

FISCAL NOTE

	FY 2019	FY 2020	FY 2021
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase			
STRATEGIC INVESTMENTS AND PROJECTS ACCT	\$0	\$0	\$66,400,000

	FY 2019	FY 2020	FY 2021
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
PERM. MIN. TRUST FUND RES	\$0	\$0	\$66,400,000

Source of revenue and expenditure increase:

Maximum transfer of unobligated funds from Permanent Wyoming Mineral Trust Fund (PWMTF) Reserve Account to the Strategic Investments and Projects Account (SIPA);

Assumptions:

This bill would ensure that roughly 75% of the investment income from the PWMTF directed to the SIPA under the PWMTF spending policy in W.S. 9-4-719(q) would be available for expenditure annually during each fiscal year, beginning in FY 2021 by transferring unobligated funds from the PWMTF Reserve Account to the SIPA. These transfers would equal 0.85% of the previous 5-year average market value of the PWMTF for FY 2021 and 0.75% of the 5-year average market value of the PWMTF for FY 2022 and thereafter. These transfers would occur after the transfers from the PWMTF Reserve Account to the General Fund under W.S. 9-4-719(b).

This bill would also require transfers after the end of the fiscal year from the General Fund and from the SIPA to the PWMTF Reserve Account to ensure that the net amounts deposited to the General Fund and to the SIPA in any fiscal year do not exceed the spending policy amounts established.

The estimated transfer in the table above is based on the PWMTF investment income projections in the January 2018 CREG forecast, which is set at the 2.5% spending policy guarantee established in W.S. 9-4-719(b). Therefore, no investment income is projected to be deposited in the SIPA. The amount presented above reflects the maximum transfer from the PWMTF Reserve Account to the SIPA in FY 2021. If actual investment income from the PWMTF exceeds the amounts projected, the actual net transfer from the PWMTF Reserve Account to the SIPA would be reduced, potentially to zero.

The estimate in the table above is based on 1) the July 1, 2016 available balance in the PWMTF Reserve Account of \$265,845,070, 2) the estimated transfers from the PWMTF Reserve Account to the General Fund under W.S. 9-4-719(b) reflected in the January 15, 2018 fiscal profile, and 3) the estimated interfund loan of \$81,722,630 from the PWMTF Reserve Account to the Capitol Building Rehabilitation and Restoration Account.

For FY 2021 and thereafter, unencumbered and unobligated funds available for expenditure in the SIPA would only be expended as follows:

- 45% for school capital construction;
- 30% for strategic investments and projects determined by the Legislature;
- The remainder for expenditure as determined by legislative appropriation.