

**FISCAL NOTE**

This bill transfers on July 1, 2025 up to \$10,000,000 from unobligated funds in the Legislative Stabilization Reserve Account (LSRA) to the proposed Wyoming Housing Investment Account (Account).

The Wyoming Community Development Authority (Authority) shall administer the proposed Wyoming Housing Investment Program (Program) and administer the proposed Account. All funds in the Account are continuously appropriated to the Authority for purposes of the program.

DETAIL OF APPROPRIATION

Agency Name: Wyoming Community Development Authority

<b>EXPENDITURE BY SERIES AND YEAR</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
0100 Personnel/Benefit Costs	\$0	\$93,400	\$0
0400 Central/Data Services Costs	\$0	\$3,678	\$0
0600 Grant & Aid Payments	\$0	\$9,900,000	\$0
 Total Expenditure Per Year:	 \$0	 \$9,997,078	 \$0
 Grand Total Expenditure:	 \$9,997,078		
Total Appropriated to Agency:	\$10,000,000		
Total Appropriated by Fund:			
LEGISLATIVE STAB. RES. ACCT.	\$10,000,000		

Description of expenditure:

Not more than 1% of the account balance in any fiscal year may be expended for administration, with the remaining 99% expended for grants and/or loans as described in the three grant/loan categories in the W.S. 9-7-126(d) proposed in the bill.

	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
LEGISLATIVE STAB. RES. ACCT.	\$0	\$10,000,000	\$0
STRATEGIC INVESTMENTS AND PROJECTS ACCT	\$0	\$0	unknown

Source of expenditure increase:

On July 1, 2026 (FY 2027), the State Treasurer shall transfer up to \$10.0 million from unobligated funds in the LSRA to the proposed Account.

Beginning on July 1, 2025 (FY 2026) and again on July 1, 2026 (FY 2027) the State Treasurer shall transfer up to \$10.0 million from unobligated funds in the Strategic Investment and Projects Account (SIPA) to the proposed Account. Beginning on July 1, 2027 (FY 2028) and on July 1 of each fiscal year thereafter through July 1, 2030 (FY 2031), the State Treasurer shall transfer up to \$20.0 million from unobligated funds in the SIPA.

Assumptions:

Based on the Legislative Service Office (LSO) Fiscal Profile dated January 13, 2025, it is assumed there will be sufficient unobligated funds in the LSRA to transfer \$10.0 million on both July 1, 2025 and July 1, 2026.

The LSO Fiscal Profile dated January 13, 2025 shows no unobligated funds in the SIPA on June 30, 2026. Therefore, no transfers from the SIPA to the proposed account on July 1, 2025 (FY 2026) and July 1, 2026 (FY 2027) are anticipated. The unobligated funds in the SIPA to transfer to the proposed Account on July 1, 2027 (FY 2028) through July 1, 2030 (FY 2031) are unknown, and will be based on future unobligated SIPA balances, which will depend on future legislative action.

The State Treasurer's Office indicates that the transfers from the LSRA and SIPA to the proposed Account will result in an opportunity cost of decreased investment income, estimated at roughly \$400,000 per fiscal year for each \$10.0 million transferred.

The State Treasurer's Office projects yields in FY26 through FY28 to be 2.98%, 3.07%, and 3.02% respectively for permanent funds and 4.28%, 4.12%, and 4.02% respectively for State Agency Pool 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 6.75%, while total returns for State Agency Pool funds are expected to be 4.05%. 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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