

SENATE FILE NO. SF0107

Energy impacted county roads program.

Sponsored by: Senator(s) Meier, Martin and Perkins and  
Representative(s) Buchanan, Childers,  
Eklund, Pedersen, Teeters and Throne

A BILL

for

1 AN ACT relating to counties; creating a program to assist  
2 counties impacted by energy development; providing  
3 authority to the state loan and investment board to issue  
4 loans and grants to counties to construct or reconstruct  
5 roads impacted by energy development; providing for loans  
6 from the permanent mineral trust fund as specified;  
7 creating the energy impacted county roads program account;  
8 providing for distributions from the account as specified;  
9 providing definitions; granting rulemaking authority;  
10 providing an appropriation; and providing for an effective  
11 date.

12

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

14

15 **Section 1.** W.S. 9-16-101 through 9-16-105 are created  
16 to read:

1

2

CHAPTER 16

3

ENERGY IMPACTED COUNTY ROADS PROGRAM

4

5

9-16-101. Energy impacted county roads program;

6

definitions.

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8

(a) As used in this chapter:

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10

(i) "Board" means the state loan and investment

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board;

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13

(ii) "Default" means having a delinquent balance

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equal to four (4) months of principal and interest payments

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on a loan issued under the program;

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(iii) "Energy impacted counties" means counties

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which are eligible for funding under this chapter as

19

determined in accordance with W.S. 9-16-102;

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21

(iv) "Energy impacted county road" means a

22

county dedicated and maintained road connected to a site on

23

which energy development has occurred or will occur, which

24

requires construction, rehabilitation or expansion as a

1 result of energy development as determined by the board. In  
2 addition, the following shall apply:

3

4 (A) "Energy impacted county road" includes:

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6 (I) Bridges and culverts;

7

8 (II) Rights of way; and

9

10 (III) Purchases of land as necessary  
11 to accommodate county road and bridge projects.

12

13 (B) "Energy impacted county roads" shall  
14 not include:

15

16 (I) Refinancing of existing projects  
17 that have been financed previously with other resources  
18 prior to April 1, 2011; and

19

20 (II) Financing any project that  
21 involves rehabilitation or expansion of existing county  
22 roads unless the board determines the rehabilitation or  
23 expansion is necessary to meet the purposes of this  
24 chapter.

1

2

(v) "Program" means the energy impacted county road program created by W.S. 9-16-102.

4

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**9-16-102. Energy impacted county roads program; creation, rulemaking.**

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(a) The board shall establish and administer the energy impacted county roads program as provided by this chapter. Applications for a loan or grant under the program shall be made on forms prescribed by and subject to rules promulgated by the board. Loans or grants may be made by the board for energy impacted county road projects. Counties applying for loans or grants under the program shall specify how the proposed project qualifies as an energy impacted county road.

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18

(b) The board shall determine which counties are eligible to receive loans under this chapter by determining:

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22

(i) The actual and proposed expenditures of each county on energy impacted road projects for the current year and the succeeding year;

24

1

2           (ii) Which counties have total energy impacted  
3 road projects for the current year that exceed ten percent  
4 (10%) of the average total annual budget for road and  
5 bridge maintenance and construction of the preceding five  
6 (5) years in the county; and

7

8           (iii) May consider other forms of energy  
9 impacted assistance utilized by the county.

10

11           (c) The board may award grants under the program for  
12 energy impacted road projects to energy impacted counties  
13 whose assessed value per capita is less than the average of  
14 all counties' assessed value per capita.

15

16           (d) The board shall notify the counties who are  
17 eligible to receive loans and grants under this chapter  
18 quarterly as soon as practicable. Counties may request a  
19 review of their eligibility from the board on a quarterly  
20 basis. Energy impacted counties shall remain eligible to  
21 receive loans and grants under the program until the county  
22 no longer qualifies under subsection (b) or (c) of this  
23 section, respectively.

24

1           (e) The board may request that the department of  
2 transportation review the project applications submitted by  
3 the counties. The department of transportation may make  
4 recommendations as to the suitability of design of  
5 submitted project applications.

6

7           (f) The board may make loans under the program to  
8 eligible counties from the permanent mineral trust funds  
9 not to exceed a total outstanding balance of sixty million  
10 dollars (\$60,000,000.00) in accordance with W.S.  
11 9-4-715(o). Loans issued under the program shall bear  
12 interest at a rate equal to the average interest earned on  
13 discretionary investments of the permanent Wyoming mineral  
14 trust fund as determined by the state treasurer for the  
15 five (5) calendar years immediately preceding the year in  
16 which the loan was issued. Loans issued under this section  
17 shall be adjusted on an annual basis, except that the  
18 interest rate shall never exceed the interest rate as of  
19 the date of the issuance of the loan. Loans issued under  
20 this chapter shall have an amortization schedule as  
21 determined by the board, not to exceed ten (10) years. The  
22 board shall establish additional terms and conditions for  
23 each loan approved.

24

1           (g) Each application submitted to the board under the  
2 program shall contain only one (1) proposed energy impacted  
3 county road project.

4

5           (h) Loans and grants may be used to fund project  
6 costs in accordance with approved applications and rules of  
7 the board.

8

9           (j) Loans shall be made under this chapter, only if  
10 the applicant demonstrates that upon receipt of the loan,  
11 all projected project costs will be funded. The  
12 application shall identify the source of all funds to be  
13 used for the project.

14

15           (k) Loans and loan commitments or any combination  
16 thereof shall be made under this chapter only if repayment  
17 of any loan provided by the state is adequately  
18 collateralized. The adequacy of the collateral shall be  
19 determined by the board.

20

21           (m) A county which provides false information on its  
22 application under the program shall not be eligible to  
23 receive a loan or grant under the program for the remainder  
24 of the life of the program. A county which is in default

1 on a loan issued under the program is not eligible to  
2 receive an additional loan or grant under the program until  
3 the loan in default has been returned to good standing.

4

5 (n) After approval of loans or grants, the applicants  
6 shall report to the board, as required by the approved  
7 application. The report shall include:

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9 (i) The progress of the project until the  
10 project is completed; and

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12 (ii) Any additional information required by the  
13 board to ensure compliance with loan requirements or  
14 compliance with this chapter.

15

16 (o) Loan payments shall be made on an annual basis.  
17 The portion of any loan payment reflecting a return of  
18 corpus shall be credited to the energy impacted county  
19 roads program account pursuant to W.S. 9-16-103 and the  
20 balance of the payment shall be credited to the general  
21 fund.

22

23 (p) All counties who are eligible, or expect to be  
24 eligible, to receive loans or grants under the program



1 shall report to the governor, the joint appropriations  
2 interim committee and the board by September 15 of each  
3 year. The report shall contain:

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5 (i) Actual and proposed expenditures by the  
6 county on all energy impacted county road projects; and

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8 (ii) The anticipated impact that energy  
9 development will have on the county roads in the succeeding  
10 calendar year.

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12 **9-16-103. Energy impacted county roads program**  
13 **account; definitions.**

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15 There is created the energy impacted county roads program  
16 account. Funds in the account shall be continually  
17 distributed to energy impacted counties to further the  
18 purposes of the program. At such time and under such  
19 conditions as the legislature may specify, funds in the  
20 account shall be credited to the permanent mineral trust  
21 fund.

22

23 **9-16-104. Board duties; actions on loan applications.**

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1           (a) All completed applications to participate in the  
2 program established under this chapter, which conform with  
3 the criteria established by law and rules promulgated under  
4 this chapter and which are submitted to the board, shall be  
5 considered by the board. The board shall approve or  
6 disapprove each application considered in accordance with  
7 this chapter and rules promulgated by the board.

8

9           (b) In making funds available under this chapter, the  
10 board shall approve loan requests in the order that  
11 applications for eligible energy impacted county road  
12 projects are received after the energy impacted counties  
13 are announced for the subsequent quarter. After an energy  
14 impacted county's first project loan application is  
15 approved, that county is not eligible to receive a loan for  
16 an additional project until all subsequent eligible  
17 applicants' first loan request is considered. Each  
18 additional round of loan requests for the quarter shall  
19 proceed in the same manner.

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21           (c) In making funds available under this chapter, the  
22 board shall approve grant requests in the order that  
23 applications for eligible energy impacted county road  
24 projects are received after the grant eligible energy

1 impacted counties are announced for the subsequent quarter.  
2 After an energy impacted county's first project grant  
3 application is approved, that county is not eligible to  
4 receive a grant for an additional project until all  
5 subsequent eligible applicants' first grant request is  
6 considered. Each additional round of grant requests for  
7 the quarter shall proceed in the same manner.

8

9 (d) The board shall submit an annual report in the  
10 manner provided by W.S. 9-2-1014 and using the benchmarks  
11 prescribed in this chapter. In addition to the requirements  
12 of W.S. 9-2-1014, included within the annual report shall  
13 be:

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15 (i) A summary of the total loans and grants  
16 made by the board under this chapter;

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18 (ii) A summary of all projects funded under this  
19 chapter; and

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21 (iii) A detailed accounting of all loans which  
22 are delinquent or in default under the program and a  
23 statement of the actions being undertaken to secure the  
24 loaned funds.

1

2           **9-16-105. Default.**

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4 If a county defaults on a loan payment under the program,  
5 the loan, including principal and interest, shall be repaid  
6 from the county's distribution of severance taxes under  
7 W.S. 39-14-801(e)(vi). The state treasurer shall withhold  
8 any such distribution to the county in default and apply  
9 those funds to the repayment as necessary to cure the  
10 default. The loan is not deemed to be a general obligation  
11 of the county, and the state shall not require repayment  
12 from any source other than as provided in this subsection.  
13 The county may make additional payments on the loan.

14

15           **Section 2.** W.S. 9-4-715 by creating a new subsection  
16 (o) is amended to read:

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18           **9-4-715. Permissible investments.**

19

20           (o) The board may loan not to exceed sixty million  
21 dollars (\$60,000,000.00) from the Wyoming permanent mineral  
22 trust fund for the proposed energy impacted road program  
23 under W.S. 9-16-102. These funds shall be invested as other  
24 funds in that fund, but the state treasurer shall ensure

1 sufficient liquidity of investments to ensure required  
2 disbursements can be made.

3

4       **Section 3.** There is appropriated twenty million  
5 dollars (\$20,000.000.00) from the general fund to the  
6 energy impacted county roads program account for the board  
7 to issue grants to eligible counties under this act.  
8 Notwithstanding any other provision of law, any unexpended  
9 funds appropriated under this section shall not revert  
10 until further act of the legislature to revert the funds.

11

12       **Section 4.** This act is effective immediately upon  
13 completion of all acts necessary for a bill to become law  
14 as provided by Chapter 4, Section 8 of the Wyoming  
15 Constitution.

16

17

(END)