lands and investments may consult with the Wyoming business council and any other governmental agency or entity in administering the program under this chapter. Upon receiving a request for consultation or information under this subsection, each governmental agency or entity shall cooperate with the office of state lands and investments and provide the assistance or consultation requested.

(k) Funds granted for capital project funding under this chapter that are in excess of final capital project costs shall not revert to the consensus block grant account but may be applied by the recipient governing bodies to any remaining county-level project agreed upon in the consensus process under subsection (f) of this section as determined by the governing bodies. To the extent excess funds are not sufficient to complete an additional capital project under this subsection, those excess funds may be held by the county treasurer for future project use as authorized in this chapter.

(m) As determined by the applicable governing bodies in each county, funds granted to a recipient governing body for a future capital project for which the funds will not be encumbered during a fiscal biennium shall not revert to the consensus block grant account.

(n) Not later than July 1, 2028 and each July 1 thereafter, each board of county commissioners receiving grant funds under this chapter shall report to the office of state lands and investments on the amount of grant funds received, the projects to which the funds have been applied, and the status of each capital project funded in whole or in part by grant funds from the consensus block grant account.

(o) Not later than November 1, 2028 and each November 1 thereafter, the office of state lands and investments shall report to the joint appropriations committee and the joint minerals, business and economic development interim committee on the consensus block grant funding program created in this chapter. The report shall include, at a minimum, the amount of funds granted from the consensus block grant account to counties, cities, towns and special districts during the immediately preceding fiscal year, the balance of the consensus block grant account as of July 1, the capital projects approved for funding under the program, the status of all capital projects that were funded in the immediately preceding fiscal year or that are not complete as of July 1 of that year and any recommendations for legislative changes to the program.

9-30-102. Consensus block grant funding program; account; funding.

(a) The consensus block grant account is hereby created. Funds in the account are continuously appropriated to the office of state lands and investments for grants to counties, cities, towns and special districts in accordance with this chapter. The state treasurer shall invest all funds in the account in accordance with law and all investment earnings from the account shall be credited to the account. The office of state lands and investments may accept, and shall deposit to the account, any gifts, contributions, donations, grants or other funds specifically given or appropriated to the office for the purposes of this chapter.

(b) On July 1, 2027 and again on July 1, 2028, the state auditor shall transfer one hundred million dollars ($100,000,000.00) from the legislative stabilization reserve account to the consensus block grant account.

(c) On July 1, 2029 and on each July 1 thereafter, the state auditor shall transfer fifty million dollars ($50,000,000.00) from the legislative stabilization reserve account to the consensus block grant account.

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STAFF COMMENT

The Committee will need to determine (1) the amount of funding for the consensus block grant program; (2) the source of funding for the program; and (3) the mechanism of transferring any funds.

The Committee may wish to note that the balance of the Legislative Stabilization Reserve Account, along with the other obligations on the account and the lack of directed income or earnings into the account, may make that account an unfeasible funding option for this program in future years. The Committee may wish to consider whether alternative methods of funding should be used to provide funding for the program.

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Section 2. On July 1, 2027, all unexpended, unobligated funds appropriated to the office of state lands and investments in 2014 Wyoming Session Laws, Chapter 26, Section 316, 2012 Wyoming Session Laws, Chapter 26, Section 324, 2011 Wyoming Session Laws, Chapter 88, Section 342, 2008 Wyoming Session Laws, Chapter 48, Sections 328(f) and 329(f) and 2007 Wyoming Session Laws, Chapter 136, Section 328 shall revert and be deposited in the consensus block grant account created in W.S. 9-30-102(a). Not later than July 1, 2027, all cities, towns and counties retaining funds from the appropriations specified in this section shall remit those funds to the office of state lands and investments. The office of state lands and investments may take any action necessary to effectuate the reversions and transfers specified in this section.

Section 3. The office of state lands and investments shall promulgate all rules necessary to implement this act.

Section 4.

(a) Except as provided in subsection (b) of this section, this act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(b) Section 1 of this act is effective July 1, 2027.

(END)