

Page 1-line 1            After "funds;" insert "creating the income tax prevention account; providing for administration of the account;".

Page 1-line 11          After "deposits;" insert "requiring reports;".

Page 1-after line 13      Insert and renumber as necessary:

**"Section 1.** W.S. 9-4-227 is created to read:

**9-4-227. Income tax prevention account.**

(a) There is created the income tax prevention account. The account shall consist of all funds transferred or appropriated to the account by law. All monies deposited or transferred into the account are inviolate and constitute a permanent or perpetual trust fund, subject to the provisions for the withdrawal of funds provided by this section.

(b) The state treasurer shall invest all funds within the income tax prevention account in accordance with W.S. 9-4-715(a) and (c) through (e) and 9-4-716. W.S. 9-4-716(e) shall not apply to the account. The state treasurer, or the treasurer's designee, which shall be registered under the federal Investment Advisor's Act of 1940, as amended and if required to be registered by the terms of that act, may invest the unobligated, unencumbered balance of the account in equities, including stocks of corporations. The account shall be invested so that the overall risk profile of the account's investments shall not materially exceed the risk profile of a reference portfolio that consists of eighty-five percent (85%) private equity and fifteen percent (15%) private credit investments. In adopting investment policy statements for the account, the board shall seek to preserve the balance of the account in a manner that strives for the highest possible risk-adjusted total net return consistent with an appropriate level of safety and liquidity, giving consideration to the account's potential extended investment period and the extended period during which monies in the account may be ineligible for withdrawal.

(c) On July 1, 2025, if there is not less than two billion dollars (\$2,000,000,000.00) in the legislative stabilization reserve account on that date, the state auditor shall transfer one

1 hundred million dollars (\$100,000,000.00) from the legislative  
2 stabilization reserve account to the income tax prevention  
3 account. The transfer under this subsection shall occur after all  
4 other transfers and appropriations from the legislative  
5 stabilization reserve account required by law are made. Additional  
6 transfers to the income tax prevention account in future years  
7 shall be subject to legislative appropriation.

8  
9 (d) Transfers made under subsection (c) of this section, and  
10 the investment of those transfers, shall be in accordance with all  
11 of the following:

12  
13 (i) The state treasurer shall separately account for  
14 each transfer made under subsection (c) of this section and shall  
15 separately account for all earnings from each transfer;

16  
17 (ii) Transfers shall not be withdrawn from the account;

18  
19 (iii) Investment earnings from each transfer shall not  
20 be withdrawn except in accordance with subsection (e) of this  
21 section.

22  
23 (e) On July 1 of each fiscal year after fourteen (14) fiscal  
24 years have elapsed, all investment earnings in the income tax  
25 prevention account arising from the transfer to the account made  
26 fourteen (14) fiscal years earlier shall be deposited in the  
27 general fund. For purposes of this subsection:

28  
29 (i) "Investment earnings" mean all interest income,  
30 dividends, realized capital gains and returned capital;

31  
32 (ii) Investment earnings shall be distributed under  
33 this subsection as the earnings are received or when the fund from  
34 which earnings are derived matures;

35  
36 (iii) The state treasurer may liquidate or sell  
37 investments in order to maximize earnings or minimize costs  
38 associated with making the deposit required under this subsection.

39  
40 (f) Not later than October 1 of each year, the state  
41 treasurer shall report to the joint appropriations committee and  
42 the select committee on capital financing and investments  
43 regarding the investment of funds in the income tax prevention  
44 account. The report shall include information on the annual review  
45 of the account's investment policy statement and an estimate of  
46 investment earnings available for deposit to the general fund for  
47 the immediately succeeding fiscal year.".

1  
2 Page 2-line 1 Delete "**Section 1.**" and insert "**Section 2.**".  
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4 Page 2-line 4 Before "9-15-103(a)," insert  
5 "9-4-203(a)(xiii), 9-4-716(e)".  
6  
7 Page 8-after line 12 Insert:  
8  
9 **"9-4-203. Definitions.**  
10  
11 (a) As used in this act:  
12  
13 (xiii) "This act" means W.S. 9-4-202 through ~~9-4-226~~  
14 9-4-227.  
15  
16 **9-4-716. State investment policy; investment consultant.**  
17  
18 (e) In investing monies of a fund or account which may be  
19 invested in stock of a corporation or other equities, the overall  
20 risk profile of the investments, excluding any specific public  
21 purpose investment authorized or directed by the  
22 legislature, shall not materially exceed the risk profile of a  
23 reference portfolio that consists of seventy percent (70%) global  
24 equities and thirty percent (30%) domestic fixed income  
25 investments. The state treasurer after consultation with the  
26 investment funds committee shall submit to the board the  
27 committee's recommendations of specific benchmarks for the  
28 measurement of the portfolio risk characteristics. The specific  
29 benchmarks shall be determined by the board. Any provision of law  
30 which restricts or expands the investment of a specific fund or  
31 account to a greater degree than the provisions of this subsection  
32 shall control over this subsection."  
33  
34 Page 17-line 18 Delete "**Section 2.**" and insert "**Section 3.**".  
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36 Page 17-line 21 Delete "**Section 3.**" and insert "**Section 4.**".  
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38 Page 18-line 8 Delete "**Section 4.**" and insert "**Section 5.**".  
39 HARSHMAN