

ENROLLED ACT NO. 53, HOUSE OF REPRESENTATIVES

SIXTY-THIRD LEGISLATURE OF THE STATE OF WYOMING
2016 BUDGET SESSION

AN ACT relating to state public purpose investments; amending and repealing obsolete or unused provisions; providing a sunset date for the University of Wyoming advance payment contract program; amending hydro-power development loan terms; repealing the guarantee program for local government bonds; repealing the area redevelopment program; repealing the lamb processing facility loan program; repealing the student loan standby commitment program; providing a sunset date for the school district bond guarantee program; making conforming amendments; providing applicability; and providing for an effective date.

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

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

21-16-506. Sunset provision.

W.S. 21-16-501 through 21-16-505 are repealed effective July 1, 2020.

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

9-4-715. Permissible investments.

(g) The state treasurer may pledge not to exceed three hundred million dollars (\$300,000,000.00) from the common school account in the permanent land fund to guarantee school district bonds under W.S. 9-4-1001(d). These funds shall be invested as other funds in that account, but the state treasurer shall ensure sufficient

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liquidity of investments to ensure required disbursements can be made. This subsection is repealed effective July 1, 2020.

9-4-1001. Guarantee program for school district bonds.

(e) This section is repealed effective July 1, 2020.

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

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

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

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

(d) Notwithstanding the loan term limitation specified in paragraph (a)(ii) of this section, the board may reamortize farm loan payments over an additional number of years which together with the years remaining on the original term shall create a new term not to exceed thirty (30) years, at the same interest rate as that in effect at the time of reamortization for loans being made under W.S. 11-34-101 through 11-34-130, when in the judgment of the board the reduced payments resulting from reamortization of the loan will provide adequate financial benefit to assure with reasonable certainty the ultimate repayment of the loan. Any borrower requesting reamortization shall have the

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burden of showing that reamortization will significantly improve the financial viability of the agricultural operation. No loan shall be reamortized if, in the sole judgment of the board, the borrower is in sound financial condition and reamortization is not necessary to secure repayment of the loan, or if reamortization will not provide sufficient financial benefit to avoid the imminent failure of the borrower's operation. Nothing in this section shall be construed as authorizing the reamortization of ~~irrigation~~ water development project loans.

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

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

(f) If, as a result of default in the payment of any farm or ~~irrigation~~ water development project loan, there occurs a nonrecoverable loss either to the corpus of, or interest due to, any permanent fund of the state, the board

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

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

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

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

(a) Subject to approval of the governor and advice of the attorney general, the state treasurer may enter into standby commitment agreements for a commercially reasonable fee with the authority under which the state agrees to purchase loans held by the authority at any time the authority is unable to pay interest on or principal of any of its outstanding obligations on any regularly scheduled interest or principal payment date, or at maturity, whether

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by acceleration, redemption or otherwise. One (1) condition of the agreement shall require the loan program to be designed for statewide participation and benefits. If the commitment is incurred, the investment shall be made from the Wyoming permanent mineral trust fund or permanent land fund, ~~and investment under this article, when combined with investment made under W.S. 21-16-113,~~ and shall not exceed one hundred seventy-five million dollars (\$175,000,000.00).

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

Section 4.

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

(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.

ORIGINAL HOUSE
BILL NO. HB0021

ENGROSSED

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

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk