

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Investment modernization-state nonpermanent funds.

Sponsored by: Select Committee on Capital Financing &
Investments

A BILL

for

1 AN ACT relating to public funds; amending specified
2 statutory funds to remove their inviolate status in order
3 to enhance their investment potential; establishing
4 spending policies for specified statutory funds; providing
5 for the investment of specified statutory funds;
6 redirecting the deposit of investment earnings into the
7 corpuses of specified statutory funds; removing specified
8 statutory funds from the pool A investment account; making
9 conforming amendments; repealing inconsistent and obsolete
10 statutory provisions; providing for the treatment of prior
11 deposits; and providing for an effective date.

12

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

2

3 **Section 1.** W.S. 9-2-2302(b), 9-2-2303(a) by creating
4 a new paragraph (iv), 9-2-2304, 9-2-2306(a)(v),
5 9-2-2307(a), (b)(intro) and by creating a new subsection
6 (c), 9-15-103(a), (b) and (d), 9-15-104(e) and 9-15-105(a)
7 are amended to read:

8

9 **9-2-2302. Legislative declaration.**

10

11 (b) It is the purpose of this article to promote,
12 preserve and enhance Wyoming's unique cultural heritage by
13 creating a Wyoming cultural trust fund administered by a
14 trust fund board to coordinate public and private donations
15 and manage the distribution of ~~the investment earnings~~
16 monies from the Wyoming cultural trust fund.

17

18 **9-2-2303. Definitions.**

19

20 (a) As used in this article:

21

22 (iv) "Income account" means the Wyoming cultural
23 trust fund income account created by W.S. 9-2-2304(a).

1

2 **9-2-2304. Wyoming cultural trust fund established;**
3 **income account established; investment by state treasurer.**

4

5 (a) The Wyoming cultural trust fund is created. The
6 Wyoming cultural trust fund shall consist of those funds
7 designated to the fund by law and all monies collected from
8 federal grants and other contributions, grants, gifts,
9 bequests and donations to the cultural trust fund. The
10 Wyoming cultural trust fund income account is also hereby
11 created. The income account shall consist of those funds
12 credited to the income account pursuant to W.S. 9-2-2307(c)
13 and all other monies collected from federal grants and
14 other contributions, grants, gifts, bequests and donations
15 specifically designated to the income account.

16

17 (b) The monies deposited into the Wyoming cultural
18 ~~resources~~—trust fund and income account established
19 pursuant to this section ~~are inviolate and constitute a~~
20 ~~permanent or perpetual trust fund. The monies~~ shall be
21 transmitted to the state treasurer for credit to the trust
22 fund ~~and shall be invested by the state treasurer as~~
23 ~~authorized by law and in a manner to obtain the highest net~~

1 ~~return possible consistent with the preservation of the~~
2 ~~corpus or income account as required by this article.~~ Any
3 earnings from investment ~~of the corpus~~ of the trust fund
4 and income account shall be credited by the state treasurer
5 ~~into a separate account~~ to the trust fund and distributed
6 in accordance with ~~W.S. 9-2-2307~~ this article. The state
7 treasurer, or his designee, who shall be registered under
8 the Investment Advisor's Act of 1940, as amended, if
9 required to be registered by the terms of that act, as
10 amended, may invest the unobligated, unencumbered balance
11 of the trust fund in equities, including stocks of
12 corporations. Investments under this subsection shall be
13 in accordance with W.S. 9-4-715(a) and (c) through (e) and
14 W.S. 9-4-716. In adopting investment policy statements for
15 the Wyoming cultural trust fund, the state loan and
16 investment board, in consultation with the investment funds
17 committee, shall seek to preserve the balance of the trust
18 fund in a manner that strives for the highest possible
19 risk-adjusted total net return consistent with an
20 appropriate level of safety and liquidity.

21 *****
22 **STAFF COMMENT**
23 **Because this language (and similar language elsewhere in**
24 **this bill) expressly establishes the ability to invest the**
25 **trust fund in equities, including in stocks of**

1 corporations, Article 16, Section 6 of the Wyoming
2 Constitution will require that this bill be passed by a 2/3
3 vote of each house of the Legislature.

4
5 *****
6

7 9-2-2306. Wyoming cultural trust fund board; duties
8 and responsibilities.

9

10 (a) The board shall:

11

12 (v) Review and monitor the expenditure of monies
13 from the ~~trust fund~~ income account to grantees; and

14

15 9-2-2307. Disbursement of grants.

16

17 (a) Subject to approval of applications from
18 nonprofit and governmental cultural, historical and arts
19 organizations, the board may award grants from the income
20 account to promote, preserve and enhance the unique
21 cultural heritage of Wyoming and its people.

22

23 (b) The board shall have the discretion in
24 determining the amount of money under each grant, except
25 that ~~no grant shall be awarded until:~~ the total amount of

1 grants awarded in any one (1) fiscal year shall not exceed
2 the spending policy amount specified in subsection (c) of
3 this section plus additional sums as allowed under
4 paragraph (c)(ii) of this section.

5
6 (c) The amount of monies available for making grants
7 under this article in any one (1) fiscal year shall be an
8 amount equal to three percent (3%) of the five (5) year
9 average market value of the Wyoming cultural trust fund,
10 calculated from the first day of the fiscal year. This
11 amount shall constitute the spending policy for the trust
12 fund and shall, subject to legislative appropriation, be
13 annually credited from the trust fund to the income account
14 for expenditure on grants. This subsection shall be
15 subject to the following:

16
17 (i) For purposes of calculating the spending
18 policy under this subsection, the five (5) year average
19 market value of the trust fund shall be calculated as
20 follows:

21
22 (A) For fiscal year 2026, the five (5) year
23 average market value shall be equal to the market value of

1 the trust fund, as calculated on the first day of the
2 fiscal year;

3
4 (B) For fiscal year 2027, the five (5) year
5 average market value shall be equal to the previous two (2)
6 year average market value of the trust fund, as calculated
7 on the first day of the fiscal year;

8
9 (C) For fiscal year 2028, the five (5) year
10 average market value shall be equal to the previous three
11 (3) year average market value of the trust fund, as
12 calculated on the first day of the fiscal year;

13
14 (D) For fiscal year 2029, the five (5) year
15 average market value shall be equal to the previous four
16 (4) year average market value of the trust fund, as
17 calculated on the first day of the fiscal year;

18
19 (E) For fiscal year 2030 and each fiscal
20 year thereafter, the five (5) year average market value
21 shall be equal to the previous five (5) year average market
22 value of the trust fund, as calculated on the first day of
23 the fiscal year.

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(ii) Nothing in this subsection shall be construed to limit the expenditure of the following monies in the income account, which expenditures shall not be counted within the spending policy:

(A) Special appropriations, grants, transfers, bequests or donations to the income account unless the appropriation, grant, gift, transfer, bequest or donation provides otherwise;

(B) Unobligated and unencumbered monies in the income account that were credited to the income account in a prior fiscal year as part of that year's authorized spending policy;

(C) Previously obligated or encumbered monies in the income account.

9-15-103. Wyoming wildlife and natural resource trust account created; income account created; expenditures; purposes.

1 (a) A trust account is created to be known as the
2 Wyoming wildlife and natural resource trust account. The
3 trust account shall consist of those funds designated to
4 the account by law and all monies received from federal
5 grants and other contributions, grants, gifts, transfers,
6 bequests and donations to the trust account. The trust
7 account is specifically empowered to accept grants, gifts,
8 transfers, bequests and donations including those which are
9 limited in their purposes by the grantor. Title to any
10 interest in any real property conveyed to the trust account
11 shall be held in the name of the state of Wyoming and shall
12 be administered by the board of land commissioners. ~~Funds~~
13 ~~deposited within the trust account are intended to be~~
14 ~~inviolate and constitute a perpetual trust account which~~
15 ~~shall be invested by the state treasurer as authorized by~~
16 ~~law and in a manner to obtain the highest net return~~
17 ~~possible consistent with preservation of the account corpus~~
18 The state treasurer, or his designee, who shall be
19 registered under the Investment Advisor's Act of 1940, as
20 amended, if required to be registered by the terms of that
21 act, as amended, may invest the unobligated, unencumbered
22 balance of the trust account in equities, including stocks
23 of corporations. Investments under this subsection shall

1 be in accordance with W.S. 9-4-715(a) and (c) through (e)
2 and W.S. 9-4-716. In adopting investment policy statements
3 for the trust account, the state loan and investment board,
4 in consultation with the investment funds committee, shall
5 seek to preserve the balance of the account in a manner
6 that strives for the highest possible risk-adjusted total
7 net return consistent with an appropriate level of safety
8 and liquidity. Earnings from the investment of the trust
9 account shall be credited to the trust account.

10
11 (b) ~~The state treasurer shall credit to a~~ There is
12 created the Wyoming wildlife and natural resource trust
13 income account. ~~the earnings from investment of the trust~~
14 ~~account corpus.~~ The income account shall consist of funds
15 in the account on June 30, 2025, funds credited to the
16 account pursuant to paragraph (d)(ii) of this section and
17 all monies received from federal grants and other
18 contributions, grants, gifts, transfers, bequests and
19 donations designated to the income account, which the
20 account is hereby specifically empowered to accept and
21 which may be limited in their purposes by the grantor. The
22 legislature may, from time to time, appropriate funds
23 directly to the income account for distribution in

1 accordance with the terms of this act ~~Such specially~~
 2 ~~appropriated funds or~~ as otherwise directed in the
 3 appropriation. Earnings from the investment of the income
 4 account shall be credited ~~directly by the state treasurer~~
 5 to the trust account created by subsection (a) of this
 6 section. Funds in the income account ~~and~~ are available to
 7 the board for the award of grants: ~~as otherwise~~

8
 9 (i) As permitted by this act;

10

11 (ii) As directed in a legislative appropriation;

12 or

13

14 (iii) As directed by the grantor of the funds.

15

16 (d) The ~~board may expend funds from the~~ income
 17 account ~~for staffing and other administrative expenses~~
 18 ~~authorized under this act. Additional~~ shall be subject to
 19 the following:

20

21 (i) Disbursements from the income account shall
 22 be for the following purposes:

23

1 ~~(i)~~(A) Improvement and maintenance of
2 existing terrestrial habitat necessary to maintain optimum
3 wildlife populations;

4

5 ~~(ii)~~(B) Preservation of open spaces by
6 purchase or acquisition of development rights;

7

8 ~~(iii)~~(C) Improvement and maintenance of
9 existing aquatic habitat necessary to maintain optimum fish
10 populations;

11

12 ~~(iv)~~(D) Acquisition of terrestrial or
13 aquatic habitat when existing habitat is determined
14 critical, or is present in minimal amounts, and acquisition
15 presents the necessary factor in attaining or preserving
16 desired wildlife or fish population levels;

17

18 ~~(v)~~(E) Conservation, maintenance,
19 protection and development of wildlife resources, the
20 environment and Wyoming's natural resource heritage;

21

22 ~~(vi)~~(F) Participation in water enhancement
23 projects to benefit aquatic habitat for fish populations

1 and allow for other watershed enhancements that benefit
2 wildlife;

3

4 ~~(vii)~~(G) To address and mitigate impacts
5 detrimental to wildlife habitat, the environment and the
6 multiple use of renewable natural resources attributable to
7 residential, mineral and industrial development;

8

9 ~~(viii)~~(H) To mitigate conflicts and reduce
10 potential for disease transmission between wildlife and
11 domestic livestock.

12

13 (ii) The amount of monies available for
14 expenditure from the income account in any one (1) fiscal
15 year shall be an amount equal to four percent (4%) of the
16 five (5) year average market value of the Wyoming wildlife
17 and natural resource trust account, calculated from the
18 first day of the fiscal year. This amount shall constitute
19 the spending policy for the trust account and, subject to
20 legislative appropriation, shall be annually credited from
21 the trust account to the income account for expenditure on
22 grants. This paragraph shall be subject to the following:

23

1 (A) For purposes of calculating the
2 spending policy under this paragraph, the five (5) year
3 average market value of the trust account shall be
4 calculated as follows:

5
6 (I) For fiscal year 2026, the five (5)
7 year average market value shall be equal to the market
8 value of the trust account, as calculated on the first day
9 of the fiscal year;

10
11 (II) For fiscal year 2027, the five
12 (5) year average market value shall be equal to the
13 previous two (2) year average market value of the trust
14 account, as calculated on the first day of the fiscal year;

15
16 (III) For fiscal year 2028, the five
17 (5) year average market value shall be equal to the
18 previous three (3) year average market value of the trust
19 account, as calculated on the first day of the fiscal year;

20
21 (IV) For fiscal year 2029, the five
22 (5) year average market value shall be equal to the

1 previous four (4) year average market value of the trust
2 account, as calculated on the first day of the fiscal year;

3
4 (V) For fiscal year 2030 and each
5 fiscal year thereafter, the five (5) year average market
6 value shall be equal to the previous five (5) year average
7 market value of the trust account, as calculated on the
8 first day of the fiscal year.

9
10 (B) Nothing in this paragraph shall be
11 construed to limit the board from expending the following
12 monies, which expenditures shall not be counted within the
13 spending policy:

14
15 (I) Funds that are specially
16 appropriated or credited to the income account or trust
17 account under subsections (a) or (b) of this section when
18 the appropriation, contribution, grant, gift, transfer,
19 bequest or donation so provides;

20
21 (II) Funds as necessary for the
22 payment of staffing and other administrative expenses if
23 authorized by law;

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(III) Unobligated and unencumbered funds in the income account that were credited to the income account in a prior fiscal year as part of that year's authorized spending policy;

(IV) Previously obligated or encumbered monies in the income account.

(C) Any amounts that are subject to expenditure under subparagraph (B) of this paragraph shall not be included in the calculation required to determine the spending policy amount under this paragraph.

9-15-104. Wildlife and natural resource trust account board established; terms; meetings; duties.

(e) The board shall receive and evaluate applications for grants from the income account, and shall forward applications for large projects to the select committee for review and recommendation. The board may approve grants for any small project. Subject to the spending policy established in W.S. 9-15-103(d)(ii), funds in the income

1 account are continuously appropriated for small project
2 grants approved by the board and for approved large
3 projects as specified by subsection (k) of this section.

4

5 **9-15-105. Grant applications; eligible entities.**

6

7 (a) The board may only grant funds to nonprofit and
8 governmental organizations. The board shall award grants
9 to promote, preserve and enhance the wildlife, multiple
10 use, natural resource and environmental heritage of Wyoming
11 and its people. Subject to the spending policy limitations
12 established in W.S. 9-15-103(d)(ii), the board shall have
13 the discretion to determine the amount of each grant and
14 any conditions attached to the grant. For the purposes of
15 this act, a grant shall not be used for the acquisition of
16 a fee title interest in real property or any interest in
17 water rights to be held by the state of Wyoming. Grant
18 funds may be used for acquisition of personal property
19 related to the project receiving the grant.

20

21 **Section 2.** W.S. 9-2-2307(b)(i) and (ii),
22 9-4-715(p)(ii) and (iii) and 9-15-103(c) are repealed.

23

1 *****

2 STAFF COMMENT

3 The repealed provisions, above, are as follows:

4

5 W.S. 9-2-2307(b)(i) and (ii) are obsolete provisions that
6 dealt with expenditure of the Cultural Trust Fund before
7 July 1, 2000 and when the corpus of the Trust Fund was
8 inadequate to fund projects.

9

10 W.S. 9-4-715(p)(ii) and (iii) are repealed and, by doing
11 so, remove the Cultural Trust Fund and the Wildlife and
12 Natural Resource Trust Fund from being in Pool A. The two
13 funds can no longer be in Pool A since this bill now
14 provides for their investment in equities and stocks that
15 are not part of the Pool A investment strategy.

16

17 W.S. 9-15-103(c) is a provision that allows donations to
18 the Wildlife and Natural Resource Trust Account and Income
19 Account by private individuals or other entities. This
20 provision is repealed because the same authorization for
21 donations is now contained in amended W.S. 9-15-103(b)
22 (income account donations) and in existing W.S.9-15-103(a)
23 (trust account donations).

24 *****

25

26 Section 3. The annual spending limits imposed on the
27 Wyoming cultural trust fund income account and the Wyoming
28 wildlife and natural resource trust income account by the
29 spending policies adopted in this act shall not apply to
30 the expenditure of any monies deposited in either income
31 account before July 1, 2025. All monies in either income
32 account deposited before July 1, 2025 shall, after July 1,
33 2025, be subject to the same obligations that were
34 applicable before July 1, 2025.

35

1 **Section 4.** This act is effective July 1, 2025.

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(END)