

SENATE FILE NO. SF0063

Interfund loan accounts and interest rates.

Sponsored by: Management Audit Committee

A BILL

for

1 AN ACT relating to public funds; amending provisions
2 relating to interfund loans administered by the state
3 auditor and the state treasurer; and providing for an
4 effective date.

5

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

7

8 **Section 1.** W.S. 9-1-417, 9-1-418, 9-2-1013 by
9 creating a new subsection (f), 9-3-205(e) and 27-3-303(e)
10 are amended to read:

11

12 **9-1-417. Interfund loans; repayment; maximum amount;**
13 **interest.**

14

15 (a) The state treasurer and the state auditor may
16 utilize interfund loans from the ~~general fund or the budget~~

1 legislative stabilization reserve account, or the general
2 fund if insufficient funds exist in the legislative
3 stabilization reserve account, to any other fund or account
4 to meet obligations which come due prior to receipt of
5 revenues. The interfund loans shall be repaid as soon as
6 the anticipated revenue is received. The total amount of
7 interfund loans outstanding at one (1) time shall not
8 exceed sixty million dollars (\$60,000,000.00). These loans
9 shall not be used to fund shortages caused by expenditures
10 exceeding projected revenues but are to be used only to
11 fund temporary shortages caused by meeting obligations
12 which come due prior to receipt of revenues. The interest
13 charged on each interfund loan, other than to the general
14 fund or budget reserve account, shall be the interest rate
15 earned on pooled fund investments in the previous fiscal
16 year.

17
18 (b) To the extent the legislature provides for
19 interfund loans or borrowing authority from one (1) agency,
20 account or fund to another, the interfund loan or borrowing
21 shall come out of the legislative stabilization reserve
22 account to be credited to the borrowing agency, account or
23 fund, except for interfund loans made under W.S. 21-13-316.

1 The interest charged on each interfund loan or borrowing
2 from the legislative stabilization reserve account shall be
3 the interest rate earned on pooled fund investments for the
4 fiscal year immediately preceding the effective date of the
5 interfund loan.

6

7 **9-1-418. Pooled fund investment loans; maximum**
8 **amount; repayment; interest.**

9

10 The state auditor is authorized to borrow from ~~pooled fund~~
11 ~~investments in the treasurer's office~~ the legislative
12 stabilization reserve account an amount not to exceed two
13 hundred million dollars (\$200,000,000.00) at any one (1)
14 time to meet the obligations of the department of
15 transportation which come due prior to the receipt of
16 revenues. The amounts borrowed under this section shall be
17 repaid as soon as the anticipated revenue is received.
18 Interest on the unpaid balance shall be equal to ~~the~~
19 ~~greater of two percent (2%) or~~ the rate of return earned on
20 pooled fund investments in the previous fiscal year. These
21 loans shall not be used to fund shortages caused by
22 expenditures exceeding projected revenues but are to be

1 used only to fund temporary shortages caused by meeting
2 obligations which come due prior to receipt of revenues.

3

4 **9-2-1013. State budget; distribution of copies to**
5 **legislators; copies and reports of authorizations;**
6 **interfund loans.**

7

8 (f) Except for an interfund loan made under W.S.
9 21-13-316, an interfund loan from permanent funds for which
10 an interest rate is not specified by law shall be charged
11 an interest rate equal to the CPI for the twelve (12) month
12 period immediately preceding the effective date of the
13 interfund loan. "CPI" means the consumer price index for
14 United States city average, all urban consumers, not
15 seasonally adjusted, reported by the bureau of labor
16 statistics of the United States department of labor.

17

18 **9-3-205. Administration and management of group**
19 **insurance program; powers and duties; adoption of rules and**
20 **regulations; interfund borrowing authority.**

21

22 (e) Upon request of the director of the department,
23 the state treasurer and the state auditor may utilize

1 interfund loans from the ~~general fund or the budget~~
2 legislative stabilization reserve account to cover the
3 costs of group insurance plan coverage to school districts
4 electing to participate in the group insurance plan under
5 W.S. 9-3-201(e) or the costs of discontinuing plan coverage
6 to districts electing to cease participation under W.S.
7 9-3-201(f). The interfund loans shall be repaid as soon as
8 anticipated revenue is received. The total amount of
9 interfund loans outstanding at any one (1) time shall not
10 exceed sixty million dollars (\$60,000,000.00). The
11 interest charged on each interfund loan shall be the
12 interest rate earned on pooled fund investments in the
13 previous fiscal year.

14

15 **27-3-303. Weekly amount; computation; payment.**

16

17 (e) Upon periodic certification by the governor to
18 the state treasurer of inadequate revenues, the state
19 treasurer may authorize interfund loans from the ~~permanent~~
20 ~~Wyoming mineral trust fund or any other available permanent~~
21 ~~fund not subject to interest earning trust obligations,~~
22 legislative stabilization reserve account for cumulative
23 amounts not exceeding twenty million dollars

1 (\$20,000,000.00), to the unemployment compensation fund as
2 needed to repay revenues borrowed pursuant to W.S. 27-3-208
3 or to pay benefits through January 1, 1995, which are not
4 able to be paid due to the insufficiency of any available
5 revenues except for those obtained through W.S. 27-3-208.
6 Loans pursuant to this subsection shall bear ~~no~~-interest at
7 the interest rate earned on pooled fund investments in the
8 previous fiscal year and shall be repaid when the
9 unemployment compensation fund is adequately solvent to
10 repay the loans and to continue paying the benefit
11 obligations.

12

13 **Section 2.** This act is effective July 1, 2018.

14

15

(END)