

FISCAL NOTE

	FY 2023	FY 2024	FY 2025
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase/(decrease)			
PERMANENT WYOMING MINERAL TRUST FUND	(\$43,600,000)	(\$40,900,000)	(\$41,400,000)
COMMON SCHOOL PERMANENT LAND FUND	(\$43,600,000)	(\$40,900,000)	(\$41,400,000)
LEGISLATIVE STABILIZATION RESERVE ACCOUNT (Severance Tax)	\$87,200,000	\$81,800,000	\$82,800,000
STRATEGIC INVESTMENTS AND PROJECTS ACCOUNT			(\$116,700,000)
LEGISLATIVE STABILIZATION RESERVE ACCOUNT (Investment Earnings)			\$100,650,000

	FY 2023	FY 2024	FY 2025
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
PERMANENT WYOMING MINERAL TRUST FUND RESERVE ACCOUNT			(\$16,050,000)

Source of revenue increase and decrease and expenditure decrease:

Under current law, W.S. 39-14-801(b) distributes an additional amount equal to two-thirds of the Permanent Wyoming Mineral Trust Fund (PWMTF) constitutional severance tax (the additional one percent) from the Severance Tax Distribution Account equally to the PWMTF and the Common School Account within the Permanent Land Fund (CSPLF) in FY 2023 through FY 2028. In FY 2029 and thereafter, the additional one percent will be deposited two-thirds to the PWMTF and one-third to the CSPLF under current law.

For FY 2023 and thereafter, this bill would divert the additional one percent severance tax from the PWMTF and CSPLF and deposits these funds within the Legislative Stabilization Reserve Account (LSRA). This results in an estimated revenue decrease to both the CSPLF and PWMTF equal to \$43,600,000, \$40,900,000, and \$41,400,000 and an estimated revenue increase equal to \$87,200,000, \$81,800,000, and \$82,800,000 for fiscal years 2023, 2024 and 2025, respectively.

Under current law, W.S. 9-4-719(q)(i) distributes investment income in excess of 2.5 percent up to 5 percent of the previous five-year market value of the PWMTF, equally to the LSRA and the Strategic Investments and Projects Account (SIPA). The PWMTF Reserve Account guarantees the maximum amount that could be deposited into SIPA under W.S. 9-4-719(b)(i).

For FY 2025 and thereafter, this bill would deposit all investment income in excess of 2.5 percent up to 5 percent of the previous five-year market value of the PWMTF to the LSRA and would guarantee one-half of the maximum amount to the LSRA from the PWMTF Reserve Account. This results in an estimated revenue decrease to SIPA equal to \$116,700,000 and an estimated revenue increase to the LSRA of \$100,650,000. This would also result in an estimated expenditure decrease from the PWMTF Reserve

Account of \$16,050,000, the amount of forecast investment income that would be deposited to the SIPA under current law.

Assumptions:

The revenue increases and decreases presented in the tables above are based on the severance taxes and investment earnings projected in the January 2022 Consensus Revenue Estimating Group (CREG) Forecast. The amounts in the tables above are rounded and reflect a zero net change in the total severance taxes and investment earnings distributed each fiscal year. Over time, the decreases in severance taxes distributed to the PWMTF and CSPLF may result in decreases in investment income from the PWMTF and CSPLF. These investment income decreases are not reflected in the table above.

This bill would also create secondary caps to distribute federal mineral royalties and severance taxes, in excess of the January 2022 CREG forecast, to the LSRA. No estimated fiscal impact of these secondary caps are forecast under this fiscal note.

Any other fiscal or personnel impact is not determinable due to insufficient time to complete the fiscal note process.