

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE JOINT RESOLUTION NO.

Permanent Mineral Trust Fund-investments and distributions.

Sponsored by: Select Committee on Capital Financing &
Investments

A JOINT RESOLUTION

for

1 A JOINT RESOLUTIONproposing to amend the Wyoming Constitution
2 to modify and modernize the permanent Wyoming mineral trust
3 fund; requiring that all fund earnings be transferred to a
4 separate earnings fund; providing for the expenditure of the
5 fund's earnings and an annual spending limit; and requiring
6 that the Legislature provide a means for making whole
7 investment and loan losses to the corpus of the fund.

8

9 *BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF WYOMING,*
10 *two-thirds of all the members of the two houses, voting*
11 *separately, concurring therein:*

12

1 **Section 1.** The following proposal to amend Wyoming
2 Constitution, Article 15, Section 19 is proposed for
3 submission to the electors of the State of Wyoming at the
4 next general election for approval or rejection to become
5 valid as a part of the Constitution if ratified by a majority
6 of the electors at the election:

7
8 **Article 15, Section 19 Mineral excise tax;**
9 **distribution.**

10
11 The Legislature shall provide by law for an excise tax on the
12 privilege of severing or extracting minerals, of one and one-
13 half percent (1 1/2%) on the value of the gross product
14 extracted. The minerals subject to such excise tax shall be
15 coal, petroleum, natural gas, oil shale, and such other
16 minerals as may be designated by the Legislature. Such tax
17 shall be in addition to any other excise, severance or ad
18 valorem tax. The proceeds from such tax shall be deposited in
19 the Permanent Wyoming Mineral Trust Fund. ~~The~~This Permanent
20 Fund, including all monies deposited in the Permanent Fund
21 from whatever source, shall remain inviolate and the
22 Legislature shall prescribe by law the manner, means and
23 timing for supplying losses to the Permanent Fund. The monies

1 in the Permanent Fund shall be invested as prescribed by the
2 Legislature and all ~~income from fund investments~~ investment
3 gains, which may include both realized and unrealized
4 earnings as prescribed by the Legislature, shall be ~~deposited~~
5 credited by the State Treasurer ~~in the general fund to a~~
6 separate earnings fund on not less than an annual basis. The
7 separate earnings fund may be invested, held or distributed
8 as prescribed by the Legislature. In no event shall
9 distributions from the separate earnings fund in any one (1)
10 year exceed eight percent (8%) of the Permanent Fund's market
11 value measured on the first day of the fiscal year in which
12 the distributions are made except to make distributions back
13 to the Permanent Fund or to pay any administrative costs
14 incurred in managing and investing the Permanent Fund and
15 separate earnings fund. The Legislature may ~~also~~ specify by
16 law⁷ conditions and terms under which monies in the Permanent
17 Fund may be loaned to political subdivisions of the state.
18 The Legislature shall prescribe by law the manner, means and
19 timing for supplying losses to the Permanent Fund from loans
20 made to political subdivisions.

21

22 **Section 2.** That the Secretary of State shall endorse
23 the following statement on the proposed amendment:

1
2 The Permanent Wyoming Mineral Trust Fund (PWMTF) is one of
3 Wyoming's permanent funds that holds public money for the
4 benefit of current and future generations. Monies in the
5 PWMTF can be invested and loaned to political subdivisions.
6 This amendment would clarify the "inviolable" nature of the
7 PWMTF by specifying that any investment or loan losses to the
8 PWMTF's corpus must be made whole. The Legislature would be
9 required to adopt laws to provide for the means and timing
10 for doing so. The amendment would also require that all
11 earnings from PWMTF investments be deposited to a separate
12 earnings fund. Currently, the constitution specifies the
13 disposition of PWMTF investment income but does not specify
14 the use or disposition of investment earnings. Finally, the
15 amendment would limit the uses of monies in the separate
16 earnings fund and place an annual limitation on the
17 Legislature's ability to spend monies from the separate fund.

18

19 [END]