

**SF0138S2001**

1 Delete the senate standing committee amendment (SF0138SS001/A)  
2 entirely and further amend as follows:

3  
4 Page 1-lines 1 through 15 Delete entirely.

5  
6 Pages 2 through 23 Delete entirely.

7  
8 Page 24-lines 1 through 12 Delete entirely and insert:

9  
10 "AN ACT relating to the investment of state funds; authorizing the  
11 purchase of real property assets and associated interests as  
12 specified; specifying reporting and other requirements for the  
13 purchase; specifying sources of funding for the purchase;  
14 authorizing the retention of consultants; authorizing payments to  
15 local governments in lieu of property taxes as specified;  
16 establishing a property tax reimbursement account; providing  
17 appropriations; and providing for an effective date.

18  
19 *Be It Enacted by the Legislature of the State of Wyoming:*

20  
21 **Section 1.** W.S. 9-4-715.1 and 39-13-113 are created to read:

22  
23 **9-4-715.1. Permissible purchases of investment assets.**

24  
25 (a) The state loan and investment board is authorized to  
26 make one (1) or more purchases of assets for investment that are  
27 located within the state of Wyoming or within states with  
28 contiguous borders to Wyoming. Assets that may be purchased under  
29 this section shall be limited to surface interests, mineral  
30 interests with or without the surface estate and any equity,  
31 contract or other interests associated with the surface or mineral  
32 interests purchased. Any purchase under this section shall be  
33 subject to the following requirements:

34  
35 (i) Before a purchase is completed, the state loan and  
36 investment board shall complete due diligence that analyzes the  
37 fair market value of the assets purchased and the feasibility and  
38 impacts of the purchase on the state and on the funds used to  
39 complete the purchase;

40  
41 (ii) Any purchase under this section shall:

42  
43 (A) Be in accordance with all applicable investment  
44 policies established by the state loan and investment board and

1 with the prudent investor rule established in the Wyoming Uniform  
2 Prudent Investor Act, W.S. 4-10-901 through 4-10-913;

3  
4 (B) Be subject to the requirements for alternative  
5 investments under W.S. 9-4-715;

6  
7 (C) Be evaluated as provided in W.S. 9-4-715(d)  
8 and (e) in addition to other provisions of this section for the  
9 particular source of funds expended.

10  
11 (b) Two (2) members of the house of representatives  
12 appointed by the speaker of the house and two (2) members of the  
13 senate appointed by the president of the senate shall act as  
14 liaisons to the state loan and investment board during the  
15 investigation of a purchase under this section and completion of  
16 due diligence and negotiations for any purchase under this section.

17  
18 (c) A purchase made under this section shall be made using  
19 only funds from one (1) or more of the following sources:

20  
21 (i) The legislative stabilization reserve account,  
22 provided that the total amount expended from the account for the  
23 purchase under this section shall not exceed seventy-five percent  
24 (75%) of the total expenditures for all purchases pursuant to this  
25 section;

26  
27 (ii) The permanent Wyoming mineral trust fund under  
28 W.S. 9-4-204(u)(iii);

29  
30 (iii) The common school account within the permanent  
31 land fund;

32  
33 (iv) Other unobligated and unencumbered funds  
34 appropriated to the state loan and investment board for investment,  
35 or to the board of land commissioners to execute its duties, to  
36 the extent the funds are not restricted by law to be expended only  
37 for other specified purposes. The state loan and investment board  
38 may accept federal grants and other contributions, grants, gifts,  
39 bequests and donations from any source designated to be used to  
40 make purchases pursuant to this section which will impose no  
41 financial obligation upon the state. Any grants and other  
42 contributions received under this paragraph are continuously  
43 appropriated to the board to be used for purchases authorized under  
44 this section.

45  
46 (d) Before entering into an agreement to purchase under  
47 this section, the board of land commissioners shall have given

1 final approval for any purchase under this section that is  
2 negotiated by the state loan and investment board that provides  
3 for the expenditure of funds from the common school account within  
4 the permanent land fund or from other funds appropriated to the  
5 board of land commissioners.

6  
7 (e) No purchase shall be completed under this section  
8 without the written opinion of the attorney general certifying the  
9 legality of the transaction and all documents connected therein.

10  
11 (f) A purchase made under this section shall:

12  
13 (i) Not be considered a public purpose investment under  
14 W.S. 9-4-715(n);

15  
16 (ii) Not be considered for purposes of the authority  
17 granted under W.S. 9-4-715(k).

18  
19 (g) The board of land commissioners shall manage all surface  
20 and mineral interests purchased under the authority of this  
21 section. The state loan and investment board shall manage other  
22 assets purchased under the authority of this section in accordance  
23 with its management of other state investments.

24  
25 (h) If the board of land commissioners determines that the  
26 sale of purchased real property assets located outside of Wyoming  
27 is in the best interests of the beneficiaries of the fund used to  
28 purchase the assets, or the state in the case of purchases using  
29 funds of the legislative stabilization reserve account, it may  
30 sell the asset in accordance with the provisions of W.S. 36-9-101  
31 through 36-9-117, subject to the following:

32  
33 (i) Advertisement of the sale under W.S. 36-9-104 shall  
34 be provided in the county in which the real property is situated  
35 and in a newspaper of statewide circulation in Wyoming;

36  
37 (ii) The sale shall be conducted in Wyoming.

38  
39 (j) The state loan and investment board shall report to the  
40 legislature not less than sixty (60) days before entering into an  
41 agreement to purchase assets under this section. The report shall  
42 include a description of the assets to be purchased including the  
43 location of the assets, the purchase price and the funding source  
44 or sources for the purchase and the specific location of all assets  
45 located outside of the state and their total fair market value.

1           **39-13-113. State payments in lieu of taxes for local**  
2 **governments; account created; distribution of funds.**

3  
4           (a) The property tax reimbursement account is created.

5  
6           (b) Any county in which property purchased or acquired by  
7 exchange pursuant to W.S. 9-4-715.1 is located shall be eligible  
8 for payment from the property tax reimbursement account to the  
9 extent the property would have been taxed if not used primarily  
10 for a governmental purpose. On or before September 1, county  
11 assessors shall certify the exemptions granted for such property  
12 to the department. On or before October 1, the state treasurer out  
13 of funds within the property tax reimbursement account shall  
14 reimburse each county treasurer for the amount of taxes that would  
15 have been collected if the property was not exempt. The county  
16 treasurer shall distribute the revenue to each governmental entity  
17 in the actual amount of taxes lost due to the exemption.

18  
19           (c) Funds within the property tax reimbursement account are  
20 hereby continuously appropriated to the state treasurer for  
21 purposes of this section.

22  
23           **Section 2.** W.S. 9-4-219(a) and 9-4-715(q) by creating a new  
24 paragraph (i), by renumbering (i)(intro) as (ii)(intro) and (iv)  
25 as (v) and by amending and renumbering (ii) as (iii) and (iii) as  
26 (iv) are amended to read:

27  
28           **9-4-219. Legislative stabilization reserve account created;**  
29 **purposes; legislative deficit control account.**

30  
31           (a) The legislative stabilization reserve account created by  
32 2005 Wyoming Session Laws, Chapter 191, Section 4, Section 301(d)  
33 is continued and codified. Funds within the account shall only be  
34 expended by legislative appropriation. ~~All—~~Funds within the  
35 account shall be invested by the state treasurer as authorized  
36 under W.S. 9-4-715(a), (d), (e) and (q) and all investment earnings  
37 from the account attributable to those investments shall be  
38 credited to the general fund. Funds within the account may also be  
39 invested by the state loan and investment board as provided in  
40 W.S. 9-4-715.1.

41  
42           **9-4-715. Permissible investments.**

43  
44           (q) The state treasurer, or his designee, which shall be  
45 registered under the Investment Advisor's Act of 1940 as amended  
46 if required to be registered by the terms of that act as amended  
47 shall invest the legislative stabilization reserve account created

1 in W.S. 9-4-219 in a manner to obtain the highest return possible  
2 subject to the following:

3  
4 (i) The treasurer shall consult with the state loan and  
5 investment board to identify funds within the account that the  
6 board has identified as funds potentially necessary to complete a  
7 purchase authorized by W.S. 9-4-715.1 and separately invest those  
8 funds for the period as recommended by the board in order to  
9 provide the liquidity needed to effectuate the purchase. Until  
10 March 31, 2021, the funds identified by the board shall not be  
11 subject to paragraph (ii) of this subsection and shall be  
12 separately invested.

13  
14 ~~(i)~~(ii) Investments shall be made in accordance with  
15 investment policy statements adopted by the board under W.S.  
16 9-4-716. In adopting investment policy statements for the  
17 legislative stabilization reserve account, the board shall seek to  
18 preserve the balance of the account as necessary to address:

19  
20 (A) A budget shortfall or structural budget  
21 deficit through contingent appropriations and expenditures under  
22 W.S. 9-2-1014(d)(ii) and (iii);

23  
24 (B) A published consensus revenue estimating group  
25 estimate of revenues that is less than existing legislative  
26 appropriations for state government operations or support of  
27 public schools;

28  
29 (C) Other emergencies and needs identified or  
30 authorized by the legislature under Wyoming statutes and session  
31 laws.

32  
33 ~~(ii)~~(iii) To the extent funds are available and prior  
34 to making any other investments, five hundred million dollars  
35 (\$500,000,000.00) shall be invested in short term fixed income  
36 investment grade securities. The provisions of this paragraph  
37 shall not be applicable through March 31, 2021;

38  
39 ~~(iii)~~(iv) After consultation with the budget division  
40 of the department of administration and information, up to  
41 fifty-five percent (55%) of the unobligated, unencumbered balance  
42 of the legislative stabilization reserve account in excess of the  
43 amount specified in paragraph ~~(ii)~~-(iii) of this subsection, as  
44 calculated by the state auditor on October 1 of each fiscal year,  
45 may be invested in equities, including stocks of corporations.  
46 Funds identified pursuant to paragraph (i) of this subsection shall  
47 not be considered as obligated or encumbered funds for purposes of

1 this paragraph and for purposes of W.S. 9-4-219(b) until the state  
2 loan and investment board executes a purchase agreement pursuant  
3 to W.S. 9-4-715.1. Investments under this paragraph shall be made  
4 in compliance with subsections (c) and (d) of this section;

5  
6 ~~(iv)~~(v) Not later than November 1 of each year, the  
7 state treasurer shall report to the joint appropriations committee  
8 and the select committee on capital financing and investments  
9 regarding the annual review of the investment policy statement for  
10 the legislative stabilization reserve account and the investment  
11 performance of the account.

12  
13 **Section 3.**

14  
15 (a) In executing a purchase under W.S. 9-4-715.1, as created  
16 by section 1 of this act, the state loan and investment board is  
17 authorized to assume all leases, contracts and other agreements  
18 related to the purchased assets as they exist regardless of whether  
19 the lease, contract or other agreement complies with the provisions  
20 of title 36 of the Wyoming statutes applicable to state lands. The  
21 board may renegotiate leases, contracts and other agreements as  
22 the board deems necessary or appropriate to fulfill the state's  
23 fiduciary duties and that would be in the best interests of the  
24 state.

25  
26 (b) Subject to existing lease and contract rights assumed in  
27 accordance with subsection (a) of this section, all state laws  
28 governing the management of state lands shall be applicable to  
29 assets purchased pursuant to W.S. 9-4-715.1 unless otherwise  
30 provided in this act.

31  
32 **Section 4.**

33  
34 (a) The office of state lands and investments, upon the  
35 direction and approval of the state loan and investment board, may  
36 retain consultants to support the board's investigation and due  
37 diligence as required under this act. There is appropriated from  
38 the state building commission contingency account to the state  
39 loan and investment board such funds as are necessary to retain  
40 consultants under this subsection. This appropriation shall be  
41 for the period beginning with the effective date of this act and  
42 ending June 30, 2021. This appropriation shall not be transferred  
43 or expended for any other purpose.

44  
45 (b) There is appropriated from the legislative stabilization  
46 reserve account to the property tax reimbursement account created  
47 in W.S. 39-13-113, as created by section 1 of this act, such funds

1 as are necessary to provide reimbursement payments to counties as  
2 provided in W.S. 39-13-113. This appropriation shall be for the  
3 period beginning with the effective date of this act and ending  
4 June 30, 2021. This appropriation shall not be transferred or  
5 expended for any other purpose and any unexpended, unobligated  
6 funds remaining from this appropriation shall revert as provided  
7 by law on June 30, 2021.". BEBOUT, DOCKSTADER, DRISKILL, PERKINS,  
8 ROTHFUSS