

HOUSE BILL NO. HB0244

State investment administration.

Sponsored by: House Appropriations Committee

A BILL

for

1 AN ACT relating to public funds; providing for a study and
 2 report regarding alternative measures for managing the
 3 investment of state funds; making legislative findings;
 4 outlining issues to be covered in the study and report;
 5 providing for recommendations for a plan to provide for
 6 alternative measures; providing for filing of the report;
 7 providing for staffing and requiring assistance by state
 8 executive and legislative entities; providing an
 9 appropriation; providing for subsequent legislation; and
 10 providing for an effective date.

11

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

13

14 **Section 1.**

15

1 (a) The legislature finds there is a consensus among
2 the state treasurer's office, the governor's office, the
3 investment funds committee and the legislature that the
4 investment funds committee should undertake a study to
5 assess options for improving the investment operations
6 relating to state funds and to address the following goals
7 and objectives:

8

9 (i) To bring Wyoming's management of its
10 sovereign wealth funds and other permanent and nonpermanent
11 funds into the top tier in each field thereby ensuring the
12 state and its citizens are receiving the best possible
13 value from these key public resources;

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15 (ii) To identify legal and fiduciary
16 requirements of the state in investing various fund types
17 and clarify best practices regarding the state's oversight
18 role as owner or trustee of invested funds;

19

20 (iii) Development of an investment management
21 structure that will most likely achieve the best long-term
22 returns for the state, taking into account:

23

1 (A) Legal and fiduciary requirements, risk
2 tolerance, spending requirements and the volatile revenues
3 characteristic of the state;

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5 (B) Needs to ensure accuracy, transparency
6 and timeliness in reporting in light of those requirements,
7 while being as efficient as possible under those
8 requirements.

9

10 (b) In conducting the study, the investment funds
11 committee shall:

12

13 (i) Review alternatives for the investment
14 management structure including, but not limited to, a
15 public state corporation, a state owned investment
16 management company or state created investment council or
17 quasi-governmental entity;

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19 (ii) Recommend an organization and management
20 structure that it determines best meets the goals and
21 objectives specified in subsection (a) of this section;

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23 (iii) Include in its recommendation:

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2 (A) An outline of the duties, makeup
3 and responsibilities of all parties involved in the
4 management of investments, including the state loan and
5 investment board, and how each party would interrelate with
6 the other parties;

7

8 (B) An outline of the appropriate
9 revenue and expense model adequate to support the staffing
10 and technology needed for the recommended organization and
11 management structure;

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13 (C) How to best implement the
14 recommendation in a manner which enables investment
15 professionals and their colleagues in operations,
16 accounting and legal compliance to function independently
17 and consistently with accepted industry standards;

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19 (D) How the investment management
20 operations would be conducted in light of the state's
21 status as the organization's only client;

22

1 (E) Other recommendations the
2 investment funds committee determines would assist the
3 legislature or entities managing state investments in
4 achieving the goals and objectives specified in subsection
5 (a) of this section or would otherwise benefit the state in
6 its management of investments.

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8 (c) The investment funds committee shall submit the
9 report to the select committee on capital financing and
10 investments not later than November 1, 2021. The select
11 committee shall introduce legislation regarding the study
12 and report under this act as it determines appropriate in
13 the 2022 budget session.

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15 (d) There is appropriated ten thousand dollars
16 (\$10,000.00) that would otherwise be deposited to the
17 general fund, to the state treasurer's office for purposes
18 of supporting the investment funds committee study and
19 report under this act. This appropriation shall be for the
20 period beginning with the effective date of this act and
21 ending June 30, 2022. This appropriation shall not be
22 transferred or expended for any other purpose and any
23 unexpended, unobligated funds remaining from this

1 appropriation shall revert as provided by law on June 30,
2 2022.

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4 (e) The state treasurer's office shall provide the
5 investment funds committee with support as specified in
6 W.S. 9-4-720. The state treasurer's office and the office
7 of state lands and investments shall provide assistance to
8 the investment funds committee as requested in conducting
9 the study and providing the report required by this act.
10 The investment funds committee shall consider input
11 provided by members of the state loan and investment board
12 in conducting the study and preparing the report. The
13 legislative service office shall provide assistance to the
14 investment funds committee as requested by the committee
15 and as approved by the management council of the
16 legislature.

17

18 **Section 2.** This act is effective immediately upon
19 completion of all acts necessary for a bill to become law
20 as provided by Article 4, Section 8 of the Wyoming
21 Constitution.

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23

(END)