

HOUSE BILL NO. HB0170

Local government infrastructure commission.

Sponsored by: Representative(s) Semlek and Senator(s) Meier

A BILL

for

1 AN ACT relating to administration of government; creating
2 the local government infrastructure and capital
3 construction commission; transferring duties of state loan
4 and investment board to local government infrastructure and
5 capital construction commission as specified; creating a
6 select legislative committee; and providing for an
7 effective date.

8

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

10

11 **Section 1.** W.S. 9-4-608, 9-4-609 and 28-11-501 are
12 created to read:

13

14 **9-4-608. Local government infrastructure and capital**
15 **construction commission; membership; removal; terms.**

16

1 (a) The local government infrastructure and capital
2 construction commission is created to consist of twelve
3 (12) members of which one (1) member shall be appointed
4 from each of the seven (7) appointment districts pursuant
5 to W.S. 9-1-218 and five (5) members shall be the five (5)
6 statewide elected officials or their designees.
7 Appointments in each appointment district shall be rotated
8 among the several counties comprising the district.
9 Commission membership shall be subject to the following:

10

11 (i) The nonelected official members shall be
12 appointed by the governor, with confirmation by the senate,
13 and may be removed by the governor as provided in W.S.
14 9-1-202;

15

16 (ii) Not more than four (4) of the nonelected
17 official members shall be of the same political party;

18

19 (iii) Appointments of nonelected official
20 members are for a term of four (4) years, except four (4)
21 of the initial appointees shall serve two (2) year terms;

22

23 (iv) No person shall be appointed for more than
24 two (2) consecutive terms;

1

2 (v) If any nonelected official member ceases to
3 reside in or is absent from the appointment district from
4 which appointed for a continuous period of six (6) months
5 or more, the governor shall declare his office vacant and
6 shall appoint a successor from the same district for the
7 unexpired term;

8

9 (vi) The governor shall fill vacancies for
10 unexpired terms;

11

12 (vii) The commission shall annually select one
13 (1) of its members as chairman and one (1) of its members
14 as secretary.

15

16 (b) All grant and loan programs over which the
17 commission has authority shall be administered by the
18 office of state lands and investments.

19

20 **9-4-609. Powers, duties, salaries and expenses of**
21 **commission.**

22

23 (a) The local government infrastructure and capital
24 construction commission shall:

1

2 (i) Have authority to contract for legal counsel
3 upon approval of the governor to assist in matters related
4 to local government infrastructure and capital construction
5 development as directed by the commission. By request of
6 the commission and upon approval of the governor, the legal
7 counsel shall be entitled to use monies appropriated for
8 legal matters relating to local government infrastructure
9 and capital construction development. Legal counsel shall
10 consult with the commission, the office of state lands and
11 investments and attorney general on a regular basis;

12

13 (ii) Submit an annual report of its activities,
14 expenses, recommendations and other items to the governor,
15 the select committee on local government infrastructure and
16 capital construction and the joint appropriations interim
17 committee by December 31;

18

19 (iii) Meet quarterly and as necessary and as the
20 governor may direct;

21

22 (iv) Establish and adjust priorities for local
23 government infrastructure and capital construction
24 projects;

1

2 (v) Adopt rules and regulations to implement the
3 provisions of W.S. 9-4-604 and 9-4-605;

4

5 (vi) Perform other duties as directed by law;

6

7 (vii) As nearly as possible represent and assist
8 all interests advocating local government infrastructure
9 and capital construction development in the state;

10

11 (viii) Have the duty and the authority to
12 conduct studies, develop plans and recommend legislation
13 which may be enacted for the purpose of enhancing local
14 government infrastructure and capital construction in the
15 state;

16

17 (ix) Establish an application fee not to exceed
18 one thousand dollars (\$1,000.00) which shall be paid by
19 potential project beneficiaries prior to commission
20 consideration of a project for inclusion in the mineral
21 royalty grant and loan program. Application fees shall be
22 deposited into the capital construction account; and

23

1 (x) Represent or advocate the state's interests
2 in negotiations and construction of local government
3 infrastructure and capital construction projects assigned
4 by the legislature or the governor.

5

6 (b) Commission members shall receive a salary of one
7 hundred twenty-five dollars (\$125.00) per day and actual
8 and necessary traveling expenses while away from home while
9 engaged in the performance of commission duties.

10

11

ARTICLE 5

12

SELECT COMMITTEE ON LOCAL GOVERNMENT INFRASTRUCTURE AND

13

CAPITAL CONSTRUCTION

14

15 **28-11-501. Appointment of members; powers and duties.**

16

17 (a) Not later than March 15 following each general
18 election, the president of the senate shall appoint six (6)
19 members of the senate, and the speaker of the house of
20 representatives shall appoint six (6) members of the house
21 to a select committee on local government infrastructure
22 and capital construction. Not more than four (4) members
23 from each house shall be from the same political party.

24

1 (b) The select committee shall:

2

3 (i) Select from among its members a chairman and
4 vice-chairman;

5

6 (ii) Monitor the activities and recommendations
7 of the local government infrastructure and capital
8 construction commission as provided in W.S. 9-4-609;

9

10 (iii) Prepare and submit recommendations to the
11 legislature, including sponsoring legislation, to improve
12 statutes related to the disbursement of federal mineral
13 royalties to local governments for local government
14 infrastructure and capital construction;

15

16 (iv) Develop knowledge and expertise among its
17 members regarding issues related to local government
18 infrastructure and capital construction needs throughout
19 the state.

20

21 (c) The local government infrastructure and capital
22 construction commission shall:

23

1 (i) Provide the select committee with notice and
2 minutes of all commission meetings. The select committee
3 and the commission may hold joint meetings;

4

5 (ii) Provide information to the select committee
6 upon request to assist the select committee to monitor
7 progress.

8

9 (d) The select committee may:

10

11 (i) Secure consulting services, if necessary, to
12 provide technical assistance regarding local government
13 infrastructure and capital construction needs throughout
14 the state;

15

16 (ii) Review budgets and expenditures related to
17 any aspect of local government infrastructure and capital
18 construction needs throughout the state which are funded by
19 the commission.

20

21 **Section 2.** W.S. 9-4-604(a)(intro), (b), (c),
22 (d)(iii), (vi), (vii), (e), (f), (g)(i)(intro), (ii),
23 (h)(intro), (i)(intro), (ii), (j), (k)(i) through (iii),

1 (m)(intro), (n) and (o) and 9-4-605(b), (c), (d)(vi),
2 (vii), (e), (g)(intro) and (h) are amended to read:

3

4 **9-4-604. Distribution and use; capital construction**
5 **projects and bonds; municipal, county and special district**
6 **purposes.**

7

8 (a) Revenues received under W.S. 9-4-601(a)(vi) and
9 (b)(i) shall be credited to a capital construction account.
10 No money shall be expended from the account until the money
11 has been appropriated by the legislature to the ~~state loan~~
12 ~~and investment board~~ local government infrastructure and
13 capital construction commission through the normal budget
14 process to be used in the ~~board's~~ commission's discretion
15 for any purpose authorized by this section. The revenues
16 shall be used to finance state revenue bonds as provided by
17 this section. The balance shall be used for the making of
18 loans or grants to incorporated cities and towns, counties
19 and special districts as provided in this section. No loan
20 or grant shall be made by the ~~state loan and investment~~
21 ~~board~~ commission under the provisions of this section until
22 the loan or grant application has been referred by the
23 ~~board~~ commission to a state agency for review as determined
24 by the ~~board~~ commission. The state agency shall provide

1 the ~~board~~commission with a written review of any loan or
2 grant application referred to the agency and any other
3 assistance requested by the ~~board~~commission. No grant
4 shall be made by the ~~state loan and investment board~~
5 commission under this section to any county unless the
6 county imposes at least eleven (11) or ninety-one and
7 sixty-seven one-hundredths percent (91.67%) of the
8 available mills authorized by article 15, section 5 of the
9 Wyoming constitution, or unless the county is imposing the
10 optional sales tax authorized under W.S. 39-15-204(a)(i) or
11 (iii). No grant shall be made by the ~~state loan and~~
12 ~~investment board~~commission under this section to any
13 municipality unless the municipality imposes at least seven
14 (7) or eighty-seven and five-tenths percent (87.5%) of the
15 available mills authorized by article 15, section 6 of the
16 Wyoming constitution. No grant shall be made by the ~~state~~
17 ~~loan and investment board~~commission under this section to
18 any special district or other lawful entity which imposes
19 less than eighty percent (80%) of any authorized mill levy.
20 The ~~state loan and investment board~~commission may waive
21 the taxation requirements imposed by this subsection for
22 good cause shown such as other funding sources, but in no
23 case shall the ~~state loan and investment board~~commission
24 authorize any grant to any municipality under this section

1 which does not impose at least two (2) or twenty-five
2 percent (25%) of the available mills authorized by article
3 15, section 6 of the Wyoming constitution. The ~~state loan~~
4 ~~and investment board~~ commission shall grant money as
5 authorized by this section only when the ~~board~~ commission
6 finds the grant is necessary to:

7
8 (b) The ~~state loan and investment board~~ commission
9 shall borrow money in a principal amount not to exceed
10 sixty million dollars (\$60,000,000.00) by the issuance from
11 time to time of one (1) or more series of revenue bonds.
12 The ~~board~~ commission may encumber revenues under W.S.
13 9-4-601(a)(vi) and (b)(i). Any bonds issued under this
14 section, together with any interest accruing thereon and
15 any prior redemption premiums due in connection therewith,
16 are payable and collectible solely out of revenues
17 authorized. The bond holders may not look to any general
18 or other fund for payment of the bonds except the revenues
19 pledged therefor. The bonds shall not constitute an
20 indebtedness or a debt within the meaning of any
21 constitutional or statutory provision or limitation. The
22 bonds shall not be considered or held to be general
23 obligations of the state but shall constitute special
24 obligations of the state and the ~~board~~ commission shall not

1 pledge the state's full faith and credit for payment of the
2 bonds.

3

4 (c) Except as otherwise provided, bonds issued under
5 this section shall be in a form, issued in a manner, at,
6 above or below par at a discount not exceeding ten percent
7 (10%) of the principal amount of the bonds, at public or
8 private sale, and issued with recitals, terms, covenants,
9 conditions and other provisions not contrary to other
10 applicable statutes, as may be provided by the ~~board~~
11 commission in a resolution authorizing their issuance and
12 in an indenture or other appropriate proceedings.

13

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

15

16 (iii) Mature at such time or serially at such
17 times in regular numerical order at annual or other
18 designated intervals in amounts designated and fixed by the
19 ~~board~~commission, but not exceeding thirty (30) years from
20 their date;

21

22 (vi) Be printed at a place the ~~board~~commission
23 determines;

24

1 (vii) Be additionally secured by a reserve fund
2 created from revenues received under W.S. 9-4-601(a)(vi)
3 and (b)(i) or from the proceeds of the bonds, or both, in
4 an amount determined by the ~~state loan and investment board~~
5 commission but not to exceed an amount equal to ten percent
6 (10%) of the revenue bonds outstanding.

7
8 (e) Before any contract is entered into by the ~~state~~
9 ~~loan and investment board~~ commission to retain the services
10 of a financial advisor or to sell the bonds to an
11 underwriter, whether by competitive or negotiated bid, a
12 full disclosure of the terms of the contract including fees
13 to be paid shall be submitted to the management council
14 through the legislative service office.

15
16 (f) Proceeds of state revenue bonds shall be credited
17 to a separate account and may be loaned or granted to local
18 governmental entities as hereafter provided. In
19 determining which local governmental entities receive loans
20 or grants, the ~~state loan and investment board~~ commission
21 shall give priority to projects in those subdivisions of
22 the state socially or economically impacted directly or
23 indirectly by the development of minerals leased under 30
24 U.S.C. § 181 et seq. Pending distribution the state

1 treasurer shall invest bond proceeds in a manner which
2 complies with all requirements of the internal revenue
3 service to insure the bonds will remain tax free
4 investments.

5

6 (g) Not to exceed forty million dollars
7 (\$40,000,000.00) of the total proceeds of all bonds issued
8 under subsection (b) of this section may be loaned or
9 granted to incorporated cities and towns. Loans or grants
10 shall be made only under the following conditions:

11

12 (i) Loans may be made for municipal purposes
13 with or without interest. If the ~~state loan and investment~~
14 ~~board~~ commission deems it necessary to secure the loan, no
15 security other than pledges of specified revenue to repay a
16 loan shall be required. Before a loan application is
17 approved the ~~board~~ commission shall determine by proper
18 investigation that:

19

20 (ii) Grants may be made for municipal purposes
21 either standing alone or in conjunction with a loan under
22 paragraph (i) of this subsection. Grants may be applied
23 for by a joint powers board with the approval of the city
24 or town which is a member of the board or by one (1) or

1 more cities or towns and shall not be pledged to be payable
2 over a term of years but shall be distributed within a
3 reasonable time following approval. Grants shall be used
4 to finance not more than fifty percent (50%) of the cost of
5 any portion of a project which is unable to be financed
6 under paragraph (i) of this subsection and projects for
7 street, curb, gutter or storm drainage improvements
8 provided the ~~state loan and investment board~~ commission may
9 make grants in excess of fifty percent (50%) if the ~~board~~
10 commission determines that the applicant or the member
11 cities or towns if the applicant is a joint powers board,
12 either levied at least seven (7) mills for operating
13 expenses including special district levies chargeable
14 against the general city or town levy during the current
15 fiscal year or is imposing the optional tax permitted by
16 W.S. 39-15-204(a)(i) or (iii) at the time of the
17 application and is utilizing all other local revenue
18 sources reasonably and legally available to finance the
19 project and:

20

21 (A) If the project is for water facilities,
22 that the city or town, either individually or as a member
23 of a joint powers board, has installed or during the
24 project will install, or require the installation of water

1 meters if required by the ~~state loan and investment board~~
2 commission, will require the owners of all new additions of
3 land to the city or town to pay all costs of expanding the
4 water system within and to the boundaries of the addition,
5 is enforcing an appropriate water tap fee as determined by
6 the ~~state loan and investment board~~ commission and has or
7 will adopt water rates which will be adequate to finance
8 the operation and maintenance of the system;

9

10 (B) If the project is for sewer facilities,
11 that the city or town, either individually or as a member
12 of a joint powers board, has or will require the owners of
13 all new additions of land to the city or town to pay all
14 costs of expanding the sewer system within and to the
15 boundaries of the addition, is enforcing an appropriate
16 sewer tap fee as determined by the ~~state loan and~~
17 ~~investment board~~ commission and has or will adopt sewer
18 rates which will be adequate to finance the operation and
19 maintenance of the system;

20

21 (C) The fifty percent (50%) limitation on
22 grants does not apply to improvements to county or state
23 highways within city or town boundaries unless otherwise
24 required by the ~~state loan and investment board~~ commission.

1

2 (h) Not to exceed twenty million dollars

3 (\$20,000,000.00) of the total proceeds of all bonds issued

4 under subsection (b) of this section may be loaned or

5 granted to counties or special districts. As used in this

6 subsection "special districts" means hospital districts,

7 fire protection districts, sanitary and improvement

8 districts, solid waste disposal districts, service and

9 improvement districts and water and sewer districts.

10 Notwithstanding any other provision of law, no special

11 district, either standing alone or as a member of a joint

12 powers board, shall receive any grant or loan under this

13 section until the special district's grant or loan

14 application has received a written review from the board of

15 county commissioners in any county in which the special

16 district is located. The board of county commissioners

17 shall review: (1) the ability of the special district to

18 fund the project through bonds, (2) whether the project is

19 adverse to the needs, plans or general welfare of the

20 county, (3) whether the special district has utilized local

21 funding resources, and (4) whether the special district has

22 met county standards. If any part of the special district

23 lies within five (5) miles of the corporate limits of any

24 city or town, the special district's grant or loan

1 application shall also receive a written review from the
2 governing body of the city or town. The written review
3 shall be submitted to the ~~state loan and investment board~~
4 commission by the special district with its grant or loan
5 application. Loans or grants shall be made only under the
6 following conditions:

7
8 (i) Loans, with or without interest, may only be
9 made for county or special district purposes which are
10 permitted by law. If the ~~state loan and investment board~~
11 commission deems it necessary to secure the loan, no
12 security other than pledges of specified revenue to repay a
13 loan shall be required. Before a loan application is
14 approved the ~~board~~-commission shall determine by proper
15 investigation that:

16
17 (ii) Grants may be made for county or special
18 district purposes either standing alone or in conjunction
19 with a loan under paragraph (i) of this subsection. Grants
20 may be applied for by a joint powers board with the
21 approval of the county or special district which is a
22 member of the board or by one (1) or more counties or
23 special districts and shall not be pledged by the ~~board~~
24 commission to be payable over a term of years but shall be

1 distributed within a reasonable time following approval.
2 Grants shall be used to finance not more than fifty percent
3 (50%) of the cost of any portion of a project which is
4 unable to be financed under paragraph (i) of this
5 subsection provided the ~~state loan and investment board~~
6 commission may make grants in excess of fifty percent (50%)
7 if the ~~board~~ commission determines that the applicant
8 either levied at least eleven (11) mills for operating
9 expenses during the current fiscal year or is imposing the
10 optional tax permitted by W.S. 39-15-204(a)(i) or (iii) at
11 the time of the application and is utilizing all other
12 local revenue sources reasonably and legally available to
13 finance the project;

14

15 (j) After any principal payment date for the bonds
16 issued under subsection (b) of this section, the ~~board~~
17 commission shall deposit all revenues received pursuant to
18 W.S. 9-4-601(a)(vi) and (b)(i) which are not required to be
19 otherwise deposited or expended pursuant to the resolution
20 or resolutions authorizing the issuance of bonds in a
21 separate account.

22

23 (k) All revenues received under W.S. 9-4-601(a)(vi)
24 and (b)(i) prior to the issuance of bonds under subsection

1 (b) of this section and all revenues in excess of those
2 required to be otherwise expended or retained pursuant to
3 subsection (j) of this section or pursuant to the
4 resolution or resolutions authorizing the issuance of bonds
5 under subsection (b) of this section shall be used or
6 distributed as follows:

7

8 (i) Not more than seventy-five percent (75%) may
9 be used by the ~~board~~commission to make grants and loans to
10 cities and towns under subsection (g) of this section in
11 the same manner as the proceeds of the bonds are to be
12 used;

13

14 (ii) Not more than twenty-five percent (25%) may
15 be granted or loaned by the ~~state loan and investment board~~
16 commission to special districts and counties in the state
17 of Wyoming under subsection (h) of this section in the same
18 manner as the proceeds of the bonds are to be used but no
19 revenue shall be distributed to any county which did not
20 levy at least eleven (11) mills for the operation of the
21 county during the preceding fiscal year;

22

23 (iii) Funds may be used by the ~~state loan and~~
24 ~~investment board~~commission to provide one-half (1/2) of

1 the twenty percent (20%) state matching funds for each
2 federal capitalization grant to the state drinking water
3 revolving loan account created by W.S. 16-1-302.

4

5 (m) The ~~board~~commission may issue refunding revenue
6 bonds:

7

8 (n) Any refunding permitted by subsection (m) of this
9 section shall be accomplished in the manner prescribed by
10 W.S. 16-5-101 through 16-5-119, except any refunding
11 revenue bonds authorized by the ~~board~~commission under
12 subsection (m) of this section shall not constitute an
13 indebtedness or a debt within the meaning of any
14 constitutional or statutory provision or limitation or be
15 considered general obligations of the state. The ~~board~~
16 commission shall not pledge the state's full faith and
17 credit to the payment of any such refunding revenue bonds.
18 The refunding revenue bonds shall constitute special
19 obligations of the state and may be payable only from the
20 sources authorized in this section for the payment of the
21 bonds refunded. The principal amount of any bonds which
22 have been refunded need not be taken into account in
23 computing compliance with the maximum amounts of bonds

1 authorized to be issued by subsection (b), (g) or (h) of
2 this section.

3

4 (o) Notwithstanding subsections (g) and (h) of this
5 section, no money shall be loaned or granted by the ~~state~~
6 ~~loan and investment board~~ commission under this section to
7 any applicant for any water development purpose except for
8 the drilling of new wells, emergency situations and except
9 for a water treatment facility or a water distribution
10 system whose primary purpose is to deliver water.

11

12 **9-4-605. Distribution and use; capital construction**
13 **projects and bonds; purposes.**

14

15 (b) The ~~state loan and investment board~~ local
16 government infrastructure and capital construction
17 commission may borrow money in a principal amount not to
18 exceed one hundred five million dollars (\$105,000,000.00)
19 by the issuance from time to time of one (1) or more series
20 of revenue bonds and may encumber revenues under subsection
21 (a) of this section for bonds in total amounts not to
22 exceed one hundred five million dollars (\$105,000,000.00)
23 issued for capital construction projects under subsection
24 (f) of this section. Any bonds issued under this section,

1 together with any interest accruing thereon and any prior
2 redemption premiums due in connection therewith, are
3 payable and collectible solely out of revenues authorized
4 under subsection (a) of this section. The bondholders may
5 not look to any general or other fund for payment of the
6 bonds except the revenues pledged therefor. The bonds
7 shall not constitute an indebtedness or a debt within the
8 meaning of any constitutional or statutory provision or
9 limitation. The bonds shall not be considered or held to
10 be general obligations of the state but shall constitute
11 its special obligations and the ~~board~~commission shall not
12 pledge the state's full faith and credit for payment of the
13 bonds.

14

15 (c) Except as otherwise provided bonds issued under
16 this section shall be in a form, issued in a manner, at,
17 above or below par at a discount not exceeding ten percent
18 (10%) of the principal amount of the bonds, at public or
19 private sale, and issued with recitals, terms, covenants,
20 conditions and other provisions not contrary to other
21 applicable statutes, as may be provided by the ~~board~~
22 commission in a resolution authorizing their issuance and
23 in an indenture or other appropriate proceeding.

24

1 (d) Any bonds issued under this section:

2

3 (vi) Shall be printed at a place the ~~board~~
4 commission determines;

5

6 (vii) May be additionally secured as determined
7 by the ~~state loan and investment board~~ commission.

8

9 (e) The ~~state loan and investment board~~ commission
10 may retain the services of a financial advisor and sell the
11 bonds to an underwriter, either by competitive or
12 negotiated bid. The terms of any contract including fees
13 to be paid shall be available for public review and
14 inspection.

15

16 (g) The ~~board~~ commission may issue refunding revenue
17 bonds:

18

19 (h) Any refunding permitted by subsection (g) of this
20 section shall be accomplished in the manner prescribed by
21 W.S. 16-5-101 through 16-5-119, except any refunding
22 revenue bonds authorized by the ~~board~~ commission under this
23 subsection shall not constitute an indebtedness or a debt
24 within the meaning of any constitutional or statutory

1 provision or limitation or be considered general
2 obligations of the state. The ~~board~~commission shall not
3 pledge the state's full faith and credit to the payment of
4 the refunding revenue bonds. The refunding revenue bonds
5 shall constitute special obligations of the state and may
6 be payable only from sources authorized in this section for
7 the payment of the bonds refunded. The principal amount of
8 any bonds which have been refunded need not be taken into
9 account in computing compliance with the maximum amounts of
10 bonds authorized to be issued by subsection (b) of this
11 section.

12

13 **Section 3.**

14

15 (a) It is the intention and direction of the
16 legislature that:

17

18 (i) All duties of the state loan and investment
19 board with respect to the federal mineral royalty grant
20 program under W.S. 9-4-604 and 9-4-605 be transferred to
21 the local government infrastructure and capital
22 construction commission. All duties of the state loan and
23 investment board with respect to the federal mineral
24 royalty grant program not assumed by the local government

1 infrastructure and capital construction commission are
2 terminated;

3

4 (ii) All unexpended funds not otherwise
5 obligated and any other property, if any, of the state loan
6 and investment board exclusively dedicated to the federal
7 mineral royalty grant program be transferred to the local
8 government infrastructure and capital construction
9 commission;

10

11 (iii) Any contract, agreement or obligation
12 entered into or assumed by the state loan and investment
13 board with respect to the federal mineral royalty grant
14 program, if the execution or assumption was within the
15 lawful powers of the state loan and investment board, be
16 assumed by the local government infrastructure and capital
17 construction commission;

18

19 (iv) Any policy adopted by the state loan and
20 investment board with respect to the federal mineral
21 royalty grant program remain in effect unaltered as policy
22 of the local government infrastructure and capital
23 construction commission until amended or repealed by the

1 local government infrastructure and capital construction
2 commission.

3

4 **Section 3.** This act is effective July 1, 2008.

5

6

(END)