

FISCAL NOTE

Under this bill, the State Treasurer may invest the Permanent Wyoming Mineral Trust Fund (PWMTF) in specie, as defined in W.S. 9-4-1302(a)(ii). The State Treasurer may hold an annual average of at least ten percent of the balance in the PWMTF in specie.

According to the State Treasurer's Office, if ten percent of the balance of the PWMTF is put in specie, it could impact the revenue from the PWMTF, with a decrease in investment yield to the General fund estimated at approximately \$18,865,000 per year. As investment returns always depend on a variety of factors such as market conditions and asset allocation, the State Treasurer's Office cannot provide specific estimates of the fiscal impact to investment revenues in FY 2020, FY 2021 and FY 2022.

If the State Treasurer invested at least ten percent of the balance of the PWMTF in specie, the State Treasurer would incur additional one-time start-up expenditures of an estimated \$221,000 for vault and delivery costs. The State Treasurer would also incur ongoing expenditures of an estimated \$484,000 per year for insurance and storage costs. These estimated expenditures are based on ten percent of the PWMTF being invested in specie. If less than ten percent of the PWMTF is invested in specie, these estimated costs would be less.

The expenditure increase described in the preceding paragraph could be considered an administrative cost. However, since the language in this bill is permissive and does not require the State Treasurer to invest in specie, the State Treasurer's Office is not requesting additional funding for the additional costs described above at this time.