

SENATE FILE NO. SF0045

Investment earnings-spending policy.

Sponsored by: Select Committee on Capital Financing and  
Investments

A BILL

for

1 AN ACT relating to investment of state funds; modifying  
2 spending policy amounts from investments of permanent  
3 Wyoming mineral trust funds and the common school account  
4 within the permanent land fund; repealing a separate  
5 inflation proofing provision for the common school account  
6 within the permanent land fund; and providing for an  
7 effective date.

8

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

10

11 **Section 1.** W.S. 9-4-305(b) and 9-4-713(c), (d)(ii),  
12 (iii), (g), (h)(ii) and (iii) are amended to read:

13

14 **9-4-305. Disposition of public land revenue.**

15

1 (b) Proceeds from the sale of the public lands,  
2 mineral royalties and any money designated by the Wyoming  
3 constitution or Wyoming statutes as collected shall be  
4 transmitted to the state treasurer and credited to the  
5 proper accounts within the permanent land fund, except as  
6 provided by article 7, section 2 of the Wyoming  
7 constitution, thirty-three and one-third percent (33 1/3%)  
8 of the mineral royalties received from the lease of any  
9 school lands but not to exceed eight million dollars  
10 (\$8,000,000.00) during any one (1) year, shall be deposited  
11 into the public school capital construction account within  
12 the earmarked revenue fund. To the extent constitutionally  
13 permissible and notwithstanding any other provision of law,  
14 at the end of every fiscal year, the state treasurer shall  
15 transfer to the corpus of each account within the permanent  
16 land fund, except the common school account, from the  
17 income earned on the corresponding account within the  
18 permanent land fund, to the extent available, an amount as  
19 provided by this subsection. In determining the amount to  
20 be withheld, the state treasurer shall calculate the fiscal  
21 year beginning balance and ignore any appropriations made  
22 from the account within that fiscal year. For the fiscal  
23 year 2000, he shall transfer an amount equal to five  
24 percent (5%) of the inflation rate for the previous twelve

1 (12) month period as determined by the department of  
2 administration and information multiplied by the beginning  
3 balance of each permanent land fund account, except the  
4 common school account. At the end of each succeeding fiscal  
5 year, the state treasurer shall increase the amount to be  
6 multiplied by that year's inflation rate by five percent  
7 (5%) until such time as the multiplier reaches one hundred  
8 percent (100%) of the inflation rate, and then multiply  
9 that amount by the beginning balance of each permanent land  
10 fund account, except the common school account.

11

12 **9-4-713. Investment earnings spending policy -**  
13 **permanent funds.**

14

15 (c) The earnings from the permanent Wyoming mineral  
16 trust fund under W.S. 9-4-204(n) during each ~~of the~~ fiscal  
17 ~~years~~ year beginning ~~July 1, 2000, and~~ July 1, 2001, in  
18 excess of the spending policy established in subsection (d)  
19 of this section are appropriated from the general fund to  
20 the permanent Wyoming mineral trust fund reserve account.  
21 The appropriation shall be credited to the fund as soon as  
22 practicable after the end of the fiscal year but no later  
23 than ninety (90) days after the end of the fiscal year.

24

1 (d) The annual spending policy for the permanent  
2 Wyoming mineral trust fund is as follows for the fiscal  
3 year (FY) specified:

4  
5 (ii) FY 2002 - ~~One hundred twenty-three million~~  
6 ~~dollars (\$123,000,000.00)~~ an amount equal to eight percent  
7 (8%) of the previous five (5) year average market value of  
8 the trust fund, calculated from the first day of the fiscal  
9 year;

10

11 (iii) FY 2003 and each fiscal year thereafter -  
12 ~~One hundred twenty-four million dollars (\$124,000,000.00);~~  
13 the amount specified in paragraph (ii) of this subsection  
14 shall be reduced by three hundred seventy-five thousandths  
15 percent (.375%) increments each fiscal year until the  
16 amount equals five percent (5%) of the previous five (5)  
17 year average market value of the trust fund, calculated  
18 from the first day of fiscal year for the fiscal year 2010  
19 and for each fiscal year thereafter.

20

21 (g) There is annually appropriated from the general  
22 fund to the common school permanent fund reserve account an  
23 amount determined under this subsection. The amount shall  
24 be computed and calculated by the state treasurer. The

1 amount shall be equal to the extent to which earnings from  
2 the common school account within the permanent land fund  
3 under W.S. 9-4-204(k) exceed the spending policy  
4 established in subsection (h) of this section for that  
5 fiscal year. ~~For purposes of calculating earnings from the  
6 common school account within the permanent land fund under  
7 this subsection, earnings transferred to the corpus of the  
8 common school account pursuant to W.S. 9-4-305(b) shall not  
9 be included. Earnings transferred to the common school  
10 account under W.S. 9-4-305(b) shall not be included when  
11 determining spending policy under subsection (h) of this  
12 section.~~ The appropriation shall be credited to the account  
13 as soon as practicable after the end of the fiscal year but  
14 no later than ninety (90) days after the end of the fiscal  
15 year.

16  
17 (h) The annual spending policy for the common school  
18 account within the permanent land fund is as follows for  
19 the fiscal year (FY) specified:

20  
21 (ii) FY 2002 - ~~Sixty-eight million dollars~~  
22 ~~(\$68,000,000.00)~~ An amount equal to eight and two-tenths  
23 percent (8.2%) of the previous five (5) year average market

1 value of the account, calculated from the first day of the  
2 fiscal year;

3  
4 (iii) FY 2003 and each fiscal year thereafter -  
5 ~~Seventy-two million dollars (\$72,000,000.00);~~ the amount  
6 specified in paragraph (ii) of this subsection shall be  
7 reduced by three hundred seventy-five thousandths percent  
8 (.375%) increments each fiscal year until the amount equals  
9 five percent (5%) of the previous five (5) year average  
10 market value of the account, calculated from the first day  
11 of fiscal year for the fiscal year 2011 and for each fiscal  
12 year thereafter.

13

14 **Section 2.** W.S. 9-4-713(d) (i) and (iv) and (h) (i) and  
15 (iv) is repealed.

16

17 **Section 3.** This act is effective July 1, 2002.

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(END)