



**HB0249**

**Investment of state funds.**

Sponsored By: Representative(s) Nicholas, Harshman, Kinner, Larsen, Olsen, Schwartz, Sommers and Walters

AN ACT relating to the investment of state funds; authorizing the purchase of real property assets and associated interests as specified; specifying requirements for the purchase; specifying sources of funding for the purchase; requiring the segregation of purchased assets based on funding source; specifying the distribution of earnings, income and royalties from purchased assets; creating the property tax reimbursement payment account; requiring reports; requiring approval by the legislature prior to execution of any purchase agreement; authorizing payments to local governments in lieu of property taxes as specified; specifying other required arrangements for the purchase and management of assets purchased; requiring recommendations; authorizing the retention of consultants; authorizing reviews, studies and recommendations as alternatives to executing any authorized purchase; providing an appropriation; and providing for an effective date.

2/12/2020 Bill Number Assigned  
2/12/2020 H Received for Introduction  
2/14/2020 H Introduced and Referred to H02 - Appropriations 53-4-3-0-0

**ROLL CALL**

**Ayes:** Representative(s) Barlow, Blackburn, Blake, Brown, Burkhart, Burlingame, Clausen, Clifford, Connolly, Dayton-Selman, Duncan, Eklund, Eyre, Flitner, Freeman, Furphy, Greear, Haley, Hallinan, Harshman, Henderson, Hunt, Kinner, Kirkbride, Larsen Lloyd, Laursen Dan, Lindholm, Loucks, Macguire, Miller, Newsome, Nicholas, Northrup, Obermueller, Olsen, Paxton, Pelkey, Piiparinen, Pownall, Roscoe, Salazar, Schwartz, Simpson, Sommers, Stith, Styvar, Sweeney, Walters, Washut, Wilson, Winter, Yin, Zwonitzer

**Nays:** Representative(s) Edwards, Gray, Jennings, Tass

**Excused:** Representative(s) Clem, Crank, Western

**Ayes** 53    **Nays** 4    **Excused** 3    **Absent** 0    **Conflicts** 0

2/25/2020 H02 - Appropriations:Recommend Amend and Do Pass 6-1-0-0-0

**ROLL CALL**

**Ayes:** Representative(s) Kinner, Larsen, Nicholas, Olsen, Sommers, Walters

**Nays:** Representative Schwartz

**Ayes** 6    **Nays** 1    **Excused** 0    **Absent** 0    **Conflicts** 0

2/25/2020 H Placed on General File

**HB0249HS001/ADOPTED**

That Substitute No. 1 for HB 0249 DO PASS. NICHOLAS, CHAIRMAN

2/25/2020 H COW:Passed

**HB0249H2001/FAILED**

[TO SUBSTITUTE BILL No. 1]

Page 4-line 16 Delete "." and insert ";".

Page 4-after line 16 Insert:

"(C) If the property to be purchased is located in Wyoming, the board shall hold not less than one (1) public meeting in the county or counties where the land to be purchased is located to gather input prior to the purchase.". SOMMERS

**HB0249H2002/ADOPTED**

**(CORRECTED COPY)**  
**[TO SUBSTITUTE BILL No. 1]**

Page 1-line 9 Delete line through "adjourn" and insert "approval by the legislature".

Page 9-line 4 Delete "the convening and".

Page 9-line 5 Delete "adjournment of a" and insert "approval of the legislature in a". SOMMERS

**HB0249H2003/ADOPTED**

**[TO SUBSTITUTE BILL No. 1]**

Page 8-after line 6 Insert and renumber as necessary:

"(iv) The potential anticipated earnings that may be generated by the assets to be purchased, including the sources and types of earnings;".

Page 8-line 8 Delete "(iv)" and insert "(v)".

Page 8-line 11 Delete "(v)" and insert "(vi)".

Page 8-line 14 Delete "(vi)" and insert "(vii)".

Page 8-line 17 Delete "(vii)" and insert "(viii)". WILSON

**HB0249H2004/WITHDRAWN**

2/26/2020 H 2nd Reading:Passed  
2/27/2020 H 3rd Reading:Laid Back

**HB0249H3001/ADOPTED**

**[TO SUBSTITUTE BILL No. 1]**

Page 4-line 16 Delete "." and insert ";".

Page 4-after line 16 Insert:

"(C) If the property to be purchased is located in Wyoming, the board shall hold not less than one (1) public meeting in any county where the land to be purchased is located to gather input prior to the purchase.". BLAKE, FREEMAN, SOMMERS, STITH

**HB0249H3002/ADOPTED**

**[TO SUBSTITUTE BILL No. 1]**

Page 1-line 13 Delete "asset" and insert "assets".

Page 4-line 18 Delete ", as".

Page 6-line 5 After "(II)" insert "The bonds".

Page 6-line 15 Delete "spending policy" and insert "permanent fund".

Page 7-line 9 Delete "income" and insert "earnings".

Page 11-line 5 Delete "paragraph" and insert "subparagraph".

Page 12-line 18 Delete line through "paragraph" and insert "Earnings in excess of the amount expended from the account".

Page 18-line 5 Delete "need" and insert "needed". NICHOLAS

**HB0249H3003/WITHDRAWN**

**HB0249H3004/WITHDRAWN**

2/28/2020 H 3rd Reading:Passed 45-12-3-0-0

**ROLL CALL**

**Ayes:** Representative(s) Blake, Brown, Burkhart, Burlingame, Clausen, Clem, Clifford, Connolly, Crank, Dayton-Selman, Duncan, Eklund, Eyre, Flitner, Freeman, Furphy, Haley, Hallinan, Harshman, Henderson, Hunt, Kinner, Kirkbride, Larsen Lloyd, Lindholm, Loucks, Macguire, Newsome, Nicholas, Northrup, Obermueller, Olsen, Paxton, Pelkey, Roscoe, Simpson, Sommers, Stith, Sweeney, Walters, Washut, Western, Wilson, Winter, Zwonitzer

**Nays:** Representative(s) Barlow, Edwards, Gray, Greear, Jennings, Miller, Piiparinen, Salazar, Schwartz, Styvar, Tass, Yin

**Excused:** Representative(s) Blackburn, Laursen Dan, Pownall

**Ayes 45 Nays 12 Excused 3 Absent 0 Conflicts 0**

3/2/2020 S Received for Introduction  
3/2/2020 S Introduced and Referred to S02 - Appropriations  
3/5/2020 S02 - Appropriations:Recommend Amend and Do Pass 4-0-1-0-0

**ROLL CALL**

**Ayes:** Senator(s) Agar, Gierau, Hicks, Kinskey

**Excused:** Senator Bebout

**Ayes 4 Nays 0 Excused 1 Absent 0 Conflicts 0**

3/5/2020 S Placed on General File

**HB0249SS001/ADOPTED (TO ENGROSSED COPY)**

Page 1-line 8 Delete "reimbursement payment" and insert "payment reimbursement".

Page 1-line 9 Delete "approved" and insert "approval".

Page 4-line 16 Delete ";" and insert ".".

Page 4-lines 18 through 21 Delete entirely.

Page 5-after line 10 Insert and renumber as necessary:

"(A) The legislative stabilization reserve account;".

Page 5-line 12 Delete "(A)" and insert "(B)".

Page 5-line 20 Delete "(B)" and insert "(C)".

Page 6-line 5 Delete "(C)" and insert "(D)".

Page 6-line 19 Delete "(D)" and insert "(E)".

Page 6-line 20 Delete "the legislative stabilization reserve account,".

Page 7-after line 17 Insert:

"(vii) Immediately upon filing the report required by subsection (b) of this section, the state loan and investment board shall:

(A) Make available to the public on its website the details of the proposed purchase including the locations of the assets, the purchase price, the funding source for the purchase, the projected costs to manage the land and projected revenue streams from the assets purchased;

(B) Establish an open public comment period to review the details of the proposed purchase, during which members of the public may submit written comments electronically, by mail or both;

(C) During the comment period provided by subparagraph (B) of this paragraph, hold at least one (1) informational public hearing within a geographic area in Wyoming that would be affected by the proposed purchase, which is duly noticed in local and statewide newspapers, at which hearing the board shall present the terms of the proposed purchase and take public testimony. If more than one (1) meeting is held, the information presented at each meeting may be the same.

(viii) Before the state loan and investment board enters into a purchase agreement under this section, the legislature shall convene to consider the proposed purchase in a special, general or budget session, and before execution of the purchase agreement, legislation authorizing the proposed purchase of assets shall be passed by a majority vote of the members of both houses and approved by the governor.".

Page 9-line 11 After "general." delete balance of line.

Page 9-lines 12 through 15 Delete entirely.

Page 9-line 16 Delete "Wyoming legislature.".

Page 13-line 6 Delete "(a)(v)(D)" and insert "(a)(v)(E)".

Page 14-line 16 After "Any" insert "mineral, coal, oil, gas or".

Page 14-line 19 After "holder" insert "during the term of the lease or permit".

Page 16-line 18 After "9-4-715.1" delete ",,".

Page 17-after line 7 Insert:

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

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

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

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

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

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

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

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

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

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

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

~~(iii)~~(iv) After consultation with the budget division of the department of administration and information, up to fifty-five percent (55%) of the unobligated, unencumbered balance of the legislative stabilization reserve account in excess of the amount specified in paragraph ~~(ii)~~-(iii) of this subsection, as calculated by the state auditor on October 1 of each fiscal year,

may be invested in equities, including stocks of corporations. Funds identified pursuant to paragraph (i) of this subsection shall not be considered as obligated or encumbered funds for purposes of this paragraph and for purposes of W.S. 9-4-219(b) until the state loan and investment board executes a purchase agreement pursuant to W.S. 9-4-715.1. Investments under this paragraph shall be made in compliance with subsections (c) and (d) of this section;

~~(iv)~~(v) Not later than November 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 annual review of the investment policy statement for the legislative stabilization reserve account and the investment performance of the account."

Page 17-line 9 Delete entirely and insert "**Section 3.**".

Page 18-line 18 After "tax" insert "payment".

Page 19-line 14 After "assets" delete "." and insert ";".

Page 19-line 21 Delete entirely and insert "**Section 4.**".

Page 20-line 15 Delete "**Section 4.**" and insert "**Section 5.**". HICKS, ACTING CHAIRMAN

**HB0249SW001/ADOPTED**  
Page 5-after line 10

**(TO ENGROSSED COPY)**

In the Senate standing committee amendment (HB0249SS001/AE) to this line, in subparagraph (A) created by that amendment, after "account" insert ", provided that the total amount expended from the account for all purchases under this section shall not exceed forty percent (40%) of the total balance of the account, as calculated on the date of the report submitted under subsection (b) of this section".

Page 7-lines 2 through 17 Delete entirely and renumber as necessary.

Page 7-after line 17 In the Senate standing committee amendment (HB0249SS001/AE) to this line, delete "(vii)" and insert "(vi)"; delete "(viii)" and insert "(vii)".

Pages 11 and 12 Delete entirely.

Page 13-lines 1 through 10 Delete entirely.

Page 13-line 12 Delete "(h)" and insert "(g)".

Page 15-line 20 Delete "(j)" and insert "(h)".

Page 16-line 4 Delete "(k)" and insert "(j)". BEBOUT, AGAR, GIERAU, HICKS, KINSKEY

3/6/2020 S COW:Passed  
3/9/2020 S 2nd Reading:Passed

**HB0249S3001/ADOPTED**

**(TO ENGROSSED COPY)**

Page 1-line 5 After "purchase;" delete balance of line.

Page 1-lines 6 and 7 Delete entirely.

Page 10-line 1 After "special" delete "or regular" and insert ", general or budget".

Page 17-after line 7 In the Senate standing committee amendment (HB0249SS001/AE) to this line, in the paragraph beginning with "**Section 2.**" created by that amendment, delete "(i)(intro) as (ii)(intro)" and insert "(i) as (ii)".

Page 17-line 23 Delete "segregated"; after "assets" insert "if segregated or from a proportionate distribution if recommended by the board".

Page 18-line 4 After "asset" insert ", if segregated".

Page 18-line 11 After "asset" insert ", if segregated".

Page 19-line 2 Delete "used to purchase an".

Page 19-line 3 Delete "asset".

Page 19-line 14 Delete "each segregated set of" and insert "the"; after "assets" insert "if segregated or if allocated proportionally among the assets if recommended by the board". PERKINS, BEBOUT

**HB0249S3002/ADOPTED (TO ENGROSSED COPY)**

Page 1-line 2 After "purchase" insert "or purchases".

Page 1-line 3 After "interests" insert "and other actions regarding a purchase".

Page 1-line 4 Before "purchase" delete "the" and insert "any"; after "funding for" delete "the".

Page 1-line 5 Delete "purchase;" and insert "purchases; providing for the treatment and management of purchased assets;".

Page 1-line 9 After "reports;" insert "requiring public notice and a public comment period and meeting;".

Page 1-line 10 Delete "authorizing".

Page 1-line 11 Delete "payments" and insert "providing for reimbursement".

Page 1-line 12 Delete "the" and insert "any".

Page 1-line 13 Delete "and management of assets purchased".

Page 4-line 6 Delete "expended" and insert "invested, or in the aggregate from all funds invested".

Page 5-line 6 Delete ";" and insert ". Legislators serving as liaisons shall be authorized salary, per diem and mileage for each meeting attended, including meetings with the full board or with any subcommittee of the board involving the investigation or negotiations under this section;".

Page 5-after line 10 Delete the Bebout, et al. committee of the whole amendment (HB249SW001/AE) to this line entirely and insert ", provided that the total amount invested from the account shall not diminish the state's credit ratings as reported by the major credit rating agencies in the United States. In determining the amount to invest from the account, if any, the state loan and investment board shall consult with the state treasurer and the chief investment officer within the treasurer's office regarding the state's existing credit ratings and how the ratings could be impacted by any investment of funds from the legislative stabilization reserve account under this section. In determining potential impacts the board, treasurer and chief investment officer shall consider the balance of the account, including anticipated market fluctuations affecting invested funds comprising that balance, existing and potential obligations of funds within the account under current provisions of law and other factors the board, treasurer and chief investment officer identify as affecting the potential impact.".

Page 6-line 23 After "purpose." insert "The state loan and investment board may accept federal grants and other contributions, grants, gifts, bequests and donations from any source designated to be used to make purchases pursuant to this section which will impose no financial obligation upon the state.".

Page 7-after line 17 In the Senate standing committee amendment (HB249SS001/AE) to this line, in subparagraph (vii)(A) created by that amendment, delete "the funding source" and insert "the funding sources"; delete "land" and insert "assets purchased"; in subparagraph (vii)(C) created by that amendment, delete "which is duly noticed in local and statewide newspapers, at which hearing the board shall present the terms of the proposed purchase and take public testimony." and insert "notice of which shall be published one (1) time in a newspaper of general circulation within the county in which the hearing is to be held and in a newspaper of statewide circulation. At the hearing the board shall present the terms of the proposed purchase and take public testimony.".

Page 9-line 2 After "agreement" insert "or which the board determines would be beneficial to the state in regard to the purchase, including allocation of earnings".



Page 14-line 19 In the Senate standing committee amendment (HB249SS001/AE) to this line, after "permit." insert "Upon expiration of any lease, permit, contract or other agreement the state loan and investment board or the board of land commissioners may renegotiate or enter into new leases, contracts or other agreements to provide the state with a rate of return at the current market levels."

Page 15-lines 6 through 14 Delete entirely and insert:

"(iii) Real property interests purchased shall be managed as the office of state lands and investments manages school trust lands, provided that the lands shall be managed for multiple use purposes for the benefit of the state as provided in W.S. 36-12-102 to the extent that management is not inconsistent with any fiduciary duties of the state regarding the invested funds;"

Page 16-after line 2 Insert:

"(k) Upon completion of a purchase under this section, the state loan and investment board is authorized to take all actions as the board deems necessary to sell, transfer or otherwise dispose of purchased real property assets and other interests, including the dissolution of business entities holding purchased assets in which the state has acquired complete ownership as part of a purchase under this section. Funds from any sale, transfer or dissolution under this subsection shall be deposited by the state treasurer to the corpus of the accounts from which the assets were purchased."

Page 16-line 4 Delete "(k)" and insert "(m)".

Page 17-after line 7 In the Senate standing committee amendment (HB249SS001/AE) to this line, in W.S. 9-4-219(a) inserted by that amendment, after "provided in" insert "and subject to the limitations of".

Page 19-line 19 After "exchange" insert "and whether modification to W.S. 36-1-110 and 36-1-111 should be made to facilitate any such exchange".

Page 20-line 7 After "the" insert "office of state lands and investments for duties of". PERKINS

3/10/2020 S 3rd Reading:Passed 26-3-1-0-0

#### ROLL CALL

**Ayes:** Senator(s) Anderson, Anselmi-Dalton, Baldwin, Bebout, Biteman, Boner, Case, Coe, Dockstader, Driskill, Ellis, Gierau, Hicks, Kinskey, Kost, Landen, Moniz, Nethercott, Pappas, Perkins, Rothfuss, Schuler, Scott, Steinmetz, Von Flatern, Wasserburger

**Nays:** Senator(s) Bouchard, Hutchings, James

**Excused:** Senator Agar

**Ayes** 26    **Nays** 3    **Excused** 1    **Absent** 0    **Conflicts** 0

3/11/2020 H Received for Concurrence

3/11/2020 H Concur:Failed 0-59-1-0-0

#### ROLL CALL

**Nays:** Representative(s) Barlow, Blackburn, Blake, Brown, Burkhart, Burlingame, Clausen, Clem, Clifford, Connolly, Crank, Dayton-Selman, Duncan, Edwards, Eklund, Eyre, Flitner, Freeman, Furphy, Gray, Greear, Haley, Hallinan, Harshman, Hunt, Jennings, Kinner, Kirkbride, Larsen Lloyd, Laursen Dan, Lindholm, Loucks, Macguire, Miller, Newsome, Nicholas, Northrup, Obermueller, Olsen, Paxton, Pelkey, Piiparinen, Pownall, Roscoe, Salazar, Schwartz, Simpson, Sommers, Stith, Styvar, Sweeney, Tass, Walters, Washut, Western, Wilson, Winter, Yin, Zwonitzer

**Excused:** Representative Henderson

**Ayes** 0    **Nays** 59    **Excused** 1    **Absent** 0    **Conflicts** 0

3/11/2020    H Appointed JCC01 Members  
Representative(s) Larsen, Nicholas, Piiparinen

3/12/2020    S Appointed JCC01 Members  
Senator(s) Dockstader, Bebout, Perkins