

SENATE FILE NO. SF0090

State-managed local government equity investment pool.

Sponsored by: Senator(s) Gierau, Case, Landen and
Nethercott and Representative(s) Byron,
Crago and Zwonitzer, Dn

A BILL

for

1 AN ACT relating to public funds; authorizing the
2 establishment of a local government investment equities
3 pool; authorizing the investment of local government funds
4 in equities; specifying duties for the state treasurer and
5 state treasurer's office; making conforming amendments; and
6 providing for an effective date.

7

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

9

10 **Section 1.** W.S. 9-1-419 is created to read:

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12 **9-1-419. Local government investment equities pool.**

13

14 (a) Upon request by any city, town, county, special
15 district, school district or any other political

1 subdivision, the state treasurer shall invest funds of one
2 (1) or more of these entities on a pooled basis in the same
3 manner as the state treasurer makes investments of state
4 funds in equities, including stocks of corporations, in
5 accordance with law. The state treasurer shall adopt rules
6 that:

7
8 (i) Provide for the transmittal of funds from
9 the entities to the state treasurer for investment, the
10 manner in which the funds may be withdrawn from the
11 investment pool by entities, limitations on withdrawal of
12 funds, accounting and reporting procedures and any other
13 provisions that will effectively carry out the purposes of
14 this section;

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16 (ii) If determined by the state treasurer to be
17 necessary, establish fees to be charged to local
18 governmental entities that request the investment of funds
19 under this section. Any fees collected under this paragraph
20 shall not exceed the direct costs incurred by the state
21 treasurer in investing funds for each local governmental
22 entity. Fees collected under this paragraph shall be

1 deposited into the investment assistance account created by
2 W.S. 9-1-416(a)(ii);

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4 (iii) Establish a minimum fund size for the
5 investment of funds on a pooled basis under this section.

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7 (b) Before requesting the state treasurer to invest
8 funds under this section, a local governmental entity shall
9 acknowledge in writing that the entity understands that
10 investing in equities involves risk of loss of some or all
11 of the amount invested.

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13 (c) Nothing in this section shall be construed to
14 require the state of Wyoming to reimburse local
15 governmental entities for any losses that may occur on
16 investments under this section.

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18 **Section 2.** W.S. 9-4-831(a) by creating a new
19 paragraph (xxviii) is amended to read:

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21 **9-4-831. Investment of public funds.**

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1 (a) The state treasurer, or treasurer of any
2 political subdivision, municipality or special district of
3 this state, and the various boards of trustees and boards
4 of directors of county hospitals, airports, fairs and other
5 duly constituted county boards and commissions, may invest
6 in:

7
8 (xxviii) Investments in equities, including
9 stocks of corporations, as part of an investment fund for
10 local governmental entities, upon request by any county,
11 city, town, school district, special district or any other
12 political subdivision, as provided in W.S. 9-1-419. Nothing
13 in this paragraph shall be construed to limit or alter the
14 state treasurer's authority to invest state funds in
15 equities in accordance with law. The investment fund under
16 this paragraph shall:

17
18 (A) Be a third local investment pool with
19 more long-term redemption options than the local investment
20 pools established in paragraph (xxvii) of this subsection
21 and W.S. 9-1-416 and that are in line with appropriate
22 redemptions of investments in equities;

23

1 (B) Have additional and appropriate
2 penalties for the early withdrawal of funds as provided by
3 rules adopted by the state treasurer;

4
5 (C) Be subject to rules adopted by the
6 state treasurer in accordance with W.S. 9-1-419;

7
8 (D) Subject to this paragraph, be managed
9 in accordance with W.S. 9-1-419;

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11 (E) Be invested based solely on pecuniary
12 factors and invested in a way that does not subordinate the
13 interests of the beneficiaries of the investment fund under
14 this paragraph to other objectives, including sacrificing
15 investment returns or undertaking additional investment
16 risk to promote nonpecuniary factors.

17
18 **Section 3.** This act is effective July 1, 2024.

19
20 (END)