

SENATE FILE NO. SF0028

Investment of state funds-revisions.

Sponsored by: Select Committee on Capital Financing and  
Investments

A BILL

for

1 AN ACT relating to public funds; modifying state investment  
2 statutes; repealing conflicting and executed provisions;  
3 making conforming amendments; and providing for an  
4 effective date.

5

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

7

8 **Section 1.** W.S. 9-4-714 through 9-4-718 are created  
9 to read:

10

11 **9-4-714. Definitions.**

12

13 (a) As used in this act:

14

1           (i) "Alternative investments" means investments  
2 in nontraditional asset classes or in traditional asset  
3 classes which are utilized in a nontraditional strategy;

4  
5           (ii) "Asset classes" means categories of  
6 securities with similar characteristics and properties,  
7 such as cash equivalents, stocks, bonds and real estate;

8  
9           (iii) "Board" means the state loan and  
10 investment board;

11  
12           (iv) "Fund" means as defined by W.S.  
13 9-4-203(a)(vii);

14  
15           (v) "Permanent funds" means the permanent  
16 Wyoming mineral trust fund under W.S. 9-4-204(u)(iii), the  
17 Wyoming permanent land fund under W.S. 9-4-204(u)(iv), the  
18 excellence in higher education endowment fund under W.S.  
19 9-4-204(u)(vi) and the Hathaway student scholarship  
20 endowment fund under W.S. 9-4-204(u)(vii);

21  
22           (vi) "This act" means W.S. 9-4-714 through  
23 9-4-719.

1           **9-4-715. Permissible investments.**

2

3           (a) The state treasurer is the chief investment  
4 officer of the state of Wyoming. The state treasurer's  
5 annual report shall include investment, income, individual  
6 and aggregate gains and losses by fund and the extent to  
7 which the state investment policy is being implemented.  
8 Subject to requirements of subsection (c) of this section,  
9 state funds may be invested in any investment:

10

11                   (i) Authorized by the legislature; or

12

13                   (ii) Authorized or approved by the board.

14

15           (b) The state treasurer, or his designee, which shall  
16 be registered under the Investment Advisor's Act of 1940,  
17 or any bank as defined in that act, upon written authority,  
18 may invest monies of the permanent funds, in securities but  
19 not more than fifty-five percent (55%) shall be invested in  
20 common stocks.

21

22           (c) The state treasurer shall obtain the approval of  
23 the board prior to the investment of funds in alternative  
24 investments, provided:

1

2 (i) The approval of the board shall be complete  
3 upon the review and written acceptance by the board of the  
4 material terms of the instruments governing the investment;

5

6 (ii) Any material adverse change to the terms of  
7 instruments governing investments, previously approved by  
8 the board, at any time while the investments are held by  
9 the state of Wyoming shall require the renewal of approval  
10 of such investments by the board.

11

12 (d) When approving, acquiring, investing,  
13 reinvesting, exchanging, retaining, selling and managing  
14 investments of the state of Wyoming, the members of the  
15 board, the state treasurer, designees of the state  
16 treasurer or any other fiduciary appointed by the state  
17 treasurer or the board shall exercise the judgment and care  
18 of a prudent investor as specified by the Uniform Prudent  
19 Investor Act, W.S. 4-10-901 through 4-10-913.

20

21 (e) Individual investments or groups of investments  
22 made under this act shall not be evaluated solely in  
23 isolation but also in the context of the entire investment  
24 portfolio and as part of an overall investment strategy of

1 the trust or fund from which the investment is derived,  
2 consistent with the policies for such trust or fund  
3 established under W.S. 9-4-716 by the board. The purchase  
4 of a security or the making of any direct investment by the  
5 state treasurer or his designee in a security shall not  
6 constitute a delegation of his duties under this article or  
7 under any rule promulgated under this article.

8  
9 (f) The state treasurer may invest and keep invested  
10 not to exceed twenty-five million dollars (\$25,000,000.00)  
11 of any state permanent funds through the purchase of  
12 nondelinquent federally guaranteed or insured higher  
13 education loans from any nonprofit Wyoming corporation  
14 organized to acquire such loans or its agent. The state  
15 shall not administer loans purchased and shall contract for  
16 loan servicing. Special allowances provided by section 438  
17 of the Higher Education Act of 1965 remain effective.

18  
19 (g) The state treasurer may pledge not to exceed  
20 three hundred million dollars (\$300,000,000.00) from the  
21 common school account in the permanent land fund to  
22 guarantee school district bonds under W.S. 9-4-1001(d).  
23 These funds shall be invested as other funds in that  
24 account, but the state treasurer shall ensure sufficient

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

3

4 (h) The state treasurer may pledge not to exceed one  
5 hundred million dollars (\$100,000,000.00) from the Wyoming  
6 permanent mineral trust fund to guarantee local government  
7 bonds under W.S. 9-4-1002. These funds shall be invested as  
8 other funds in that fund, but the state treasurer shall  
9 ensure sufficient liquidity of investments to ensure  
10 required disbursements can be made.

11

12 (j) The state treasurer may invest not to exceed two  
13 million dollars (\$2,000,000.00) from the permanent mineral  
14 trust fund in assignments from counties of their rights to  
15 reimbursement of deferred taxes and interest from taxpayers  
16 under W.S. 39-13-107(b)(iii)(F), including the right to any  
17 tax lien on those properties resulting from deferral of  
18 taxes and interest.

19

20 (k) Upon request of the board, the state treasurer  
21 may invest funds received from sales of state trust lands  
22 plus up to two million dollars (\$2,000,000.00) one-time  
23 seed money contained in the common school account within

1 the permanent land fund, by purchasing land and  
2 improvements thereon within Wyoming as assets of the trust.

3

4 (m) To promote economic development, the state  
5 treasurer may invest and keep invested not to exceed one  
6 hundred million dollars (\$100,000,000.00) of any state  
7 permanent funds through the purchase of industrial  
8 development bonds issued by joint powers boards,  
9 municipalities or counties under W.S. 15-1-701 through  
10 15-1-710 subject to the terms and conditions specified  
11 under this subsection. By December 31 of each calendar  
12 year, the state treasurer and the Wyoming business council  
13 shall each provide a report to the joint minerals, business  
14 and economic development interim committee on the  
15 effectiveness of the investment program authorized by this  
16 subsection. The reports shall include the costs incurred  
17 by the state to the permanent mineral trust fund,  
18 expenditures made from the account created under paragraph  
19 (v) of this subsection and the revenue received by the  
20 Wyoming business council through fees and businesses who  
21 utilized the program:

22

23 (i) No investment shall be made under this  
24 subsection without the recommendation of the Wyoming

1 business council created by W.S. 9-12-103 and written  
2 approval of the governor;

3

4 (ii) No investment shall be made under this  
5 subsection unless:

6

7 (A) The bonds are to finance the cost of  
8 acquisition of land or rights-of-way and the purchase,  
9 construction, and installation of buildings, appurtenant  
10 personal property and equipment which will add economic  
11 value to goods, services or resources within or outside  
12 this state. Any right-of-way acquired under the provisions  
13 of this paragraph shall follow an existing utility corridor  
14 whenever practical. The buildings, appurtenant personal  
15 property and equipment shall be used:

16

17 (I) As part of the construction of a  
18 facility or infrastructure for manufacturing or processing  
19 or generating power, transporting oil or gas, transmitting  
20 electricity, providing telecommunications or utility  
21 services;

22

23 (II) For commercial or business  
24 enterprises or their infrastructure; or



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(III) For reconstructing, remodeling, modernizing or expanding an existing facility or infrastructure.

(B) The Wyoming business council shall establish guidelines dependent upon the type of business concerned in each project considered and shall set the maximum amount of the investment to be made by the state of Wyoming in each project. In setting the maximum amount of investment the business council shall consider the number of jobs created or preserved by the facility and the economic impact to the state which may result from the facility. The council shall review each project considered with the Wyoming energy commission created pursuant to W.S. 30-7-101, provided the project being considered involves an area over which the commission has been given authority;

(C) The bonds bear interest at a fixed or adjustable rate, indexed to the prime or ten (10) year treasury bill rate as determined by the state treasurer, which is reasonably commensurate with the risk, as recommended by the Wyoming business council; and

1                   (D) At least twenty-five percent (25%) of  
2 the total cost of the project is provided by the owner of  
3 the facility.

4

5                   (iii) No investment shall be made under this  
6 subsection unless the bonds provide:

7

8                   (A) The state of Wyoming shall not acquire  
9 an ownership interest in the facility being financed except  
10 to realize a security interest;

11

12                   (B) The proceeds of the bonds shall not be  
13 made available to the facility owner until construction of  
14 the facility is ready to commence;

15

16                   (C) The principal and interest are secured  
17 by a pledge of revenues from the operation of the facility  
18 or infrastructure and by a mortgage on the facility or  
19 other facilities or infrastructures with a loan-to-value  
20 ratio not exceeding seventy-five percent (75%) of the  
21 appraised value of the collateral;

22

23                   (D) The principal and interest may be  
24 secured by additional security as required by the state

1 treasurer or governor, upon recommendation of the Wyoming  
2 business council and with the approval as to form of the  
3 attorney general.

4

5 (iv) As bonds invested in under this subsection  
6 are redeemed and the principal paid, that amount may be  
7 recommended by the Wyoming business council to purchase the  
8 bonds of other projects;

9

10 (v) The Wyoming business council shall assess  
11 fees adequate to cover all reasonable direct and indirect  
12 costs for the services and application of state funds used  
13 under this subsection to be paid by the applicant. Payment  
14 of the fees assessed pursuant to this paragraph shall be  
15 secured by additional security as required by the state  
16 treasurer or governor, upon recommendation of the Wyoming  
17 business council and with the approval as to form of the  
18 attorney general. Fees collected pursuant to this paragraph  
19 shall be deposited with the state treasurer and credited to  
20 a separate account and are continuously appropriated to the  
21 business council to be expended for the actual direct and  
22 indirect costs of providing the services generating the  
23 fees;

24

1           (vi) No investment shall be made under this  
2 subsection after June 30, 2009.

3

4           (n) The state treasurer shall not invest state funds  
5 for a specific public purpose authorized or directed by the  
6 legislature in excess of a total of five hundred million  
7 dollars (\$500,000,000.00), excluding investments made  
8 pursuant to W.S. 37-5-406. Prior to the convening of each  
9 general session, the state treasurer shall, after  
10 consultation with the board, recommend any adjustments to  
11 this allocated amount to the select committee on capital  
12 financing and investments.

13

14           **9-4-716. State investment policy; investment**  
15 **consultant.**

16

17           (a) The board shall adopt investment policy  
18 statements for state funds and shall review those policy  
19 statements at least annually. These policy statements shall  
20 be subject to the following:

21

22           (i) The board may specify groupings of state  
23 funds for which separate investment policy statements are  
24 appropriate. At a minimum, those groupings shall include

1 state funds for which there is a trust obligation, short  
2 term funds for operations and all other funds. The board  
3 may determine criteria under which certain funds shall be  
4 separately managed;

5

6 (ii) Nothing in this section shall be construed  
7 to prevent the state treasurer from pooling any state funds  
8 for investment purposes, including meeting cash flow  
9 requirements in accordance with approved investment policy  
10 statements.

11

12 (b) The investment policy statements shall include  
13 the following:

14

15 (i) Nominal return benchmarks;

16

17 (ii) Definition of risk and of return;

18

19 (iii) Risk tolerance;

20

21 (iv) Permissible investments and quality  
22 standards;

23

24 (v) Liquidity requirements;

1

2 (vi) Cash flow projections for the grouping of  
3 funds;

4

5 (vii) Procedures for selecting and dismissing  
6 investment managers when utilized;

7

8 (viii) Indices or benchmarks against which the  
9 returns will be measured.

10

11 (c) The state treasurer shall develop and submit  
12 proposed investment policy statements for each grouping of  
13 state funds specified in subsection (a) of this section and  
14 may contract for assistance in developing proposals or in  
15 making suggestions for modifications to existing investment  
16 policy statements. The state treasurer shall report  
17 quarterly to the board regarding the performance of  
18 investments with respect to each grouping of state funds  
19 specified by the board under subsection (a) of this section  
20 and such other information as may be required by the board.

21

22 (d) The board:

23

1           (i) Shall procure the services of a qualified  
2 entity to evaluate:

3

4           (A) At least annually, the reasonableness  
5 and comprehensiveness of the investment policy statements  
6 required under this section; and

7

8           (B) At least quarterly, the performance of  
9 the investments for each grouping based upon recognized  
10 indices and the reasonableness of the mix of assets in  
11 light of anticipated cash flow requirements and the  
12 investment policy statements.

13

14           (ii) Shall require competition to procure those  
15 services required under paragraph (i) of this subsection at  
16 least every three (3) years;

17

18           (iii) Shall receive an appropriation directed to  
19 the office of state lands and investments to be used to  
20 compensate the entity retained under paragraph (i) of this  
21 subsection for its services.

22

23           **9-4-717. Additional investment matters.**

24

1           (a) The state treasurer may form entities required in  
2 the general practice employed by banks and brokerage firms  
3 for the purpose of designating a "nominee name" in  
4 securities transactions.

5

6           (b) The state treasurer may offer and pay a  
7 reasonable premium for bonds and other securities. The  
8 purchase price shall not exceed the market value of the  
9 bonds or other securities at the time of purchase. The  
10 premium paid for the investments shall be amortized over  
11 the life of the investment to the fund or account from  
12 which the premium was paid.

13

14           (c) The state treasurer directly, or investment  
15 managers of state funds, may effect sales or exchanges of  
16 investments of state funds, whenever the sale or exchange  
17 will result in a loss of principal, if the sale or exchange  
18 tends to maximize the total return on the funds invested  
19 and is otherwise consistent with implementation of the  
20 state investment policy established by the board under W.S.  
21 9-4-716.

22

23           (d) As part of the state investment strategy, the  
24 state treasurer may retain the services of a custodial bank



1 or an independent securities lending agent to supervise a  
2 program of securities lending in exchange for a fee or  
3 other consideration. Supervision of the program shall  
4 include:

5

6 (i) Procedures to review the creditworthiness of  
7 all borrowers;

8

9 (ii) Requirements for full collateralization of  
10 all loans; and

11

12 (iii) Other methods and procedures required by  
13 the board for securing the lending program.

14

15 **9-4-718. Investment managers.**

16

17 (a) The state treasurer may contract with investment  
18 managers and pay for investment services and investment  
19 advice subject to the following conditions:

20

21 (i) All fees and other costs of contracting for  
22 and using the services of an investment manager, except  
23 transaction costs and custodial fees, shall be accounted  
24 for on at least a quarterly basis;

1

2 (ii) Without the approval of the board:

3

4 (A) No contract with an investment manager  
5 shall permit that manager to manage more than fifteen  
6 percent (15%) of the total portfolio of state funds  
7 available for investment at the time the contract is  
8 executed; and

9

10 (B) No investment manager under contract  
11 with the state treasurer shall be permitted to act as a  
12 securities broker with respect to transactions involving  
13 state investments managed by such investment manager,  
14 unless the transaction can be made without incurring  
15 commission or market impact cost.

16

17 (iii) The amount of state funds under contract  
18 with an investment manager shall not exceed ten percent  
19 (10%) of the total assets managed by that investment  
20 manager;

21

22 (iv) Investment managers shall be selected based  
23 upon a competitive process and with consideration given to  
24 the historical performance of prospective managers. No

1 investment manager shall be hired unless approved by a  
2 majority vote of the board. The contract with an investment  
3 manager may be terminated by a majority vote of the board;

4

5 (v) Investment managers shall be paid on a  
6 negotiated flat fee or performance basis based upon net  
7 assets invested;

8

9 (vi) Contracts with investment managers shall be  
10 subject to cancellation upon receipt of thirty (30) days  
11 notice by either party;

12

13 (vii) The state treasurer shall not contract  
14 with any person as an investment manager under this  
15 subsection unless that person or that person's firm has  
16 prior to the execution of the contract, a verifiable CFA  
17 Institute (Chartered Financial Analyst Institute) compliant  
18 track record of at least five (5) years with respect to the  
19 type of investments regarding which the investment manager  
20 will provide services or the investment manager is employed  
21 by an organized and chartered bank trust company with trust  
22 assets in excess of one billion dollars  
23 (\$1,000,000,000.00). Any prospective manager shall submit  
24 to the state treasurer audited financial statements in

1 accordance with the treasurer's rules and regulations and a  
2 certified record of the manager's past investment  
3 performance prepared by an independent entity;

4  
5 (viii) Each investment manager shall at least  
6 quarterly provide a report to the state treasurer  
7 describing the manager's performance relative to mutually  
8 agreed upon industry indices and reflecting all brokerage  
9 fees and other fees or expenses paid by or fees earned by  
10 the manager which are paid by the state under the contract.

11  
12 (b) Investment managers retained for management of  
13 traditional assets shall be a registered investment advisor  
14 under the Investment Advisor's Act of 1940. Investment  
15 managers retained for management of alternative investments  
16 are not required to be a registered investment advisor  
17 under the Investment Advisor's Act of 1940.

18  
19 (c) The state treasurer may contract for services to  
20 select an investment manager.

21  
22 **Section 2.** W.S. 1-41-104(b), 9-2-2304(b),  
23 9-4-204(u)(vi), 9-4-607(b), 9-4-1001(d)(iii)(A),  
24 9-4-1002(d)(iii)(A), 9-15-103(a), 11-34-105(b)(vii), by

1 creating a new paragraph (viii) and by renumbering (viii)  
2 as (ix), 11-34-113(d), 11-34-123(c)(ii), 11-34-129,  
3 11-34-202(e) and by creating a new subsection (f),  
4 11-34-301(a), 14-8-106, 16-1-109(a), 16-1-110, 19-7-401(b),  
5 21-16-1201(c)(intro), 21-16-1204(a)(iv), 21-22-101(b),  
6 23-1-501(f), 26-33-105(a), 28-11-201(b)(ii), 36-1-402(b),  
7 37-5-206(b), 37-5-406, 39-13-107(b)(iii)(F),  
8 39-14-111(g)(intro), 39-14-311(c)(intro),  
9 39-14-411(b)(intro), 39-14-511(c)(intro),  
10 39-14-611(b)(intro) and 39-14-711(b)(intro) are amended to  
11 read:

12

13 **1-41-104. Investment of funds.**

14

15 (b) The state treasurer shall invest any portion of  
16 the funds in the self-insurance account, including  
17 reserves, which the risk manager determines is not needed  
18 for immediate use. Investments shall be made as authorized  
19 by W.S. ~~9-4-711~~ 9-4-715(a), (d) and (e).

20

21 **9-2-2304. Wyoming cultural trust fund established;**  
22 **corpus inviolate; investment by state treasurer.**

23

1           (b) The monies deposited into the Wyoming cultural  
2 resources trust fund established pursuant to this section  
3 are inviolate and constitute a permanent or perpetual trust  
4 fund. The monies shall be transmitted to the state  
5 treasurer for credit to the trust fund and shall be  
6 invested by the state treasurer as authorized under W.S.  
7 ~~9-4-711~~ 9-4-715(a), (d) and (e) in a manner to obtain the  
8 highest return possible consistent with the preservation of  
9 the corpus. Any interest earned from investment of the  
10 corpus of the trust fund shall be credited by the state  
11 treasurer into a separate account and distributed in  
12 accordance with W.S. 9-2-2307.

13

14           **9-4-204. Funds established; use thereof.**

15

16           (u) Other funds defined as follows shall be  
17 classified by the state auditor pursuant to subsections (s)  
18 and (t) of this section:

19

20           (vi) The excellence in higher education  
21 endowment fund - to consist of funds appropriated or  
22 designated to the fund by law, or by gift from whatever  
23 source. In accordance with Wyoming Constitution Article 15,  
24 Section 20, monies within the fund shall not be expended

1 and may be invested in the same manner as other permanent  
2 funds of the state. Earnings from investment of monies  
3 within the fund are subject to the spending policy as  
4 provided in W.S. ~~9-4-713~~9-4-719 and shall be distributed  
5 and expended as provided by law. Earnings in excess of  
6 spending policies shall be retained as provided by W.S.  
7 ~~9-4-713~~9-4-719;

8  
9 **9-4-607. Wyoming transportation enterprise program.**

10  
11 (b) In addition to the distributions under subsection  
12 (a) of this section, ninety percent (90%) of the investment  
13 income earned on monies deposited into the transportation  
14 trust fund shall be deposited in the transportation  
15 enterprise fund to be expended by the state loan and  
16 investment board pursuant to W.S. 11-34-131, as  
17 appropriated by the legislature. Ten percent (10%) of the  
18 investment income earned on monies deposited into the  
19 transportation trust fund shall be retained by the  
20 transportation trust fund. The state treasurer shall  
21 invest the funds in the transportation trust fund as  
22 authorized under W.S. ~~9-4-711~~9-4-715(a), (d) and (e) in a  
23 manner to obtain the highest return possible consistent  
24 with the preservation of the trust fund.

1

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

4

5       (d) As a condition of participating in the bond  
6 guarantee program under this section, a school district  
7 shall enter into agreements necessary to provide that:

8

9               (iii) If the district fails to comply with  
10 paragraph (ii) of this subsection:

11

12               (A) The state shall make the full payment  
13 due from funds in the common school account in the  
14 permanent land fund available under W.S. ~~9-4-701(j)~~  
15 9-4-715(g) for this purpose;

16

17       **9-4-1002. Guarantee program for local government**  
18 **bonds.**

19

20       (d) As a condition of participating in the bond  
21 guarantee program under this section, a city, town or  
22 county shall enter into agreements necessary to provide  
23 that:

24



1 (iii) If the city, town or county fails to  
2 comply with paragraph (ii) of this subsection:

3

4 (A) The state shall make the full payment  
5 due from funds in the permanent Wyoming mineral trust fund  
6 available under W.S. ~~9-4-701(k)~~ 9-4-715(h) for this  
7 purpose;

8

9 **9-15-103. Wyoming wildlife and natural resource trust**  
10 **account created; income account created; expenditures;**  
11 **purposes.**

12

13 (a) A trust account is created to be known as the  
14 Wyoming wildlife and natural resource trust account. The  
15 trust account shall consist of those funds designated to  
16 the account by law and all monies received from federal  
17 grants and other contributions, grants, gifts, transfers,  
18 bequests and donations to the trust account. The trust  
19 account is specifically empowered to accept grants, gifts,  
20 transfers, bequests and donations including those which are  
21 limited in their purposes by the grantor. Title to any  
22 interest in any real property conveyed to the trust account  
23 shall be held in the name of the state of Wyoming and shall  
24 be administered by the board of land commissioners. Funds

1 deposited within the trust account are intended to be  
2 inviolate and constitute a perpetual trust account which  
3 shall be invested by the state treasurer as authorized  
4 under W.S. ~~9-4-711~~ 9-4-715(a), (d) and (e) and in a manner  
5 to obtain the highest return possible consistent with  
6 preservation of the account corpus.

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

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

13  
14 (vii) Keep a record of the proceedings of the  
15 board and such books and records as are necessary for the  
16 conduct of the business of his office; ~~and~~

17  
18 (viii) Submit regular reports to the board  
19 setting forth in detail the status of all farm and  
20 irrigation loans which are delinquent as to the payment of  
21 any installment of principal or interest due; and

22  
23 ~~(viii)~~ (ix) Do and perform such other acts as  
24 required by the board.

1

2       **11-34-113. Terms and conditions of loans.**

3

4       (d) Notwithstanding the loan term limitation  
5 specified in paragraph (a)(ii) of this section:7

6

7       (i) The board may reamortize farm loan payments  
8 over an additional number of years which together with the  
9 years remaining on the original term shall create a new  
10 term not to exceed thirty (30) years, at the same interest  
11 rate as that in effect at the time of reamortization for  
12 loans being made under W.S. 11-34-101 through 11-34-130,  
13 when in the judgment of the board the reduced payments  
14 resulting from reamortization of the loan will provide  
15 adequate financial benefit to assure with reasonable  
16 certainty the ultimate repayment of the loan. Any borrower  
17 requesting reamortization shall have the burden of showing  
18 that reamortization will significantly improve the  
19 financial viability of the agricultural operation. No loan  
20 shall be reamortized if, in the sole judgment of the board,  
21 the borrower is in sound financial condition and  
22 reamortization is not necessary to secure repayment of the  
23 loan, or if reamortization will not provide sufficient

1 financial benefit to avoid the imminent failure of the  
2 borrower's operation; -

3  
4 (ii) The state loan and investment board,  
5 whenever it deems it necessary or advisable for the better  
6 protection of any farm loan mortgage previously executed,  
7 may from any funds available under W.S. 11-34-129, advance  
8 to the borrower and mortgagor the funds necessary to pay  
9 taxes and insurance or otherwise protect the mortgaged  
10 security. In the event that the borrower and mortgagor are  
11 not otherwise in default of the loan mortgage, the board  
12 may refinance the farm loan mortgage, including permitting  
13 the payment of interest only for a period of time not to  
14 exceed three (3) consecutive years. If the board  
15 authorizes the payment of interest only under this  
16 paragraph, no penalties or late fees shall be imposed upon  
17 the subsequent payment of principal;

18  
19 (iii) Nothing in this section shall be construed  
20 as authorizing the reamortization of irrigation loans.

21  
22 **11-34-123. Foreclosure proceedings; duty of attorney**  
23 **general; deed in lieu of foreclosure.**

1 (c) Notwithstanding other provisions of this section  
2 the state loan and investment board by unanimous vote may  
3 accept a deed in lieu of foreclosure, provided:

4  
5 (ii) Any loss to any permanent fund resulting  
6 from the acceptance of the deed in lieu of foreclosure is  
7 restored as provided by W.S. ~~9-4-703~~ 11-34-202(f).

8  
9 **11-34-129. Investment of permanent funds.**

10  
11 The state treasurer, with the approval of the board, is  
12 directed to invest and keep invested in farm loans a sum  
13 not to exceed two hundred seventy-five million dollars  
14 (\$275,000,000.00) of any state permanent funds available  
15 for investment, including loans already made and  
16 outstanding, as the funds become available in the  
17 treasurer's office for investment in loans approved by the  
18 board. ~~The limitation on legislatively designated~~  
19 ~~investments under W.S. 9-4-712 applies to this investment.~~

20  
21 **11-34-202. Revenue to be credited to an account; use**  
22 **thereof; disposition of excess.**

1           (e) Revenue and proceeds received by the board for  
2 deposit in the loss reserve account pursuant to W.S.  
3 11-34-118, 11-34-120(h), 11-34-121, 11-34-123(a) and  
4 11-34-302(e) shall be transmitted to the state treasurer  
5 for deposit to the credit of the loss reserve account.  
6 These funds shall be used for the purposes specified in  
7 subsection (f) of this section and W.S. ~~9-4-703(c) and~~  
8 11-34-126 and to pay the administrative and legal expenses  
9 of the board in making collections and foreclosing  
10 mortgages. If at the end of any fiscal year the amount  
11 accumulated in the loss reserve account exceeds five  
12 percent (5%) of the total amount of permanent funds of the  
13 state invested in farm and irrigation loans, the amount in  
14 excess of the five percent (5%) shall be transferred and  
15 credited to the general fund.

16  
17           (f) If, as a result of default in the payment of any  
18 farm or irrigation loan, there occurs a nonrecoverable loss  
19 either to the corpus of, or interest due to, any permanent  
20 fund of the state, the board shall restore the loss to the  
21 permanent fund account entitled thereto using any funds  
22 available in the loss reserve account created by subsection  
23 (e) of this section. If the funds in the loss reserve  
24 account are insufficient to restore the full amount of the

1 loss, the board shall submit a detailed report of the loss  
2 to the legislature and shall request an appropriation to  
3 restore the balance of the loss to the permanent fund  
4 account entitled thereto.

5  
6 **11-34-301. Water development projects; nonnegotiable**  
7 **debentures; loans to small projects.**

8  
9 (a) The state loan and investment board may issue its  
10 nonnegotiable debenture bonds for a sum not in excess of  
11 thirty-three and one-third percent (33 1/3%) or twenty  
12 million dollars (\$20,000,000.00), whichever is less, of the  
13 permanent funds of Wyoming which shall be available for  
14 loan by the board for the purpose set forth in W.S.

15 11-34-302. The state treasurer, upon request of the state  
16 loan and investment board, shall invest and keep invested a  
17 sum not to exceed thirty-three and one-third percent  
18 (33 1/3%) or sixty million dollars (\$60,000,000.00),  
19 whichever is less, of the permanent funds of Wyoming in the  
20 bonds of the board. One-half (1/2) of this sum shall be  
21 used for loans to small water development projects. No  
22 single loan to an individual under a small water  
23 development project shall exceed one hundred fifty thousand  
24 dollars (\$150,000.00). The bonds shall be delivered to the

1 state treasurer and bear interest not to exceed eight  
2 percent (8%) nor less than four percent (4%) per annum, at  
3 the discretion of the board, payable on or before forty  
4 (40) years from the date of issuance. ~~The limitation on~~  
5 ~~legislatively designated investments under W.S. 9-4-712~~  
6 ~~applies to this investment.~~

7  
8 **14-8-106. Wyoming children's trust fund; creation;**  
9 **source of funds.**

10  
11 There is created the Wyoming children's trust fund. The  
12 fund shall be administered by the board and shall consist  
13 of monies appropriated or designated to the fund by law and  
14 all monies collected by the board from federal grants and  
15 other contributions, grants, gifts, bequests and donations.  
16 The monies shall be transmitted to the state treasurer for  
17 credit to the trust fund and shall be invested by the state  
18 treasurer as authorized under W.S. ~~9-4-711~~ 9-4-715(a), (d)  
19 and (e) in a manner to obtain the highest return possible  
20 consistent with the preservation of the corpus. Any  
21 interest earned on the investment or deposit of monies in  
22 the fund shall also remain in the fund and shall not be  
23 credited to the general fund.



1           **16-1-109. State loan and investment board loans;**  
2           **amount; interest; security; conditions.**

3  
4           (a) The state loan and investment board may negotiate  
5 and make loans to one (1) or more agencies, or joint powers  
6 boards presently existing, permitted or created pursuant to  
7 the statutes, from the permanent mineral trust funds and  
8 other permanent funds of Wyoming not otherwise obligated,  
9 not to exceed thirty million dollars (\$30,000,000.00)  
10 including all loans previously made and outstanding, and  
11 not to exceed a term of forty (40) years for repayment. The  
12 board may set rates of interest on all such loans to joint  
13 powers boards according to the current rates of interest  
14 for similar securities on the commercial market upon a  
15 basis which will not be less than six percent (6%) nor more  
16 than twelve percent (12%). For all loans under this section  
17 approved after July 1, 1996, a loan origination fee of one  
18 percent (1%) of the loan shall be paid to the state loan  
19 and investment board by the borrowing agency or joint  
20 powers board. The revenue produced by this fee shall be  
21 credited to the loss reserve account as provided by W.S.  
22 16-1-110. ~~The limitation on legislatively designated~~  
23 ~~investments under W.S. 9 4 712 applies to this investment.~~

1           **16-1-110. Loss reserve account created; deposits;**  
2 **disposition of funds.**

3  
4           (a) Revenues received by the state loan and  
5 investment board for deposit in the loss reserve account  
6 pursuant to W.S. 16-1-109(a) shall be transmitted to the  
7 state treasurer for deposit to the credit of the loss  
8 reserve account. Funds in the account shall be used for the  
9 purposes specified in W.S. ~~9-4-703(e)~~ subsection (b) of  
10 this section and to pay the administrative and legal  
11 expenses of the board in making collections and foreclosing  
12 on loans made pursuant to W.S. 16-1-109. If at the end of  
13 any fiscal year, the amount in the loss reserve account  
14 exceeds five percent (5%) of the total amount of permanent  
15 funds invested by the state in loans pursuant to W.S.  
16 16-1-109, the amount in excess of the five percent (5%)  
17 shall be transferred and credited to the general fund.

18  
19           (b) If, as a result of default in the payment of any  
20 loan made pursuant to W.S. 16-1-109, there occurs a  
21 nonrecoverable loss either to the corpus of, or interest  
22 due to, any permanent fund of the state, the state loan and  
23 investment board shall restore the loss to the permanent  
24 fund account entitled thereto using any funds available in

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

8  
9 **19-7-401. Wyoming military assistance trust fund;**  
10 **establishment of trust fund; corpus inviolate; investment**  
11 **by state treasurer.**

12  
13 (b) The monies deposited into the trust fund  
14 established pursuant to this section are inviolate and  
15 constitute a permanent or perpetual trust fund. The monies  
16 shall be transmitted to the state treasurer for credit to  
17 the trust fund and shall be invested by the state treasurer  
18 as authorized under W.S. ~~9-4-711~~ 9-4-715(a), (d) and (e) in  
19 a manner to obtain the highest return possible consistent  
20 with the preservation of the corpus. The interest earned  
21 from investment of the corpus of the trust fund shall be  
22 annually credited by the state treasurer not later than  
23 June 30 of each year into a separate account and  
24 distributed in accordance with W.S. 19-7-402.

1

2       **21-16-1201. Excellence in higher education endowment**  
3 **fund; Hathaway student scholarship endowment fund;**  
4 **distributions by state treasurer; legislative restrictions.**

5

6       (c) The state treasurer shall place earnings from the  
7 investment of monies in the excellence in higher education  
8 endowment fund in an income account for subsequent  
9 disbursement as provided in this subsection. Earnings for  
10 any fiscal year which are in excess of the spending policy  
11 amount established pursuant to W.S. ~~9-4-713(o)~~ 9-4-719(o)  
12 shall be distributed as provided by W.S. ~~9-4-713(m)~~  
13 9-4-719(m). Earnings within the spending policy amount  
14 shall be distributed on a quarterly basis as follows:

15

16       **21-16-1204. Annual reports; review by committees.**

17

18       (a) Not later than October 1, 2006, and October 1 of  
19 each year thereafter, the University of Wyoming and each  
20 Wyoming community college shall report to the joint  
21 appropriations and joint education interim committees of  
22 the legislature and to the governor on the use and  
23 expenditure of earnings from the excellence in higher

1 education endowment fund pursuant to this article,  
2 including the following:

3

4 (iv) Reserve fund distributions pursuant to W.S.  
5 ~~9-4-713(n)~~ 9-4-719(n).

6

7 **21-22-101. Trust fund established; corpus inviolate;**  
8 **investment by state treasurer.**

9

10 (b) Funds deposited into the Wyoming education trust  
11 fund established pursuant to subsection (a) of this section  
12 are intended to be inviolate and constitute a permanent or  
13 perpetual trust fund which shall be invested by the state  
14 treasurer as authorized under W.S. ~~9-4-711~~ 9-4-715(a), (d)  
15 and (e) and in a manner to obtain the highest return  
16 possible consistent with preservation of the corpus. Any  
17 interest earned from investment of the corpus of the trust  
18 fund shall be credited by the state treasurer into a  
19 separate account and distributed in accordance with W.S.  
20 21-22-102.

21

22 **23-1-501. Game and fish fund.**

23

1           (f) A trust account separate and apart from the trust  
2 account established under subsection (d) of this section is  
3 created within the Wyoming game and fish fund. The account  
4 shall consist of those funds appropriated or designated to  
5 the account by law or by gift from whatever source. Funds  
6 deposited within the account are intended to be inviolate  
7 and constitute a permanent or perpetual trust account which  
8 shall be invested by the state treasurer as authorized  
9 under W.S. ~~9-4-711~~ 9-4-715(a), (d) and (e) and in a manner  
10 to obtain the highest return possible consistent with  
11 preservation of the account corpus. Any interest earned  
12 from investment of the account corpus shall be credited by  
13 the state treasurer into the Wyoming game and fish fund to  
14 be expended by the commission for purposes specified under  
15 subsection (b) of this section.

16

17           **26-33-105. Medical liability compensation account.**

18

19           (a) There is created a medical liability compensation  
20 account, the monies of which shall be collected by the  
21 commissioner for exclusive use for the purposes stated in  
22 this chapter. The account and any investment income from it  
23 shall be held in trust and invested and reinvested by the

1 state treasurer pursuant to W.S. ~~9-4-711~~ 9-4-715(a), (d)  
2 and (e).

3  
4 **28-11-201. Appointment of members; powers and duties.**

5  
6 (b) The select committee shall:

7  
8 (ii) Monitor the establishment and  
9 implementation of state investment policy by the state loan  
10 and investment board under W.S. ~~9-4-709~~ 9-4-716, including  
11 the extent to which investment goals are being achieved;

12  
13 **36-1-402. Emergency fire suppression account;**  
14 **creation; investment of funds; authorized expenditures.**

15  
16 (b) The state treasurer shall invest any portion of  
17 the funds in the account which the state forester  
18 determines is not needed for immediate use. Investments  
19 shall be made as authorized by W.S. ~~9-4-711~~ 9-4-715(a), (d)  
20 and (e).

21  
22 **37-5-206. Bonds as legal investments.**

1           (b) Effective July 1, 2006, with the written approval  
2 of the governor and the attorney general, the state  
3 treasurer may invest monies from the legislative  
4 stabilization reserve account in an amount approved by the  
5 state loan and investment board pursuant to W.S.  
6 ~~9-4-711(a)(iv)~~ 9-4-715(a), (d) and (e) but not to exceed  
7 the amount of one hundred million dollars  
8 (\$100,000,000.00). The investment shall comply with all  
9 statutes governing prudent investments and interest payable  
10 on the bonds invested in by the treasurer shall average  
11 over the lifetime of the bonds to be at least four percent  
12 (4%) and revenue under W.S. 37-5-204(b) shall be credited  
13 as received to the appropriate income account. In the  
14 event an investment is made from the legislative  
15 stabilization reserve account, the amount of the investment  
16 shall be transferred to the Wyoming pipeline authority  
17 investment account which is hereby created. As the  
18 investment is returned to the account, the state treasurer  
19 shall transfer the amount of the returned investment to the  
20 legislative stabilization reserve account.

21

22           **37-5-406. Bonds as legal investments.**

23



1 The bonds of the authority are legal investments which may  
2 be used as collateral for public funds of the state,  
3 insurance companies, banks, savings and loan associations,  
4 investment companies, trustees and other fiduciaries which  
5 may properly and legally invest funds in their control or  
6 belonging to them in bonds of the authority. With the  
7 written approval of the state loan and investment board and  
8 the attorney general, the state treasurer may invest monies  
9 from the permanent Wyoming mineral trust fund in bonds of  
10 the authority in an amount specified by the state loan and  
11 investment board and the attorney general but not to exceed  
12 the amount specified in W.S. 37-5-403(a), and the interest  
13 payable on the bonds shall be at least four percent (4%)  
14 and revenue under W.S. 37-5-404(b) shall be credited as  
15 received to the state general fund. The limitation on  
16 ~~legislatively designated~~ specific public purpose  
17 investments under W.S. ~~9-4-712~~ 9-4-715(n) shall not apply  
18 to investments made under this section.

19

20 **39-13-107. Compliance; collection procedures.**

21

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

24

1 (iii) The following shall apply to the deferral  
2 of tax collection:

3  
4 (F) Payment of deferred taxes shall be  
5 distributed pursuant to W.S. 39-13-111(a)(ii). Any taxes  
6 deferred under this paragraph which would be distributed  
7 pursuant to W.S. 39-13-111(a)(ii)(A) shall be paid from the  
8 county general fund subject to reimbursement when the  
9 deferred taxes are paid by the taxpayer or otherwise  
10 collected by the county. The board of county commissioners  
11 may, by December 1 of the year in which the first  
12 installment of deferred taxes are to be paid, make  
13 application to the state treasurer for disbursement of  
14 funds pledged by W.S. ~~9-4-701(m)~~9-4-715(j). If  
15 applications exceed funds authorized, the state treasurer  
16 shall make investments on a prorated basis;

17

18 **39-14-111. Distribution.**

19

20 (g) All payments received pursuant to W.S.  
21 39-14-107(b)(iii) shall be transferred to an account. The  
22 monies in this account shall be invested or deposited in  
23 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
24 any interest earned shall be credited to the general fund.

1 The revenue under W.S. 39-14-107(b)(iii) shall be  
2 distributed in accordance with this section subject to the  
3 following and except as otherwise provided by law for  
4 fiscal year 1994:

5

6 **39-14-311. Distribution.**

7

8 (c) All payments received pursuant to W.S.  
9 39-14-307(b)(iii) shall be transferred to an account. The  
10 monies in this account shall be invested or deposited in  
11 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
12 any interest earned shall be credited to the general fund.  
13 The revenue under W.S. 39-14-307(b)(iii) shall be  
14 distributed in accordance with this section, subject to the  
15 following and except as otherwise provided by law for  
16 fiscal year 1994:

17

18 **39-14-411. Distribution.**

19

20 (b) All payments received pursuant to W.S.  
21 39-14-407(b)(iii) shall be transferred to an account. The  
22 monies in this account shall be invested or deposited in  
23 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
24 any interest earned shall be credited to the general fund.

1 The revenue under W.S. 39-14-407(b)(iii) shall be  
2 distributed in accordance with subsection (a) of this  
3 section, subject to the following and except as otherwise  
4 provided by law for fiscal year 1994:

5

6 **39-14-511. Distribution.**

7

8 (c) All payments received pursuant to W.S.  
9 39-14-507(b)(iii) shall be transferred to an account. The  
10 monies in this account shall be invested or deposited in  
11 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
12 any interest earned shall be credited to the general fund.  
13 The revenue under W.S. 39-14-507(b)(iii) shall be  
14 distributed in accordance with subsections (a) and (b) of  
15 this section, subject to the following and except as  
16 otherwise provided by law for fiscal year 1994:

17

18 **39-14-611. Distribution.**

19

20 (b) All payments received pursuant to W.S.  
21 39-14-607(b)(iii) shall be transferred to an account. The  
22 monies in this account shall be invested or deposited in  
23 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
24 any interest earned shall be credited to the general fund.

1 The revenue under W.S. 39-14-607(b)(iii) shall be  
2 distributed in accordance with subsection (a) of this  
3 section, subject to the following and except as otherwise  
4 provided by law for fiscal year 1994:

5  
6 **39-14-711. Distribution.**

7  
8 (b) All payments received pursuant to W.S.  
9 39-14-707(b)(iii) shall be transferred to an account. The  
10 monies in this account shall be invested or deposited in  
11 accordance with W.S. ~~9-4-701~~9-4-714 through 9-4-831, and  
12 any interest earned shall be credited to the general fund.  
13 The revenue under W.S. 39-14-707(b)(iii) shall be  
14 distributed in accordance with this section, subject to the  
15 following and except as otherwise provided by law for  
16 fiscal year 1994:

17  
18 **Section 3.** W.S. 9-4-713 is renumbered as 9-4-719.

19  
20 **Section 4.** W.S. 9-4-701 through 9-4-712 and 9-4-834  
21 are repealed.

