

FISCAL NOTE

This bill repeals the Strategic Investments and Projects Account (SIPA) effective July 1, 2026, after the end of the fiscal year (FY) 2025-2026 biennium.

This bill transfers the balance from the SIPA to the General Fund on July 1, 2026, however, the forecast balance is \$0. Any funds directed by law to be deposited or reverted to the SIPA would be deposited in the General Fund. Any funds appropriated or obligated from the SIPA would be paid from the General Fund.

Table 1. SIPA, LSRA, and SFP Revenue Attributable to PWMTF Investment Income and Statutory Spending Policy Amount.

	FY 2026	FY 2027	FY 2028
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase/(decrease)			
LSRA (PWMTF Investment Income)	\$0	\$22,500,000	\$16,200,000
SIPA (PWMTF Investment Income)	\$0	(\$22,500,000)	(\$16,200,000)
SIPA (Spending Policy Amount Guarantee)	\$0	(\$111,700,000)	(\$125,900,000)
SFP (Transfer 45% of SIPA SPA)	\$0	(\$60,400,000)	(\$63,900,000)

Table 2. PWMTF Reserve Account, SIPA, and General Fund Transfers.

	FY 2026	FY 2027	FY 2028
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase/(decrease)			
PWMTF RA (Spending Policy Amount Guarantee)	\$0	(\$111,700,000)	(\$125,900,000)
SIPA (SFP Transfer 45% of SIPA SPA)	\$0	(\$60,400,000)	(\$63,900,000)
SIPA (SPCCA Transfer)	\$0	(\$10,000,000)	(\$10,000,000)
GENERAL FUND	\$0	\$10,000,000	\$10,000,000

Source of revenue and expenditure increase and (decrease):

This bill repeals the SIPA and the statutory spending policy amount guarantee from the Permanent Wyoming Mineral Trust Fund Reserve Account (PWMTF RA) to the SIPA and redirects investment income from the Permanent Wyoming Mineral Trust Fund (PWMTF) that would have been distributed to the SIPA to the Legislative Stabilization Reserve Account (LSRA), resulting in corresponding revenue and expenditure decreases.

The maximum revenue increase to the LSRA is equal to 1.25 percent of the five-year average market value of the PWMTF, or a portion of the PWMTF statutory spending policy amount (\$134,200,000 in FY 2027 and \$142,100,000 in FY 2028). The SIPA would experience an estimated revenue decrease of \$22,500,000 in FY 2027 and \$16,200,000 in FY 2028, attributable to PWMTF investment income, and the LSRA would experience a corresponding revenue increase. The SIPA would also experience an estimated revenue decrease of \$111,700,000 in FY 2027 and \$125,900,000 in FY 2028, attributable to the statutory spending policy amount guarantee from the PWMTF RA. The PWMTF RA would experience a corresponding estimated expenditure decrease of \$111,700,000 in FY 2027 and \$125,900,000 in FY 2028. The Public School Foundation Program Account (SFP) would experience an estimated revenue decrease of \$60,400,000 in FY 2027 and \$63,900,000 in FY 2028, which is equal to 45 percent of the statutory spending policy amount attributable to the SIPA, and the SIPA would experience a corresponding expenditure decrease. The SIPA would experience an estimated expenditure decrease of \$10,000,000 attributable to a transfer from the SIPA to the

Strategic investments and projects account-
repeal.

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State Penitentiary Capital Construction Account (SPCCA) and the General Fund would experience a corresponding expenditure increase. Tables 1 and 2 depict the estimated revenue and expenditure impacts, by fund and source, for FY 2027 and FY 2028.

Assumptions:

The revenue and expenditure estimates utilize the January 2025 Consensus Revenue Estimating Group forecast investment income. The balances of the is based on the January 13, 2025 LSO fiscal profile inclusive of the Governor's FY 2025-2026 biennium supplemental budget recommendations.

The State Treasurer's Office projects yields in FY 2026 through FY 2028 to be 2.98 percent, 3.07 percent, and 3.02 percent, respectively for permanent funds and 4.28 percent, 4.12 percent, and 4.02 percent, 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 percent, while total returns for State Agency Pool funds are expected to be 4.05 percent. 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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