

**FISCAL NOTE**

**Table 1. Revenue Increases/(Decreases)**

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase/(decrease)			
GENERAL FUND (5.0% spending policy guarantee)	\$0	\$0	\$135,300,000
LEGISLATIVE STAB. RES. ACCT. (PWMTF earnings over 2.5% guarantee)	\$0	\$0	(\$55,000,000)
GENERAL FUND (severance taxes)	\$0	\$0	\$144,600,000
BUDGET RESERVE ACCOUNT (severance taxes)	\$0	\$0	(\$144,600,000)
STRATEGIC INVESTMENTS AND PROJECTS ACCT (PWMTF earnings over 2.5% and PWMTF RA transfer.)	\$0	\$0	(\$122,600,000)

**Table 2. Expenditure Increases/(Decreases)**

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase/(decrease)			
LEGISLATIVE STAB. RES. ACCT. (transfer to GF)	\$0	\$0	\$135,300,000
GENERAL FUND (transfer to SIPA and LSRA)	\$0	\$0	(\$110,000,000)
PERM. MIN. TRUST FUND RES (transfer to SIPA)	\$0	\$0	(\$67,600,000)
GENERAL FUND (welfare emergencies)	\$0	\$0	\$10,000,000
LEGISLATIVE STAB. RES. ACCT. (welfare emergencies)	\$0	\$0	(\$10,000,000)

Source of revenue and expenditure increase(decrease):

Table 1 shows changes to revenues. This legislation modifies the Permanent Wyoming Mineral Trust Fund (PWMTF) spending policy, ensuring the General Fund (GF) has 5.0 percent of the five-year rolling average market value of the PWMTF for annual spending starting July 1, 2026. This increase in the PWMTF spending policy guarantee from 2.5 percent to 5.0 percent will increase GF revenue by an estimated \$135.3 million in FY 2027.

This legislation repeals the provision to transfer PWMTF investment earnings over the current 2.5 percent spending policy guarantee from the GF to the Legislative Stabilization Reserve Account (LSRA) and the Strategic Investments and Projects Account (SIPA) in equal amounts, resulting in an estimated revenue decrease to both the LSRA and SIPA of \$55.0 million in FY 2027. This legislation also repeals the 1.25 percent spending policy guarantee to the SIPA, estimated to be \$122.6 million for FY 2027. The \$122.6 million is inclusive of the \$55.0 million estimated transfer from the GF from PWMTF investment earnings and the \$67.6 million estimated transfer from the PWMTF Reserve Account (RA) in FY 2027.

Under this legislation, investment earnings from the PWMTF above the 5.0 percent annual spending policy are transferred from the GF to the LSRA. This transfer from the GF to the LSRA is forecast to be zero for FY 2027 based on forecasted interest and dividends. As a corollary, this legislation repeals the provision to credit PWMTF investment earnings in excess of the 5.0 percent spending policy amount to the PWMTF RA.

Starting July 1, 2026, this legislation redirects severance tax distributions (W.S. 39-14-801(d)) that are currently deposited within the Budget Reserve Account (BRA) to the GF, resulting in a revenue increase to the GF and a corresponding revenue decrease to the BRA. This amount is estimated at \$144.6 million for FY 2027.

Table 2 shows changes to expenditures. Starting July 1, 2026, the amount necessary to meet the 5.0 percent annual spending policy guarantee will be transferred from the LSRA. This amount is estimated to be \$135.3 million for FY 2027. The transfers of PWMTF investment earnings above the current 2.5 percent guarantee from the GF to the SIPA and LSRA are repealed, effective July 1, 2026. These transfers are estimated at \$110.0 million for FY 2027.

This legislation results in a decrease of an estimated \$67.6 million in expenditures from the PWMTF RA because the 1.25 percent guarantee to SIPA is repealed. If the balance of the LSRA is zero, the PWMTF RA becomes the fund to guarantee the 5.0 percent annual spending amount to the GF. This legislation repeals the statutory maximum balance for the PWMTF RA and the corresponding transfers to the PWMTF corpus.

This legislation changes the source of the \$10 million appropriation for public welfare emergencies from the LSRA to the GF, and further specifies conditions for new loans or appropriations from the LSRA beginning July 1, 2026.

Assumptions:

Amounts are based on the October 2023 Consensus Revenue Estimating Group forecast.

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