

SENATE FILE NO. SF0197

Wyoming generational investment account-2.

Sponsored by: Senator(s) Driskill, Landen and Schuler and
Representative(s) Larsen, L and Larson, JT

A BILL

for

1 AN ACT relating to the investment of state funds; creating
2 the Wyoming generational investment account; specifying the
3 investment of funds in the account; specifying the
4 disposition of investment earnings; providing for the
5 accounting and administration of the account; requiring
6 transfers of funds; requiring reports; making conforming
7 amendments; and providing for an effective date.

8

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

10

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

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13 **9-4-227. Wyoming generational investment account.**

14

1 (a) There is created the Wyoming generational
2 investment account. The account shall consist of all funds
3 transferred or appropriated to the account by law. All
4 monies deposited or transferred into the account are
5 inviolate and constitute a permanent or perpetual trust
6 fund, subject to the provisions for the withdrawal of funds
7 provided by this section.

8
9 (b) The state treasurer shall invest all funds within
10 the Wyoming generational investment account in accordance
11 with W.S. 9-4-715(a) and (c) through (e) and 9-4-716. W.S.
12 9-4-716(e) shall not apply to the account. The state
13 treasurer, or the treasurer's designee, which shall be
14 registered under the federal Investment Advisor's Act of
15 1940, as amended and if required to be registered by the
16 terms of that act, may invest the unobligated, unencumbered
17 balance of the account in equities, including stocks of
18 corporations. The account shall be invested so that the
19 overall risk profile of the account's investments shall not
20 materially exceed the risk profile of a reference portfolio
21 that consists of eighty-five percent (85%) private equity
22 and fifteen percent (15%) private credit investments. In
23 adopting investment policy statements for the account, the

1 board shall seek to preserve the balance of the account in
2 a manner that strives for the highest possible
3 risk-adjusted total net return consistent with an
4 appropriate level of safety and liquidity, giving
5 consideration to the account's potential extended
6 investment period and the extended period during which
7 monies in the account may be ineligible for withdrawal.

8

9 (c) Beginning on July 1, 2026 and annually on each
10 July 1 thereafter until July 1, 2056, transfers shall be
11 made by the state auditor from the legislative
12 stabilization reserve account to the Wyoming generational
13 investment account in accordance with all of the following:

14

15 (i) The annual transfer shall be:

16

17 (A) One hundred million dollars
18 (\$100,000,000.00), if the balance of the legislative
19 stabilization reserve account exceeds one billion seven
20 hundred fifty million dollars (\$1,750,000,000.00);

21

22 (B) Seventy-five million dollars
23 (\$75,000,000.00), if the balance of the legislative

1 stabilization reserve account exceeds one billion five
2 hundred million dollars (\$1,500,000,000.00) but is less
3 than or equal to one billion seven hundred fifty million
4 dollars (\$1,750,000,000.00);

5

6 (C) Fifty million dollars (\$50,000,000.00),
7 if the balance of the legislative stabilization reserve
8 account exceeds one billion two hundred fifty million
9 dollars (\$1,250,000,000.00) but is less than or equal to
10 one billion five hundred million dollars
11 (\$1,500,000,000.00);

12

13 (D) Twenty-five million dollars
14 (\$25,000,000.00), if the balance of the legislative
15 stabilization reserve account exceeds one billion dollars
16 (\$1,000,000,000.00) but is less than or equal to one
17 billion two hundred fifty million dollars
18 (\$1,250,000,000.00);

19

20 (E) Zero dollars (\$0.00), only if the
21 balance of the legislative stabilization reserve account is
22 equal to or less than one billion dollars
23 (\$1,000,000,000.00).

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2 (ii) Transfers shall be made under this
3 subsection if funds are available from the legislative
4 stabilization reserve account;

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6 (iii) The transfer required under this
7 subsection shall be made after all other transfers and
8 appropriations from the legislative stabilization reserve
9 account required by law are made.

10

11 (d) On July 1 of the fiscal year after thirty (30)
12 fiscal years after the first deposit to the Wyoming
13 generational investment account, thirty-seven and one-half
14 percent (37.5%) of all investment earnings in the Wyoming
15 generational investment account attributable to the annual
16 transfer to the account made thirty (30) fiscal years
17 earlier shall be deposited in the general fund. For
18 purposes of this subsection:

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20 (i) "Investment earnings" include interest,
21 income, dividends and realized capital gains;

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1 (ii) Investment earnings shall be distributed
2 under this subsection thirty (30) years after the initial
3 contribution and thirty (30) years following each of the
4 respective subsequent contributions;

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6 (iii) The state treasurer may liquidate or sell
7 investments according to the fiduciary obligations
8 associated with the investments.

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10 (e) Not later than November 1 of each year, the state
11 treasurer shall report to the joint appropriations
12 committee and the select committee on capital financing and
13 investments regarding the investment of funds in the
14 Wyoming generational investment account.

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16 **Section 2.** W.S. 9-4-203(a)(xiii) and 9-4-716(e) are
17 amended to read:

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19 **9-4-203. Definitions.**

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21 (a) As used in this act:

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1 (xiii) "This act" means W.S. 9-4-202 through
2 ~~9-4-226~~ 9-4-227.

3

4 **9-4-716. State investment policy; investment**
5 **consultant.**

6

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

1

2 **Section 3.** This act is effective immediately upon
3 completion of all acts necessary for a bill to become law
4 as provided by Article 4, Section 8 of the Wyoming
5 Constitution.

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7

(END)