

FISCAL NOTE

This bill contains an appropriation of \$100,000,000 from the Hathaway Student Scholarship Endowment Fund to the Wyoming's Tomorrow Scholarship Endowment Fund created by this bill.

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase/(decrease)			
Hathaway Scholarship Expenditure Account	(\$2,640,000)	(\$2,640,000)	(\$2,640,000)
Wyoming's Tomorrow Scholarship Expenditure Account	\$2,640,000	\$2,640,000	\$2,640,000

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
Hathaway Scholarship Reserve Account	\$2,640,000	\$2,640,000	\$2,640,000

Source of revenue increase and (decrease) and expenditure increase:

This bill creates the Wyoming's Tomorrow Scholarship Endowment Fund by transferring \$100 million from the Hathaway Student Scholarship Endowment Fund. The reduction of \$100 million in the value of the Hathaway Student Scholarship Endowment Fund will decrease investment income to the Hathaway Scholarship Expenditure Account by an estimated \$2.64 million and have a corresponding expenditure increase from the Hathaway Scholarship Reserve Account to pay for Hathaway student scholarships. The bill would have an estimated \$2.64 million revenue increase in the form of investment income to the newly created Wyoming's Tomorrow Scholarship Expenditure Account.

This bill also increases the Hathaway Scholarship Reserve Account's maximum balance from 4.5 percent to 9.0 percent of the previous five year average market value of the Hathaway Student Scholarship Endowment Fund. This change has the potential to limit future deposits into the Hathaway Student Scholarship Endowment Fund.

Assumptions:

This bill provides for Wyoming's tomorrow scholarships to be awarded beginning the 2022-2023 academic year. The number of scholarships awarded under this program and the associated fiscal impacts to the University of Wyoming and community colleges are indeterminable.

The Treasurer's Office projects yields in FY 2022 through FY 2024 to be around 2.64% for permanent funds. Yield is defined as the interest and dividend income from the investment. Over the long term, total returns for permanent funds are expected to be 4.5%. This is in accordance with the State's Investment Policy. Total return is defined as growth in the value of the investment, including both yield and realized & unrealized gains.

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