

HOUSE BILL NO. HB0021

State public purpose investments-revisions.

Sponsored by: Management Audit Committee

A BILL

for

1 AN ACT relating to state public purpose investments;
2 amending and repealing obsolete or unused provisions;
3 providing a sunset date for the University of Wyoming
4 advance payment contract program; amending hydro-power
5 development loan terms; repealing the guarantee program for
6 local government bonds; repealing the area redevelopment
7 program; repealing the lamb processing facility loan
8 program; repealing the student loan standby commitment
9 program; repealing authority for state investment in the
10 deferred property tax program; providing a sunset date for
11 the school district bond guarantee program; making
12 conforming amendments; providing applicability; and
13 providing for an effective date.

14

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

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1 **Section 1.** W.S. 21-16-506 is created to read:

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3 **21-16-506. Sunset provision.**

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5 W.S. 21-16-501 through 21-16-505 are repealed effective
6 July 1, 2020.

7

8 **Section 2.** W.S. 9-4-715(g), 9-4-1001 by creating a
9 new subsection (e), 11-34-105(b)(viii), 11-34-113(d),
10 11-34-202(e) and (f), 11-34-306(a), 21-16-714(a) and
11 39-13-107(b)(iii)(F) are amended to read:

12

13 **9-4-715. Permissible investments.**

14

15 (g) The state treasurer may pledge not to exceed
16 three hundred million dollars (\$300,000,000.00) from the
17 common school account in the permanent land fund to
18 guarantee school district bonds under W.S. 9-4-1001(d).
19 These funds shall be invested as other funds in that
20 account, but the state treasurer shall ensure sufficient
21 liquidity of investments to ensure required disbursements
22 can be made. This subsection is repealed effective July 1,
23 2020.

1

2 **9-4-1001. Guarantee program for school district**
3 **bonds.**

4

5 (e) This section is repealed effective July 1, 2020.

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7 **11-34-105. Chief executive officer; powers and**
8 **duties.**

9

10 (b) The director of the office of state lands and
11 investments shall:

12

13 (viii) Submit regular reports to the board
14 setting forth in detail the status of all farm and
15 ~~irrigation~~ water development project loans which are
16 delinquent as to the payment of any installment of
17 principal or interest due; and

18

19 **11-34-113. Terms and conditions of loans.**

20

21 (d) Notwithstanding the loan term limitation
22 specified in paragraph (a)(ii) of this section, the board
23 may reamortize farm loan payments over an additional number

1 of years which together with the years remaining on the
2 original term shall create a new term not to exceed thirty
3 (30) years, at the same interest rate as that in effect at
4 the time of reamortization for loans being made under W.S.
5 11-34-101 through 11-34-130, when in the judgment of the
6 board the reduced payments resulting from reamortization of
7 the loan will provide adequate financial benefit to assure
8 with reasonable certainty the ultimate repayment of the
9 loan. Any borrower requesting reamortization shall have the
10 burden of showing that reamortization will significantly
11 improve the financial viability of the agricultural
12 operation. No loan shall be reamortized if, in the sole
13 judgment of the board, the borrower is in sound financial
14 condition and reamortization is not necessary to secure
15 repayment of the loan, or if reamortization will not
16 provide sufficient financial benefit to avoid the imminent
17 failure of the borrower's operation. Nothing in this
18 section shall be construed as authorizing the
19 reamortization of ~~irrigation~~water development project
20 loans.

21

22 **11-34-202. Revenue to be credited to an account; use**
23 **thereof; disposition of excess.**

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2 (e) Revenue and proceeds received by the board for
3 deposit in the loss reserve account pursuant to W.S.
4 11-34-118, 11-34-120(h), 11-34-121, 11-34-123(a),
5 11-34-302(e) and 11-34-306 shall be transmitted to the
6 state treasurer for deposit to the credit of the loss
7 reserve account. These funds shall be used for the purposes
8 specified in subsection (f) of this section and W.S.
9 11-34-126 and to pay the administrative and legal expenses
10 of the board in making collections and foreclosing
11 mortgages. If at the end of any fiscal year the amount
12 accumulated in the loss reserve account exceeds five
13 percent (5%) of the total amount of permanent funds of the
14 state invested in farm or ~~irrigation~~water development
15 project loans, the amount in excess of the five percent
16 (5%) shall be transferred and credited to the general fund.

17

18 (f) If, as a result of default in the payment of any
19 farm or ~~irrigation~~water development project loan, there
20 occurs a nonrecoverable loss either to the corpus of, or
21 interest due to, any permanent fund of the state, the board
22 shall restore the loss to the permanent fund account
23 entitled thereto using any funds available in the loss

1 reserve account created by subsection (e) of this section.
2 If the funds in the loss reserve account are insufficient
3 to restore the full amount of the loss, the board shall
4 submit a detailed report of the loss to the legislature and
5 shall request an appropriation to restore the balance of
6 the loss to the permanent fund account entitled thereto.

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8 **11-34-306. Loans for hydro-power development; terms;**
9 **rules and regulations; fund source.**

10

11 (a) The state loan and investment board may negotiate
12 and make loans to municipalities, irrigation districts and
13 special districts duly organized in this state for the
14 purposes of hydro-power development as provided by rule and
15 regulation. ~~Any loan~~ The aggregate sum of all outstanding
16 loans granted under this section shall not exceed ~~the~~
17 ~~aggregate sum of~~ ten million dollars (\$10,000,000.00).
18 Loans granted under this section shall be for a term not to
19 exceed thirty (30) years for repayment at an interest rate
20 of not less than four percent (4%) and not to exceed six
21 percent (6%).

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1 **21-16-714. Investment of state funds in insured,**
2 **guaranteed or other higher education loans.**

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4 (a) Subject to approval of the governor and advice of
5 the attorney general, the state treasurer may enter into
6 standby commitment agreements for a commercially reasonable
7 fee with the authority under which the state agrees to
8 purchase loans held by the authority at any time the
9 authority is unable to pay interest on or principal of any
10 of its outstanding obligations on any regularly scheduled
11 interest or principal payment date, or at maturity, whether
12 by acceleration, redemption or otherwise. One (1)
13 condition of the agreement shall require the loan program
14 to be designed for statewide participation and benefits.
15 If the commitment is incurred, the investment shall be made
16 from the Wyoming permanent mineral trust fund or permanent
17 land fund, ~~and investment under this article, when combined~~
18 ~~with investment made under W.S. 21-16-113, and~~ shall not
19 exceed one hundred seventy-five million dollars
20 (\$175,000,000.00).

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22 **39-13-107. Compliance; collection procedures.**

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1 (b) The following provisions shall apply to the
2 payment of taxes, distraint of property and deferral:

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4 (iii) The following shall apply to the deferral
5 of tax collection:

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7 (F) Payment of deferred taxes shall be
8 distributed pursuant to W.S. 39-13-111(a)(ii). Any taxes
9 deferred under this paragraph which would be distributed
10 pursuant to W.S. 39-13-111(a)(ii)(A) shall be paid from the
11 county general fund subject to reimbursement when the
12 deferred taxes are paid by the taxpayer or otherwise
13 collected by the county; ~~The board of county commissioners
14 may, by December 1 of the year in which the first
15 installment of deferred taxes are to be paid, make
16 application to the state treasurer for disbursement of
17 funds pledged by W.S. 9-4-715(j). If applications exceed
18 funds authorized, the state treasurer shall make
19 investments on a prorated basis;~~

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21 **Section 3.** W.S. 9-4-715(h) and (j), 9-4-1002,
22 11-34-303 through 11-34-305, 21-16-113 and 21-16-501
23 through 21-16-505 are repealed.

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2

Section 4.

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(a) This act shall apply to all loans, contracts, agreements and other obligations entered into on and after the effective date of this act.

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(b) Nothing in this act shall be construed to modify or impair existing contracts or other obligations of the state of Wyoming executed prior to the effective date of this act.

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Section 5. This act is effective July 1, 2016.

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(END)