

FISCAL NOTE

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
SCHOOL MAJOR MAINT. SUBACCOUNT	\$0	\$4,400,000	\$9,000,000
COMMON SCHOOL LAND INCOME FUND	\$0	\$9,800,000	\$11,900,000
STRATEGIC INVEST. & PROJECTS	\$93,100,000	\$51,500,000	\$52,500,000

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
PWMTF RESERVE ACCOUNT	\$93,100,000	\$55,900,000	\$61,500,000
COMMON SCHOOL RESERVE ACCOUNT	\$0	\$9,800,000	\$11,900,000

Source of revenue and expenditure increase:

Increase of the FY 2021 spending policy amount for the Permanent Wyoming Mineral Trust Fund (PWMTF) from 4.75% of the 5-year average market value to 5.0%;
 Increase of the FY 2022 spending policy amount for the PWMTF from 4.5% to 5.0%;
 Increase of the FY 2023 spending policy amount for the PWMTF from 4.5% to 4.75%;

Increase of the FY 2021 spending policy amount for the Common School Permanent Land Fund (CSPLF) from 4.75% of the 5-year average market value to 5.0%; Increase of the FY 2022, FY 2023 and FY 2024 spending policy amount for the CSPLF from 4.5% to 5.0%; Increase of the FY 2025 spending policy amount for the CSPLF from 4.5% to 4.75%;

This bill would also ensure, to the extent funds are available for such a transfer from the PWMTF Reserve Account, that the full distribution of investment earnings directed to the Strategic Investments and Projects Account (SIPA), beginning in FY 2020, would be available even in years in which investment income is insufficient.

Maintaining the current 5% PWMTF spending policy through FY 2022 would increase the PWMTF spending policy amount by approximately \$19.4 million in FY 2021 and \$40.0 million in FY 2022. Increasing the PWMTF FY 2023 spending policy from 4.5% to 4.75% would increase the spending policy amount by approximately \$20.5 million in FY 2023. Maintaining the current 5% CSPLF spending policy through FY 2024 would increase the CSPLF spending policy amount by \$9.8 million in FY 2021, \$20.5 million in FY 2022, \$21.1 million in FY 2023 and \$21.7 million in FY 2024. These increases in the spending policy amounts, to the extent funds are available in the respective Reserve Account, would result in: 1) increased "guaranteed" transfers from the PWMTF Reserve Account to the School Major Maintenance Subaccount and 2) increased "guaranteed" transfers from the CSPLF Reserve Account to the Common School Land Income Account (CSLIA). The bill would also "guarantee" transfers from the PWMTF Reserve Account, to the extent funds are available, to the SIPA.

Assumptions:

The estimated transfers in the table above are based on the PWMTF and CSPLF investment income projections in the January 2019 CREG forecast.

The amounts presented above reflects the maximum transfers from the PWMTF Reserve Account to the School Major Maintenance Subaccount and SIPA in FY 2020, FY 2021 and 2022, and changes to the maximum transfers from the CSPLF Reserve Account to the CSLIA in FY 2021 and FY 2022. If actual investment income from the PWMTF and CSPLF exceed the amounts projected, the actual transfers would be reduced, potentially to zero.

The estimates in the table above are based on: 1) the July 1, 2018 available balances in the PWMTF Reserve Account and CSPLF Reserve Account reflected in the January 18, 2018 fiscal profile, and 2) the estimated transfers from the PWMTF Reserve Account under W.S. 9-4-719(b) and the estimated transfers from the CSPLF Reserve Account under W.S. 9-4-719(f).

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