

SENATE FILE NO. SF0099

Mineral royalty grant and loan qualification.

Sponsored by: Senator(s) Steinmetz, Agar, Anderson,
 Baldwin, Bebout, Biteman, Boner, Coe,
 Driskill, Ellis, Gierau, Kost, Moniz,
 Pappas, Schuler and Scott and
 Representative(s) Blake, Clausen, Duncan,
 Eklund, Hunt, Kirkbride, Laursen, Lindholm,
 Northrup, Sommers, Styvar, Tass and Western

A BILL

for

1 AN ACT relating to government royalty revenue; amending the
 2 definition of "special districts" for purposes of mineral
 3 royalty loans and grants; clarifying projects that are
 4 eligible for loans and grants; and providing for an
 5 effective date.

6

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

8

9 **Section 1.** W.S. 9-4-604(a)(i), (h)(intro) and by
 10 creating a new paragraph (v) and (p) is amended to read:

11

1 **9-4-604. Distribution and use; capital construction**
2 **projects and bonds; municipal, county and special district**
3 **purposes.**

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

1 section to any county unless the county imposes at least
2 eleven (11) or ninety-one and sixty-seven one-hundredths
3 percent (91.67%) of the available mills authorized by
4 article 15, section 5 of the Wyoming constitution, or
5 unless the county is imposing the optional sales tax
6 authorized under W.S. 39-15-204(a)(i) or (iii). No grant
7 shall be made by the state loan and investment board under
8 this section to any municipality unless the municipality
9 imposes at least seven (7) or eighty-seven and five-tenths
10 percent (87.5%) of the available mills authorized by
11 article 15, section 6 of the Wyoming constitution. No
12 grant shall be made by the state loan and investment board
13 under this section to any special district or other lawful
14 entity which imposes less than eighty percent (80%) of any
15 authorized mill levy. The state loan and investment board
16 may waive the taxation requirements imposed by this
17 subsection for good cause shown such as other funding
18 sources, but in no case shall the state loan and investment
19 board authorize any grant to any municipality under this
20 section which does not impose at least two (2) or
21 twenty-five percent (25%) of the available mills authorized
22 by article 15, section 6 of the Wyoming constitution. The
23 state loan and investment board shall grant money as

1 authorized by this section only when the board finds the
2 grant is necessary to:

3

4 (i) Alleviate an emergency situation which poses
5 a direct and immediate threat to health, safety or welfare
6 or is likely to cause economic disaster;

7

8 (h) Not to exceed twenty million dollars
9 (\$20,000,000.00) of the total proceeds of all bonds issued
10 under subsection (b) of this section may be loaned or
11 granted to counties or special districts. As used in this
12 subsection "special districts" means hospital districts,
13 fire protection districts, sanitary and improvement
14 districts, solid waste disposal districts, service and
15 improvement districts, irrigation districts to the extent
16 provided by paragraph (v) of this subsection and water and
17 sewer districts. Notwithstanding any other provision of
18 law, no special district, either standing alone or as a
19 member of a joint powers board, shall receive any grant or
20 loan under this section until the special district's grant
21 or loan application has received a written review from the
22 board of county commissioners in any county in which the
23 special district is located. The board of county

1 commissioners shall review: (1) the ability of the special
2 district to fund the project through bonds, (2) whether the
3 project is adverse to the needs, plans or general welfare
4 of the county, (3) whether the special district has
5 utilized local funding resources, and (4) whether the
6 special district has met county standards. If any part of
7 the special district lies within five (5) miles of the
8 corporate limits of any city or town, the special
9 district's grant or loan application shall also receive a
10 written review from the governing body of the city or town.
11 The written review shall be submitted to the state loan and
12 investment board by the special district with its grant or
13 loan application. The county or special district shall be
14 eligible for funding under this subsection if the county or
15 special district is operating the project pursuant to a
16 long term contract. Loans or grants shall be made only
17 under the following conditions:

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19 (v) Except for requests made under paragraph
20 (a)(i) of this section, no loans or grants shall be made to
21 an irrigation district until the state loan and investment
22 board determines the necessity of the project. In making a
23 determination under this paragraph, the board shall

1 consider the ability of the district to fund the project,
2 in whole or in part, through local public revenue sources
3 and the availability of full or partial funding for the
4 project through the Wyoming water development program. The
5 board may consult with the water development commission for
6 purposes of this paragraph.

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8 (p) As used in subsection (a) of this section,
9 "essential public service" means a public service facility
10 owned by the applicant and available for use by the general
11 public or providing a public benefit including: water and
12 sewer projects, storm drainage projects, irrigation
13 projects, street and road projects, solid waste disposal
14 projects, local natural gas utility pipelines and
15 distribution systems, acquisition of emergency vehicles,
16 public administration buildings, health care facilities,
17 senior citizens centers, jail and detention facilities,
18 facilities needed to provide services to the disabled,
19 costs to purchase medical equipment that generates revenue
20 sufficient to service a Joint Powers Act loan, as
21 determined by the board, and similar facilities as
22 authorized by the board. To be considered an "essential
23 public service" under this section, local natural gas

1 utility pipelines and distributions center and similar
2 facilities shall be located in rural and unserved areas.
3 "Essential public service" also means refinancing
4 outstanding loans extended to the applicant.

5

6 **Section 2.** This act is effective July 1, 2020.

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(END)