

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, 2025 and annually on each
10 July 1 thereafter until July 1, 2055, the state auditor
11 shall transfer one hundred million dollars
12 (\$100,000,000.00), or as much thereof as is available, from
13 the legislative stabilization reserve account to the
14 Wyoming generational investment account. The transfer under
15 this subsection shall occur after all other transfers and
16 appropriations from the legislative stabilization reserve
17 account required by law are made.

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19 (d) Transfers made under subsection (c) of this
20 section, and the investment of those transfers, shall be in
21 accordance with all of the following:

22

1 (i) The state treasurer shall separately account
2 for each annual transfer made under subsection (c) of this
3 section and shall separately account for all earnings from
4 each annual transfer;

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6 (ii) Annual transfers shall not be withdrawn
7 from the account;

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9 (iii) Investment earnings from each annual
10 transfer shall not be withdrawn except in accordance with
11 subsection (e) of this section.

12

13 (e) On July 1 of the fiscal year after thirty (30)
14 fiscal years after the first deposit to the Wyoming
15 generational investment account, thirty-seven and one-half
16 percent (37.5%) of all investment earnings in the Wyoming
17 generational investment account arising from the annual
18 transfer to the account made thirty (30) fiscal years
19 earlier shall be deposited in the general fund. All
20 remaining investment earnings shall remain in the Wyoming
21 generational investment account for continued investment in
22 accordance with subsection (b) of this section. For
23 purposes of this subsection:

1

2 (i) "Investment earnings" mean all realized
3 investment earnings, including interest income, dividends,
4 realized capital gains and returned capital;

5

6 (ii) Investment earnings shall be distributed
7 under this subsection thirty (30) years after the initial
8 contribution and thirty (30) years following each of the
9 respective subsequent contributions;

10

11 (iii) The state treasurer may liquidate or sell
12 investments according to the fiduciary obligations
13 associated with the investments.

14

15 (f) Not later than November 1 of each year, the state
16 treasurer shall report to the joint appropriations
17 committee and the select committee on capital financing and
18 investments regarding the investment of funds in the
19 Wyoming generational investment account. The report shall
20 include information on the annual review of the account's
21 investment policy statement and an estimate of investment
22 earnings available for deposit to the general fund at the
23 next following date of a distribution from the account.

1

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

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5 **9-4-203. Definitions.**

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7 (a) As used in this act:

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9 (xiii) "This act" means W.S. 9-4-202 through
10 ~~9-4-226~~ 9-4-227.

11

12 **9-4-716. State investment policy; investment**
13 **consultant.**

14

15 (e) In investing monies of a fund or account which
16 may be invested in stock of a corporation or other
17 equities, the overall risk profile of the investments,
18 excluding any specific public purpose investment authorized
19 or directed by the legislature, shall not materially exceed
20 the risk profile of a reference portfolio that consists of
21 seventy percent (70%) global equities and thirty percent
22 (30%) domestic fixed income investments. The state
23 treasurer after consultation with the investment funds

1 committee shall submit to the board the committee's
2 recommendations of specific benchmarks for the measurement
3 of the portfolio risk characteristics. The specific
4 benchmarks shall be determined by the board. Any provision
5 of law which restricts or expands the investment of a
6 specific fund or account to a greater degree than the
7 provisions of this subsection shall control over this
8 subsection.

9

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

14

15 (END)