

HOUSE BILL NO. HB0056

State budgeting and reserves-general funds.

Sponsored by: Select Committee on Capital Financing &
Investments

A BILL

for

1 AN ACT relating to public funds; amending appropriations,
2 loan authority, distributions and transfers of funds as
3 specified; modifying the distribution of revenues as
4 specified; removing encumbrances from specified accounts;
5 eliminating specified guarantees from accounts; specifying
6 the distribution of excess funds as specified; modifying
7 and limiting distributions from reserve accounts as
8 specified; amending and limiting the spending authorization
9 and permissible uses of the legislative stabilization
10 reserve account; making conforming amendments; repealing
11 obsolete language; and providing for an effective date.

12

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

14

15 **Section 1.** W.S. 9-4-722 is created to read:

1

2 **9-4-722. Permanent Wyoming mineral trust fund**
3 **spending policy; legislative stabilization reserve account**
4 **guarantee; transfers.**

5

6 (a) The annual spending policy for the permanent
7 Wyoming mineral trust fund is, for each fiscal year, an
8 amount equal to five percent (5%) of the previous five (5)
9 year average market value of the fund, calculated from the
10 first day of the fiscal year.

11

12 (b) Beginning July 1, 2026 for fiscal year 2027 and
13 for each fiscal year thereafter, the state treasurer shall
14 transfer the investment earnings from the permanent Wyoming
15 mineral trust fund under W.S. 9-4-204(u)(iii) in excess of
16 the spending policy established in subsection (a) of this
17 section from the general fund to the legislative
18 stabilization reserve account. The transfer shall be
19 credited to the legislative stabilization reserve account
20 by the state treasurer as soon as practicable after the end
21 of the fiscal year but not later than ninety (90) days
22 after the end of the fiscal year.

23

1 (c) Beginning July 1, 2026 for fiscal year 2027 and
2 for each fiscal year thereafter:

3
4 (i) To the extent funds are available and only
5 if investment earnings from the permanent Wyoming mineral
6 trust fund are insufficient to meet the annual spending
7 policy amount specified in subsection (a) of this section,
8 the state treasurer shall transfer unobligated funds from
9 the legislative stabilization reserve account to the
10 general fund in an amount equal to the amount the
11 investment earnings from the permanent Wyoming mineral
12 trust fund are insufficient to meet the annual spending
13 policy amount specified in subsection (a) of this section;

14
15 (ii) To the extent funds are available and only
16 if investment earnings from the permanent Wyoming mineral
17 trust fund are insufficient to meet the annual spending
18 policy amount specified in subsection (a) of this section
19 and when the balance of the legislative stabilization
20 reserve account is zero dollars (\$0.00), the state
21 treasurer shall transfer unobligated funds from the
22 permanent Wyoming mineral trust fund reserve account to the
23 general fund in an amount equal to the amount the

1 investment earnings from the permanent Wyoming mineral
2 trust fund are insufficient to meet the annual spending
3 policy amount specified in subsection (a) of this section,
4 less any funds transferred to the general fund under
5 paragraph (i) of this subsection.

6

7 (d) In any fiscal year or fiscal biennium, funds to
8 be deposited to an account under subsection (b) of this
9 section may be deposited to a different fund or account as
10 specified by a general appropriations bill for state
11 government as determined by the legislature to be necessary
12 to alleviate a budget shortfall or structural budget
13 deficit as defined by W.S. 9-2-1002, or to provide
14 appropriations to maintain services as determined by the
15 legislature.

16

17 **Section 2.** W.S. 9-2-1014.3(a), 9-4-219(a) and by
18 creating a new subsection (d), 9-4-714(a)(viii),
19 9-4-715(q)(i) by creating a new subparagraph (C) and by
20 amending and renumbering (C) as (D), 9-4-719(a)(intro), by
21 creating a new paragraph (i), by renumbering (i) through
22 (iii) as (ii) through (iv), (b)(intro) and (p) and
23 39-14-801(d)(intro) are amended to read:

1

2 **9-2-1014.3. Appropriation for public welfare**
3 **emergencies; notification to legislature; legislative**
4 **action.**

5

6 (a) Beginning July 1, 2021, as of the first day of
7 each fiscal year, there is appropriated ten million dollars
8 (\$10,000,000.00) from the ~~legislative stabilization reserve~~
9 ~~account~~ general fund. The appropriation may be allocated by
10 the governor and shall only be expended as authorized by
11 the governor for public welfare emergencies as defined in
12 W.S. 9-2-1002(a)(xxv). The governor's office shall provide
13 the notice required under W.S. 9-2-1005(b)(ii)(A) and (B)
14 for any expenditure under this section in excess of one
15 hundred thousand dollars (\$100,000.00).

16

17 **9-4-219. Legislative stabilization reserve account**
18 **created; purposes; obligations; restrictions.**

19

20 (a) The legislative stabilization reserve account
21 created by 2005 Wyoming Session Laws, Chapter 191, Section
22 4, Section 301(d) is continued and codified. Funds within
23 the account shall only be expended by legislative

1 appropriation, subject to this section. All funds within
2 the account shall be invested by the state treasurer as
3 authorized under W.S. 9-4-715(a), (d), (e) and (q) and all
4 investment earnings from the account shall be credited to
5 the general fund.

6

7 (d) Beginning July 1, 2026, no appropriation, loan or
8 transfer shall be made from the legislative stabilization
9 reserve account except as provided in this subsection.
10 Appropriations, loans or transfers from the legislative
11 stabilization reserve account shall only be made in
12 accordance with the following:

13

14 (i) Appropriations or transfers may be made to:

15

16 (A) Any permanent fund as defined by W.S.
17 9-4-714(a)(v);

18

19 (B) The general fund in accordance with
20 W.S. 9-4-722.

21

22 (ii) Loans may be made for any purpose for which
23 a loan was authorized by law to be made from the

1 legislative stabilization reserve account before July 1,
2 2026.

3

4 **9-4-714. Definitions.**

5

6 (a) As used in this act:

7

8 (viii) "This act" means W.S. 9-4-714 through
9 ~~9-4-721~~ 9-4-722.

10

11 **9-4-715. Permissible investments.**

12

13 (q) The state treasurer, or his designee, which shall
14 be registered under the Investment Advisor's Act of 1940 as
15 amended if required to be registered by the terms of that
16 act as amended shall invest the legislative stabilization
17 reserve account created in W.S. 9-4-219 in a manner to
18 obtain the highest net return possible subject to the
19 following:

20

21 (i) Investments shall be made in accordance with
22 investment policy statements adopted by the board under
23 W.S. 9-4-716. In adopting investment policy statements for

1 the legislative stabilization reserve account, the board
 2 shall seek to preserve the balance of the account as
 3 necessary to address:

4

5 (C) The need to make any transfers from the
 6 legislative stabilization reserve account in accordance
 7 with W.S. 9-4-722;

8

9 ~~(C)~~(D) Other emergencies and needs
 10 identified or authorized by the legislature under Wyoming
 11 statutes and session laws, subject to W.S. 9-4-219(d).

12

13 **9-4-719. Investment earnings; spending policies**
 14 **established; permanent and reserve funds.**

15

16 (a) The purpose of subsection (b) of this section and
 17 W.S. 9-4-722 is to establish a guidance for spending ~~policy~~
 18 ~~for~~ permanent Wyoming mineral trust fund investment
 19 earnings ~~on permanent fund investments~~ to provide, in
 20 descending order of importance:

21

22 (i) A maximum amount of earnings that may be
 23 expended in a fiscal year;

1

2 ~~(i)~~(ii) Consistent, sustainable flow of earnings
3 for expenditure over time;

4

5 ~~(ii)~~(iii) Protection of the corpus of the
6 permanent funds against inflation; and

7

8 ~~(iii)~~(iv) To the extent practicable, increases
9 in earnings available for expenditure to offset the effects
10 of inflation.

11

12 (b) There is created the permanent Wyoming mineral
13 trust fund reserve account. All funds within the account
14 shall be invested by the state treasurer as authorized
15 under W.S. 9-4-715(a), (d), (e) and (r) and all investment
16 earnings from the account shall be credited to the account.
17 Except for funds specified by the legislature that
18 guarantee the ~~obligations of permanent Wyoming mineral~~
19 ~~trust fund investment earnings and funds to be transferred~~
20 ~~into the permanent Wyoming mineral trust~~ required transfers
21 from the legislative stabilization reserve account to the
22 general fund, funds deposited into the reserve account
23 created by this subsection are intended to be inviolate and

1 constitute a permanent or perpetual trust fund. ~~Beginning~~
2 ~~July 1, 2021 for fiscal year 2022 and each fiscal year~~
3 ~~thereafter, to the extent funds are available, the state~~
4 ~~treasurer shall transfer unobligated funds from this~~
5 ~~account to the general fund on a quarterly, pro rata basis~~
6 ~~as necessary to ensure that an amount equal to two and~~
7 ~~one-half percent (2.5%) of the previous five (5) year~~
8 ~~average market value of the permanent Wyoming mineral trust~~
9 ~~fund, calculated on the first day of the fiscal year, is~~
10 ~~available for expenditure during each fiscal year. As soon~~
11 ~~as possible after the end of each of the fiscal years~~
12 ~~beginning on and after July 1, 2017, after making any~~
13 ~~transfer required pursuant to paragraphs (i) and (ii) of~~
14 ~~this subsection, revenues in this account in excess of two~~
15 ~~hundred forty-five percent (245%) of the spending policy~~
16 ~~amount in subsection (d) of this section shall be credited~~
17 ~~to the permanent Wyoming mineral trust fund. For fiscal~~
18 ~~year 2020 and for each fiscal year thereafter:~~

19

20 (p) Annually, not later than November 1, the state
21 treasurer, in consultation with the state loan and
22 investment board, shall provide a recommendation to the
23 select committee on capital financing and investments

1 regarding modifications to the spending policy amounts
2 contained in this section and W.S. 9-4-722. The
3 recommendations shall be consistent with the purposes
4 specified in subsection (a) of this section. The select
5 committee on capital financing and investments shall
6 annually submit a recommendation to all members of the
7 legislature before the convening of the session regarding
8 modifications to the spending policy amounts.

9

10 **39-14-801. Severance tax distributions; distribution**
11 **account created; formula.**

12

13 (d) After making distributions pursuant to
14 subsections (b), (c), (f) and (j) of this section,
15 distributions under subsection (e) of this section shall be
16 made from the severance tax distribution account. The
17 amount of distributions under subsection (e) of this
18 section shall not exceed one hundred fifty-five million
19 dollars (\$155,000,000.00) in any fiscal year. To the extent
20 that distributions under subsection (e) of this section
21 would exceed that amount in any fiscal year, ~~except as~~
22 ~~provided in subsections (g), (h) and (k) of this section,~~
23 the excess shall be credited to the general fund.

1

2 **Section 3.** W.S. 9-4-719(a)(iii) and (iv), as
3 renumbered by section 2 of this act, (b)(i), (ii), (c),
4 (d), (q) and (s) is repealed.

5

6 **Section 4.** This act is effective July 1, 2026.

7

8

(END)