

## HOUSE BILL NO. HB0186

School and state capital construction financing.

Sponsored by: Representative(s) Parady, Boswell and  
Tempest

A BILL

for

1 AN ACT relating to administration of government; providing  
2 increased bonding authority for school and state capital  
3 construction; repealing existing bonding authority for  
4 specified correctional facility; redistributing certain  
5 federal revenues for bonding; modifying certain bonding  
6 authority; authorizing the pledge of certain federal  
7 mineral revenues for bond payments for school and state  
8 capital construction projects; amending related provisions;  
9 and providing for an effective date.

10

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

12

13 **Section 1.** W.S. 9-4-601(a)(intro), (iii), (vii),  
14 (d)(intro) and by creating new subsections (k) and (m),  
15 9-4-602(a) by creating a new paragraph (iv), 9-4-604(g) and  
16 (h), 9-4-605(a), (b), (j) and by creating a new subsection

1 (k), 9-4-607(a) (intro), 21-15-108(a), (b) and (d) (vii) and  
2 21-15-111(a) (i) are amended to read:

3

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

6

7 (a) All monies received by the state of Wyoming from  
8 the secretary of the treasury of the United States under  
9 the provisions of the act of congress of February 25, 1920  
10 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, or  
11 from lessees or authorized mine operators and all monies  
12 received by the state from its sale of production from  
13 federal mineral leases subject to the act of congress of  
14 February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181,  
15 191) as amended, except as provided by subsection (b) of  
16 this section, shall be deposited in the trust and agency  
17 fund, then distributions under subsection (m) of this  
18 section shall be made and thereafter the first two hundred  
19 million dollars (\$200,000,000.00) of revenues received in  
20 any fiscal year shall be distributed by the state treasurer  
21 as provided in this subsection. One percent (1%) of ~~these~~  
22 the two hundred million dollars (\$200,000,000.00) in  
23 revenues shall be credited to the general fund as an

1 administrative fee, and subject to subsection (k) of this  
2 section the remainder shall be distributed as follows:

3  
4 (iii) Except as provided by W.S. 9-4-605(a),  
5 twenty-six and one-quarter percent (26 1/4%) to the highway  
6 fund subject to allocations under W.S. ~~9-4-606 and~~ 9-4-607  
7 first and then subject to allocations required under  
8 subsection (h) of this section;

9  
10 (vii) Two and seven-tenths percent (2.7%) to the  
11 public school capital construction account created by W.S.  
12 21-15-111(a) (i), subject to W.S. 21-15-108;

13  
14 (d) Any revenue received under subsection (a) of this  
15 section in excess of two hundred million dollars  
16 (\$200,000,000.00) plus the distributions required under  
17 subsection (m) of this section shall be distributed as  
18 follows:

19  
20 (k) To the extent that sufficient revenues are not  
21 available to fully fund the bond repayment account as  
22 provided by W.S. 21-15-108, prior to any distribution to  
23 any fund, program or account under subsection (d) of this  
24 section or paragraph (i), (ii), (iii), (vi), (ix) or (x) of

1 subsection (a) of this section, sufficient additional  
2 revenues for the purpose of W.S. 21-15-108 shall be  
3 deducted from each distribution and credited to the bond  
4 repayment account under W.S. 21-15-108 as necessary. The  
5 revenues deducted shall be used as provided by W.S.  
6 21-15-108. The deductions required under this subsection  
7 shall be made first from revenues under subsection (d) of  
8 this section, then from revenues under the specified  
9 paragraphs of subsection (a) of this section pro rata,  
10 based upon the percentage distributions provided under  
11 subsection (a) of this section. The balance of the revenues  
12 shall be credited to the appropriate account, program or  
13 fund as provided under subsections (a) and (d) of this  
14 section.

15

16 (m) Subject to the provisions of W.S. 9-4-602(a)(iv),  
17 the following distributions of federal mineral royalties  
18 shall be made before distributions under paragraphs (a)(i)  
19 through (x) of this section in the following priority:

20

21 (i) Distributions required to make payments on  
22 bonds issued under W.S. 9-4-605(b) funded by revenues  
23 specified under W.S. 9-4-605(a). Any distributions made  
24 under this paragraph shall be deducted from distributions

1 otherwise required to be made under paragraphs (a) (ii) and  
2 (iii) in accordance with W.S. 9-4-605(a). The allocations  
3 and distributions required by paragraphs (ii) and (iii) of  
4 this subsection and subsection (k) of this section shall be  
5 subject first to any other allocation for bond payments  
6 otherwise specifically provided for in this section for  
7 bonds issued prior to July 1, 2002 or issued to refund  
8 bonds issued prior to July 1, 2002;

9  
10 (ii) Thirty-two million dollars (\$32,000,000.00)  
11 to the school capital construction account established  
12 under W.S. 21-15-111(a), subject to W.S. 21-15-108;

13  
14 (iii) Four million dollars (\$4,000,000.00) to a  
15 bond repayment account, to the extent necessary to make  
16 payments on bonds issued under W.S. 9-4-605(b) and  
17 designated by the legislature to be funded with revenue  
18 specified under W.S. 9-4-605(k).

19  
20 **9-4-602. Distribution and use; state treasurer's**  
21 **duty.**

22  
23 (a) Except as hereafter provided, distribution under  
24 W.S. 9-4-601 shall be made by the state treasurer within

1 thirty (30) days after the receipt of the government  
2 royalty funds for the preceding period. Federal mineral  
3 royalties received by the state on a continuing monthly  
4 basis shall be distributed under W.S. 9-4-601 by the state  
5 treasurer, subject to the following and except as otherwise  
6 provided by law for fiscal year 1994:

7  
8 (iv) Federal mineral royalties to be distributed  
9 pursuant to W.S. 9-4-601(m)(ii) and (iii) shall be  
10 distributed quarterly in equal amounts.

11  
12 **9-4-604. Distribution and use; capital construction**  
13 **projects and bonds; municipal, county and special district**  
14 **purposes.**

15  
16 (g) Not to exceed ~~forty million dollars~~  
17 ~~(\$40,000,000.00)~~ forty-five million dollars  
18 (\$45,000,000.00) of the total proceeds of all bonds issued  
19 under subsection (b) of this section may be loaned or  
20 granted to incorporated cities and towns. Loans or grants  
21 shall be made only under the following conditions:

22  
23 (h) Not to exceed ~~twenty million dollars~~  
24 ~~(\$20,000,000.00)~~ fifteen million dollars (\$15,000,000.00)

1 of the total proceeds of all bonds issued under subsection  
2 (b) of this section may be loaned or granted to counties or  
3 special districts. As used in this subsection "special  
4 districts" means hospital districts, fire protection  
5 districts, sanitary and improvement districts, solid waste  
6 disposal districts, service and improvement districts and  
7 water and sewer districts. Notwithstanding any other  
8 provision of law, no special district, either standing  
9 alone or as a member of a joint powers board, shall receive  
10 any grant or loan under this section until the special  
11 district's grant or loan application has received a written  
12 review from the board of county commissioners in any county  
13 in which the special district is located. The board of  
14 county commissioners shall review: (1) the ability of the  
15 special district to fund the project through bonds, (2)  
16 whether the project is adverse to the needs, plans or  
17 general welfare of the county, (3) whether the special  
18 district has utilized local funding resources, and (4)  
19 whether the special district has met county standards. If  
20 any part of the special district lies within five (5) miles  
21 of the corporate limits of any city or town, the special  
22 district's grant or loan application shall also receive a  
23 written review from the governing body of the city or town.  
24 The written review shall be submitted to the state loan and

1 investment board by the special district with its grant or  
2 loan application. Loans or grants shall be made only under  
3 the following conditions:

4

5 **9-4-605. Distribution and use; capital construction**  
6 **projects and bonds; purposes.**

7

8 (a) Prior to distribution to the public school  
9 foundation program account under W.S. 9-4-601(a)(ii),  
10 sufficient revenues for the purposes of this section shall  
11 be deducted therefrom and credited to a bond repayment  
12 account pursuant to the terms of the resolution, indenture  
13 or other appropriate proceeding authorizing the issuance of  
14 revenue bonds under subsection (b) of this section for  
15 payment of bonds for projects which are not designated by  
16 the legislature to be funded under subsection (k) of this  
17 section. To the extent that sufficient revenues are not  
18 available to fully fund the bond repayment account as  
19 provided by this subsection, prior to any distribution to  
20 the highway fund under W.S. 9-4-601(a)(iii), sufficient  
21 additional revenues for the purpose of funding payment of  
22 bonds issued under subsection (b) of this section for  
23 projects which are not designated by the legislature to be  
24 funded under subsection (k) of this ~~subsection~~ section



1 shall be deducted therefrom and credited to the bond  
2 repayment account. The revenues deducted shall be used as  
3 provided by this section. The balance of the revenues shall  
4 be credited to the public school foundation program account  
5 and the highway fund as provided by W.S. 9-4-601.

6  
7 (b) The state loan and investment board may borrow  
8 money in a principal amount not to exceed ~~one hundred five~~  
9 ~~million dollars (\$105,000,000.00)~~ one hundred fifty million  
10 dollars (\$150,000,000.00) by the issuance from time to time  
11 of one (1) or more series of revenue bonds and may encumber  
12 revenues under subsection (a) of this section, and may  
13 encumber revenues under subsection (k) of this section for  
14 projects specified by the legislature to be funded under  
15 that subsection, for bonds in total amounts not to exceed  
16 ~~one hundred five million dollars (\$105,000,000.00)~~ one  
17 hundred fifty million dollars (\$150,000,000.00) issued for  
18 capital construction projects under subsection (f) of this  
19 section. Any bonds issued under this section, together with  
20 any interest accruing thereon and any prior redemption  
21 premiums due in connection therewith, are payable and  
22 collectible solely out of revenues authorized under  
23 subsection (a) of this section, or subsection (k) of this  
24 section for projects specified by the legislature to be

1 funded under that subsection. The bondholders may not look  
2 to any general or other fund for payment of the bonds  
3 except the revenues pledged therefor. The bonds shall not  
4 constitute an indebtedness or a debt within the meaning of  
5 any constitutional or statutory provision or limitation.  
6 The bonds shall not be considered or held to be general  
7 obligations of the state but shall constitute its special  
8 obligations and the board shall not pledge the state's full  
9 faith and credit for payment of the bonds.

10

11 (j) Unless otherwise specifically prohibited by law,  
12 all capital construction projects or acquisition of  
13 personal property within the projects for which funds are  
14 appropriated by the legislature may be constructed or  
15 acquired through the issuance of revenue bonds under  
16 subsection (b) of this section for projects which are not  
17 designated by the legislature to be funded under subsection  
18 (k) of this section. To the extent bonds are utilized,  
19 appropriations for those projects made by the legislature  
20 shall be transferred to the common school account provided  
21 by W.S. 9-4-310(a)(vii) and shall be invested separate and  
22 apart from pooled investments. Notwithstanding the  
23 provisions of W.S. 21-13-301, income and earnings from this

1 investment shall be periodically credited to the school  
2 foundation program account.

3

4 (k) Sufficient revenues to fund payment of principal  
5 and interest on bonds for facility projects specified by  
6 the legislature to be funded under this subsection shall be  
7 deducted from revenue specified for that purpose under W.S.  
8 9-4-601(m)(iii). Revenue so deducted shall be credited to a  
9 bond repayment account pursuant to the terms of the  
10 resolution, indenture or other appropriate proceeding  
11 authorizing the issuance of revenue bonds under this  
12 subsection.

13

14 **9-4-607. Wyoming transportation enterprise program.**

15

16 (a) Prior to distribution under W.S. 9-4-601(a)(iii),  
17 and subject to W.S. 9-4-601(k) and (m) and 9-4-605, the  
18 following amounts shall be deposited into the  
19 transportation enterprise fund under W.S. 9-4-204(a)(xiv)  
20 and the transportation trust fund under W.S.  
21 9-4-204(a)(xv) :

22

23 **21-15-108. Revenue bonds for grants and loans;**  
24 **refunding revenue bonds.**

1

2 (a) Before distribution to the public school capital  
3 construction account under W.S. 9-4-305(b), sufficient  
4 revenues for the purposes of this section shall be deducted  
5 therefrom and credited to a bond repayment account pursuant  
6 to the terms of the resolution, indenture or other  
7 appropriate proceeding authorizing the issuance of revenue  
8 bonds under this section. The revenues deducted shall be  
9 used as provided by this section. ~~The balance of the~~  
10 ~~revenues shall be credited to the public school capital~~  
11 ~~construction account as provided under W.S. 9-4-305(b).~~

12 After available revenues under W.S. 9-4-305(b) have been  
13 used, revenues under W.S. 9-4-601(a)(vii) and (m)(ii), then  
14 revenues under 21-13-301 and then revenues under W.S.  
15 9-4-601(k) shall also be credited, as necessary, to the  
16 bond repayment account and shall be used as provided by  
17 this section. The balance of the revenues shall be credited  
18 to the appropriate account, program or fund as provided  
19 under W.S. 9-4-305(b), 9-4-601(a)(vii), (k) and (m)(ii) and  
20 21-13-301.

21

22 (b) The state loan and investment board may borrow  
23 money in a principal amount not to exceed ~~one hundred~~  
24 ~~million dollars (\$100,000,000.00)~~ five hundred thirty-two

1 million dollars (\$532,000,000.00) by the issuance from time  
2 to time of one (1) or more series of revenue bonds. The  
3 board may encumber revenues under subsection (a) of this  
4 section for bonds in total amounts not to exceed ~~one~~  
5 ~~hundred million dollars (\$100,000,000.00)~~ five hundred  
6 thirty-two million dollars (\$532,000,000.00) issued for  
7 state capital construction assistance under W.S. 21-15-111.  
8 The state loan and investment board may issue these bonds  
9 only to provide funding for school capital construction  
10 projects in accordance with a budget recommendation  
11 submitted by the state superintendent under W.S. 21-15-111.  
12 Any bonds issued under this section, together with any  
13 interest accruing thereon and any prior redemption premiums  
14 due in connection therewith, are payable and collectible  
15 solely out of revenues authorized under this section. The  
16 bondholders may not look to any general or other fund for  
17 payment of the bonds except the revenues pledged therefor.  
18 The bonds shall not constitute an indebtedness or a debt  
19 within the meaning of any constitutional or statutory  
20 provision or limitation. The bonds shall not be considered  
21 or held to be general obligations of the state but shall  
22 constitute its special obligations and the board shall not  
23 pledge the state's full faith and credit for payment of the  
24 bonds.

1

2 (d) Any bonds issued under this section shall:

3

4 (vii) Be additionally secured by a reserve fund  
5 created from revenues deposited within the capital  
6 construction account under W.S. 9-4-305(b), 9-4-601(a)(vii)  
7 or (m)(ii) or from the proceeds of the bonds, or both, in  
8 an amount determined by the state loan and investment board  
9 but not to exceed an amount equal to ten percent (10%) of  
10 the revenue bonds outstanding.

11

12 **21-15-111. State capital construction assistance.**

13

14 (a) As used in this act:

15

16 (i) "Capital construction account" or "public  
17 school capital construction account" means the account  
18 within the earmarked revenue fund into which revenues are  
19 deposited pursuant to W.S. 9-4-305(b) and 9-4-601(a)(vii),  
20 (b)(i) and (iv) and (m)(ii), into which the proceeds from  
21 any revenue bonds are credited under W.S. 21-15-108, and  
22 into which and in addition to any other funds appropriated  
23 to the account for purposes of this act. Funds within the

1 account shall be expended only for purposes of and in the  
2 manner prescribed by this act;

3

4 **Section 2.** W.S. 9-4-606 is repealed.

5

6 **Section 3.** This act is effective July 1, 2002.

7

8 (END)