



**SF0070**

**Investment modernization-state nonpermanent funds.**

Sponsored By: Select Committee on Capital Financing & Investments

AN ACT relating to public funds; amending specified statutory funds to remove their inviolate status in order to enhance their investment potential; establishing spending policies for specified statutory funds; providing for the investment of specified statutory funds; redirecting the deposit of investment earnings into the corpuses of specified statutory funds; removing specified statutory funds from the pool A investment account; making conforming amendments; repealing inconsistent and obsolete statutory provisions; providing for the treatment of prior deposits; and providing for an effective date.

12/31/2024 Bill Number Assigned  
1/6/2025 S Received for Introduction  
1/14/2025 S Introduced and Referred to S02 - Appropriations  
1/17/2025 S02 - Appropriations:Recommend Do Pass 5-0-0-0

**ROLL CALL**

**Ayes:** Senator(s) Driskill, Gierau, Laursen, Salazar, Smith  
**Ayes** 5 **Nays** 0 **Excused** 0 **Absent** 0 **Conflicts** 0

1/17/2025 S Placed on General File  
1/20/2025 S COW:Passed  
1/21/2025 S 2nd Reading:Passed  
1/22/2025 S 3rd Reading:Passed 23-7-1-0-0

**ROLL CALL**

**Ayes:** Senator(s) Anderson, Barlow, Biteman, Boner, Brennan, Case, Cooper, Crago, Crum, Dockstader, Driskill, Gierau, Hicks, Hutchings, Jones, Landen, Nethercott, Olsen, Pappas, Rothfuss, Salazar, Schuler, Scott  
**Nays:** Senator(s) French, Ide, Laursen, Mckeown, Pearson, Smith, Steinmetz  
**Excused:** Senator Kolb  
**Ayes** 23 **Nays** 7 **Excused** 1 **Absent** 0 **Conflicts** 0

1/23/2025 H Received for Introduction  
2/19/2025 H Introduced and Referred to H02 - Appropriations  
2/24/2025 H02 - Appropriations:Recommend Do Pass 7-0-0-0-0

**ROLL CALL**

**Ayes:** Representative(s) Allemand, Angelos, Bear, Haroldson, Pendergraft, Sherwood, Smith  
**Ayes** 7 **Nays** 0 **Excused** 0 **Absent** 0 **Conflicts** 0

2/24/2025 H Placed on General File  
2/28/2025 H COW:Passed

**SF0070H2001/FAILED**

Page 1-line 1 After "funds;" insert "creating the income tax prevention account; providing for administration of the account;".

Page 1-line 11 After "deposits;" insert "requiring reports;".

Page 1-after line 13 Insert and renumber as necessary:

**"Section 1.** W.S. 9-4-227 is created to read:

**9-4-227. Income tax prevention account.**

(a) There is created the income tax prevention account. The account shall consist of all funds transferred or appropriated to the account by law. All monies deposited or transferred into the account are inviolate and constitute a permanent or perpetual trust fund, subject to the provisions for the withdrawal of funds provided by this section.

(b) The state treasurer shall invest all funds within the income tax prevention account in accordance with W.S. 9-4-715(a) and (c) through (e) and 9-4-716. W.S. 9-4-716(e) shall not apply to the account. The state treasurer, or the treasurer's designee, which shall be registered under the federal Investment Advisor's Act of 1940, as amended and if required to be registered by the terms of that act, may invest the unobligated, unencumbered balance of the account in equities, including stocks of corporations. The account shall be invested so that the overall risk profile of the account's investments shall not materially exceed the risk profile of a reference portfolio that consists of eighty-five percent (85%) private equity and fifteen percent (15%) private credit investments. In adopting investment policy statements for the account, the board shall seek to preserve the balance of the account in a manner that strives for the highest possible risk-adjusted total net return consistent with an appropriate level of safety and liquidity, giving consideration to the account's potential extended investment period and the extended period during which monies in the account may be ineligible for withdrawal.

(c) Beginning on July 1, 2025 and on each July 1 thereafter, the state auditor shall transfer one hundred million dollars (\$100,000,000.00), or as much thereof as is available, from the legislative stabilization reserve account to the income tax prevention account. The transfer under this subsection shall occur after all other transfers and appropriations from the legislative stabilization reserve account required by law are made.

(d) Transfers made under subsection (c) of this section, and the investment of those transfers, shall be in accordance with all of the following:

(i) The state treasurer shall separately account for each annual transfer made under subsection (c) of this section and shall separately account for all earnings from each annual transfer;

(ii) Annual transfers shall not be withdrawn from the account;

(iii) Investment earnings from each annual transfer shall not be withdrawn except in accordance with subsection (e) of this section.

(e) On July 1 of each fiscal year after fourteen (14) fiscal years have elapsed, all investment earnings in the income tax prevention account arising from the annual transfer to the account made fourteen (14) fiscal years earlier shall be deposited in the general fund. For purposes of this subsection:

(i) "Investment earnings" mean all interest income, dividends, realized capital gains and returned capital;

(ii) Investment earnings shall be distributed under this subsection as the earnings are received or when the fund from which earnings are derived matures;

(iii) The state treasurer may liquidate or sell investments in order to maximize earnings or minimize costs associated with making the deposit required under this subsection.

(f) Not later than October 1 of each year, the state treasurer shall report to the joint appropriations committee and the select committee on capital financing and investments regarding the investment of funds in the income tax prevention account. The report shall include information on the annual review of the account's investment policy statement and an estimate of investment earnings available for deposit to the general fund for the immediately succeeding fiscal year."

Page 2-line 1 Delete "**Section 1.**" and insert "**Section 2.**".

Page 2-line 4 Before "9-15-103(a)," insert "9-4-203(a)(xiii),  
9-4-716(e),".

Page 8-after line 12 Insert:

**"9-4-203. Definitions.**

(a) As used in this act:

(xiii) "This act" means W.S. 9-4-202 through ~~9-4-226~~ 9-4-227.

**9-4-716. State investment policy; investment consultant.**

(e) In investing monies of a fund or account which may be invested in stock of a corporation or other equities, the overall risk profile of the investments, excluding any specific public purpose investment authorized or directed by the legislature, shall not materially exceed the risk profile of a reference portfolio that consists of seventy percent (70%) global equities and thirty percent (30%) domestic fixed income investments. The state treasurer after consultation with the investment funds committee shall submit to the board the committee's recommendations of specific benchmarks for the measurement of the portfolio risk characteristics. The specific benchmarks shall be determined by the board. Any provision of law which restricts or expands the investment of a specific fund or account to a greater degree than the provisions of this subsection shall control over this subsection."

Page 17-line 18 Delete "**Section 2.**" and insert "**Section 3.**".

Page 17-line 21 Delete "**Section 3.**" and insert "**Section 4.**".

Page 18-line 8 Delete "**Section 4.**" and insert "**Section 5.**". HARSHMAN

3/3/2025 H 2nd Reading:Passed

**SF0070H3001/FAILED**

Page 1-line 1 After "funds;" insert "creating the income tax prevention account; providing for administration of the account;".

Page 1-line 11                    After "deposits;" insert "requiring reports;".

Page 1-after line 13            Insert and renumber as necessary:

**"Section 1.** W.S. 9-4-227 is created to read:

**9-4-227. Income tax prevention account.**

(a) There is created the income tax prevention account. The account shall consist of all funds transferred or appropriated to the account by law. All monies deposited or transferred into the account are inviolate and constitute a permanent or perpetual trust fund, subject to the provisions for the withdrawal of funds provided by this section.

(b) The state treasurer shall invest all funds within the income tax prevention account in accordance with W.S. 9-4-715(a) and (c) through (e) and 9-4-716. W.S. 9-4-716(e) shall not apply to the account. The state treasurer, or the treasurer's designee, which shall be registered under the federal Investment Advisor's Act of 1940, as amended and if required to be registered by the terms of that act, may invest the unobligated, unencumbered balance of the account in equities, including stocks of corporations. The account shall be invested so that the overall risk profile of the account's investments shall not materially exceed the risk profile of a reference portfolio that consists of eighty-five percent (85%) private equity and fifteen percent (15%) private credit investments. In adopting investment policy statements for the account, the board shall seek to preserve the balance of the account in a manner that strives for the highest possible risk-adjusted total net return consistent with an appropriate level of safety and liquidity, giving consideration to the account's potential extended investment period and the extended period during which monies in the account may be ineligible for withdrawal.

(c) On July 1, 2025, if there is not less than two billion dollars (\$2,000,000,000.00) in the legislative stabilization reserve account on that date, the state auditor shall transfer one hundred million dollars (\$100,000,000.00) from the legislative stabilization reserve account to the income tax prevention account. The transfer under this subsection shall occur after all other transfers and appropriations from the legislative stabilization reserve account required by law are made. Additional transfers to the income tax prevention account in future years shall be subject to legislative appropriation.

(d) Transfers made under subsection (c) of this section, and the investment of those transfers, shall be in accordance with all of the following:

(i) The state treasurer shall separately account for each transfer made under subsection (c) of this section and shall separately account for all earnings from each transfer;

(ii) Transfers shall not be withdrawn from the account;

(iii) Investment earnings from each transfer shall not be withdrawn except in accordance with subsection (e) of this section.

(e) On July 1 of each fiscal year after fourteen (14) fiscal years have elapsed, all investment earnings in the income tax prevention account arising from the transfer to the account made fourteen (14) fiscal years earlier shall be deposited in the general fund. For purposes of this subsection:

(i) "Investment earnings" mean all interest income, dividends, realized capital gains and returned capital;

(ii) Investment earnings shall be distributed under this subsection as the earnings are received or when the fund from which earnings are derived matures;

(iii) The state treasurer may liquidate or sell investments in order to maximize earnings or minimize costs associated with making the deposit required under this subsection.

(f) Not later than October 1 of each year, the state treasurer shall report to the joint appropriations committee and the select committee on capital financing and investments regarding the investment of funds in the income tax prevention account. The report shall include information on the annual review of the account's investment policy statement and an estimate of investment earnings available for deposit to the general fund for the immediately succeeding fiscal year."

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Page 8-after line 12 Insert:

**"9-4-203. Definitions.**

(a) As used in this act:

(xiii) "This act" means W.S. 9-4-202 through ~~9-4-226~~ 9-4-227.

**9-4-716. State investment policy; investment consultant.**

(e) In investing monies of a fund or account which may be invested in stock of a corporation or other equities, the overall risk profile of the investments, excluding any specific public purpose investment authorized or directed by the legislature, shall not materially exceed the risk profile of a reference portfolio that consists of seventy percent (70%) global equities and thirty percent (30%) domestic fixed income investments. The state treasurer after consultation with the investment funds committee shall submit to the board the committee's recommendations of specific benchmarks for the measurement of the portfolio risk characteristics. The specific benchmarks shall be determined by the board. Any provision of law which restricts or expands the investment of a specific fund or account to a greater degree than the provisions of this subsection shall control over this subsection."

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Page 17-line 21 Delete "**Section 3.**" and insert "**Section 4.**".

Page 18-line 8 Delete "**Section 4.**" and insert "**Section 5.**". HARSHMAN

**ROLL CALL**

**Ayes:** Representative(s) Byron, Campbell, E, Chestek, Clouston, Connolly, Davis, Eklund, Erickson, Filer, Geringer, Harshman, Jarvis, Larsen, Larson, Lawley, Nicholas, Posey, Provenza, Sherwood, Storer, Thayer, Washut, Williams, Wylie

**Nays:** Representative(s) Allemand, Andrew, Angelos, Banks, Bear, Brady, Bratten, Brown, G, Campbell, K, Guggenmos, Haroldson, Heiner, Hoeft, Johnson, Kelly, Knapp, Lien, Locke, Mccann, Neiman, Ottman, Pendergraft, Riggins, Rodriguez-Williams, Schmid, Singh, Smith, Strock, Styvar, Tarver, Wasserburger, Webb, Webber, Wharff, Winter, Yin

**Excused:** Representative(s) Brown, L, Lucas

**Ayes** 24      **Nays** 36      **Excused** 2      **Absent** 0      **Conflicts** 0

3/4/2025      H 3rd Reading:Passed 58-2-2-0-0

**ROLL CALL**

**Ayes:** Representative(s) Allemand, Andrew, Angelos, Banks, Bear, Brady, Bratten, Brown, G, Byron, Campbell, E, Campbell, K, Chestek, Clouston, Connolly, Davis, Erickson, Filer, Geringer, Guggenmos, Haroldson, Harshman, Heiner, Hoeft, Jarvis, Johnson, Kelly, Knapp, Larsen, Larson, Lawley, Lien, Locke, Mccann, Neiman, Nicholas, Ottman, Pendergraft, Posey, Provenza, Riggins, Rodriguez-Williams, Schmid, Sherwood, Singh, Smith, Storer, Strock, Tarver, Thayer, Washut, Wasserburger, Webb, Webber, Wharff, Williams, Winter, Wylie, Yin

**Nays:** Representative(s) Eklund, Styvar

**Excused:** Representative(s) Brown, L, Lucas

**Ayes** 58      **Nays** 2      **Excused** 2      **Absent** 0      **Conflicts** 0

3/4/2025      Assigned Number SEA No. 0084

3/4/2025      S President Signed SEA No. 0084

3/5/2025      H Speaker Signed SEA No. 0084

3/17/2025      Governor Signed SEA No. 0084

3/17/2025      Assigned Chapter Number 149

Chapter No. 149      Session Laws of Wyoming 2025