

SENATE FILE NO. SF0119

Investment of state permanent funds.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to public funds; adopting a risk profile
2 standard for the investment of funds of the state which may
3 be invested in equities, including stocks; repealing
4 specified maximum amounts of state permanent funds which
5 may be invested in equities including stocks; and providing
6 for an effective date.

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8 *Be It Enacted by the Legislature of the State of Wyoming:*

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10 **Section 1.** W.S. 9-4-715(b) and 9-4-716(d)(i)(C) and
11 by creating new subsections (e) and (f) are amended to
12 read:

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14 **9-4-715. Permissible investments.**

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1 (b) The state treasurer, or his designee, which shall
2 be registered under the Investment Advisor's Act of 1940 as
3 amended if required to be registered by the terms of that
4 act as amended, may invest ~~up to seventy percent (70%) of~~
5 the permanent funds in equities, including stocks of
6 corporations ~~pursuant to~~ in accordance with subsections ~~(c)~~
7 ~~and (d)~~ (a) through (e) of this section and W.S. 9-4-716.
8 The state treasurer shall report at least annually to the
9 select committee on capital financing and investments, the
10 joint appropriations committee and the investment funds
11 committee on the analysis conducted pursuant to paragraph
12 (d)(ii) of this section and W.S. 9-4-716(b)(ix) and (e).

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14 **9-4-716. State investment policy; investment**
15 **consultant.**

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17 (d) The board:

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19 (i) Shall procure the services of a qualified
20 entity to evaluate:

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22 (C) At least annually or when market
23 conditions warrant a change or reallocation of investments,

1 the risks of investing state funds using the metrics
2 specified in the investment policy statements pursuant to
3 paragraph (b)(ix) of this section and the risk profile
4 under subsection (e) of this section.

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6 (e) In investing monies of a fund or account which
7 may be invested in stock of a corporation or other
8 equities, the overall risk profile of the investments,
9 excluding any specific public purpose investment authorized
10 or directed by the legislature, shall not materially exceed
11 the risk profile of a reference portfolio that consists of
12 seventy percent (70%) global equities and thirty percent
13 (30%) domestic fixed income investments. The state
14 treasurer after consultation with the investment funds
15 committee shall submit to the board the committee's
16 recommendations of specific benchmarks for the measurement
17 of the portfolio risk characteristics. The specific
18 benchmarks shall be determined by the board. Any provision
19 of law which restricts the investment of a specific fund or
20 account to a greater degree than the provisions of this
21 subsection shall control over this subsection.

22

1 (f) Investments made in accordance with this section
2 and W.S. 9-4-715 and policies adopted pursuant to this
3 section shall be deemed to satisfy provisions of law which
4 require funds to be invested in a manner to obtain the
5 highest net return consistent with preservation of
6 principal or the corpus of a fund.

7

8 **Section 2.** This act is effective July 1, 2021.

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(END)