

HOUSE BILL NO. HB0244

State investment administration.

Sponsored by: House Appropriations Committee

A BILL

for

1 AN ACT relating to public funds; providing for the
2 reorganization of state investment duties; creating the
3 state investment council; providing for terms, duties and
4 qualifications of members of the council; requiring a
5 reorganization plan; specifying requirements for the plan;
6 providing for future implementation; requiring filing of a
7 report; authorizing retention of staff; providing an
8 appropriation; and providing for an effective date.

9

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

11

12 **Section 1.**

13

14 (a) Not later than September 15, 2021, the state
15 investment council created in W.S. 9-4-722 shall prepare a
16 plan for reorganization of the programs and functions

1 specified in this section and submit it to the state loan
2 and investment board for approval. The council shall
3 include in the reorganization plan:

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5 (i) Reorganization of duties and functions
6 relating to the investment of state funds. The plan shall
7 provide a structure under which the state loan and
8 investment board sets policies for the investment of state
9 funds in accordance with governing laws and for
10 implementation of the policies by the state investment
11 council and execution by council staff. The council shall
12 oversee:

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14 (A) Compliance with investment policy and
15 overall investment management;

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17 (B) Legal compliance;

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19 (C) Trade execution and settlement,
20 operations and infrastructure;

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22 (D) Accounting, asset valuation and
23 reporting; and

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(E) Personnel and compensation policies.

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(ii) Identification of positions and functions within the state treasurer's office and the office of state lands and investments which perform functions relating to the investment of state funds and which should be transferred to the investment council as a type 2 transfer as defined in W.S. 9-2-1707(b)(ii);

(iii) A recommended biennial budget for the state investment council, prepared in accordance with W.S. 9-2-1011. The plan shall also identify potential adjustments to the budgets of state agencies and offices affected by recommendations under this section;

(iv) Recommended compensation plans for the executive officer and professional investment staff. The council shall be guided by the provisions of W.S. 9-1-409(e) in recommending a compensation plan for those positions specified in that subsection. Any recommended deviations from that provision, or recommended deviations from classification and compensation provisions of the

1 personnel classification and compensation plan implemented
2 pursuant to W.S. 9-2-1022(b) shall be specifically
3 identified in the reorganization plan;

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5 (v) Recommended modifications to the provisions
6 of this act or other laws governing the investment of state
7 funds as the council determines appropriate to most
8 effectively and efficiently invest state funds.

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10 (b) The reorganization plan shall be prepared in
11 coordination and consultation with the state treasurer's
12 office and the office of state lands and investments and in
13 consultation with the voting and nonvoting members of the
14 investment funds committee and the investment entity
15 retained by the state loan and investment board pursuant to
16 W.S. 9-4-715(d). The budget department shall assist the
17 council, the state treasurer's office and the office of
18 state lands and investments in developing recommendations
19 under paragraphs (a)(ii) through (iv) of this section. The
20 state chief investment officer shall act as the state
21 treasurer's liaison to the council for purposes of
22 developing the reorganization plan.

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1 (c) A draft of the reorganization plan, as approved
2 by the state loan and investment board, shall be submitted
3 to the select committee on capital financing and
4 investments and made available to the public not later than
5 September 1, 2021. A final plan, as approved by the state
6 loan and investment board, shall be submitted to the
7 committee and made available to the public not later than
8 October 15, 2021. The committee shall hold at least one (1)
9 public hearing regarding the plan before November 30, 2021.
10 The select committee shall report to the legislature not
11 later than January 17, 2022 regarding its recommendations
12 on the plan, including any necessary legislation. The plan,
13 as approved by act of the legislature, shall be implemented
14 not later than July 1, 2022.

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16 (d) Until the reorganization plan is implemented by
17 law, the state investment council shall not exercise any
18 authority other than to meet, retain an executive officer
19 or one (1) or more consultants and undertake those acts the
20 council determines to be necessary to submit a
21 reorganization plan as provided in this act. Until the
22 reorganization plan is implemented by law, the executive
23 officer, consultant, or both, may be retained as an

1 independent contractor or as a state employee, including as
2 an at-will contract employee, with compensation set by the
3 council subject to appropriated funds.

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5 (e) As used in this section "state funds" means funds
6 of the state whether or not held in trust and includes
7 other public funds invested by state officials pursuant to
8 law.

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10 **Section 2.** W.S. 9-4-722 is created to read:

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12 **9-4-722. State investment council created; members;**
13 **qualifications; terms; duties.**

14

15 (a) There is created as a separate operating agency
16 of state government to be known as state investment council
17 consisting of seven (7) members. The state treasurer shall
18 be a member of the council. The six (6) remaining council
19 members shall be recommended by the selection panel
20 pursuant to W.S. 9-4-721 and be appointed by the state loan
21 and investment board with the advice and consent of the
22 senate. Appointed council members shall have the minimum
23 qualifications specified in W.S. 9-4-721(c). The council

1 shall elect a chairman from its members. Appointed members
2 shall receive the same salary, mileage and per diem for
3 attending and traveling to and from council meetings in the
4 same manner and amount as members of the Wyoming
5 legislature under W.S. 28-5-101.

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7 (b) The terms of the council members shall be four
8 (4) years, except that for the initial appointment,
9 members' terms shall be as follows: two (2) shall serve for
10 two (2) years, two (2) shall serve for three (3) years and
11 two (2) shall serve for four (4) years, as designated by
12 the initial appointment. No member shall serve more than a
13 total of twelve (12) years. If a vacancy occurs, the state
14 loan and investment board shall appoint a new member in
15 accordance with W.S. 28-12-101(b), with the board
16 fulfilling the role of the governor. The board may remove
17 any council member as provided in W.S. 9-1-202. No employee
18 or official of the state, other than the state treasurer,
19 shall be a member of the council.

20

21 (c) The council may employ an executive officer,
22 other professional and technical staff and other
23 assistants. The council may secure the services of

1 consultants as it deems necessary. The executive officer
2 shall serve at the pleasure of the council. The executive
3 officer and other staff members shall perform duties as the
4 council may assign.

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6 (d) The attorney general shall provide legal
7 assistance as the council may require in the proper
8 performance of its duties.

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10 (e) The council shall hold regularly scheduled
11 meetings each year. Special meetings may be called by the
12 chairman, and special meetings shall be called by the
13 chairman upon a written request submitted by three (3) or
14 more members. Four (4) members participating in a matter
15 shall constitute a quorum. All matters shall be decided by
16 a majority vote of those members participating in the
17 matter.

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19 (f) Membership on the investment funds committee and
20 state investment council are declared compatible until a
21 reorganization plan for the council is implemented by law.
22 Thereafter, should both entities exist, membership on the
23 committee and the council are declared incompatible.

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2 **Section 3.** W.S. 9-2-1704(d) by creating a new
3 paragraph (xviii), 9-4-721(a), (b) and (c)(intro),
4 16-3-101(b)(i), 16-4-203(d)(xix) and 16-4-402(a)(ii) are
5 amended to read:

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7 **9-2-1704. Reorganization plan; structure; time frame.**

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9 (d) The entities of state government specified in
10 this subsection are designated as separate operating
11 agencies, which are separate and distinct from the
12 departments and offices specified in subsection (a) of this
13 section because of their quasi-judicial responsibility or
14 because of their unique, specialized function which
15 precludes their inclusion in another department. This act
16 does not otherwise apply to separate operating agencies.
17 Separate operating agencies are as follows:

18

19 (xviii) State investment council created by W.S.

20 9-4-722.

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22 **9-4-721. Investment funds committee; selection panel.**

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1 (a) There is created the selection panel to appoint
2 voting members to the investment funds committee as
3 provided in W.S. 9-4-720 and to recommend appointments to
4 the state investment council as provided in W.S. 9-4-722.

5 The panel consists of five (5) members composed of one (1)
6 member appointed by each of the members of the board. Each
7 selection panel member shall possess financial knowledge
8 and experience to qualify them for the position. Once
9 appointed, a selection panel member shall serve for the
10 term of office of the board member who appointed them but
11 may be removed by the appointing board member.

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13 (b) The selection panel shall research and interview
14 candidates for the investment funds committee and for the
15 state investment council. The selection panel shall
16 solicit nominations for candidates for the investment funds
17 committee and state investment council from the state
18 treasurer's office, other members of the investment funds
19 committee, other appropriate entities and the state loan
20 and investment board. Interested persons may apply directly
21 to the panel.

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1 (c) No candidate shall be appointed by the selection
2 panel to the investment funds committee or recommended for
3 appointment to the state investment council unless the
4 candidate has all of the following qualifications:

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6 **16-3-101. Short title; definitions.**

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8 (b) As used in this act:

9
10 (i) "Agency" means any authority, bureau, board,
11 commission, department, division, officer or employee of
12 the state, a county, city or town or other political
13 subdivision of the state, except the governing body of a
14 city or town, the state legislature, the University of
15 Wyoming, the judiciary, the consensus revenue estimating
16 group as defined in W.S. 9-2-1002, the state investment
17 council created by W.S. 9-4-722 and the investment funds
18 committee created by W.S. 9-4-720;

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20 **16-4-203. Right of inspection; grounds for denial;**
21 **access of news media; order permitting or restricting**
22 **disclosure; exceptions.**

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1 (d) The custodian shall deny the right of inspection
2 of the following records, unless otherwise provided by law:

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4 (xix) Any records of the investment funds
5 committee, created by W.S. 9-4-720 or the state investment
6 council created by W.S. 9-4-722, that disclose information
7 considered by the committee or council, committee or
8 council deliberations or tentative decisions of the
9 committee or council;

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11 **16-4-402. Definitions.**

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13 (a) As used in this act:

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15 (ii) "Agency" means any authority, bureau,
16 board, commission, committee, or subagency of the state, a
17 county, a municipality or other political subdivision which
18 is created by or pursuant to the Wyoming constitution,
19 statute or ordinance, other than the state legislature, the
20 judiciary, the consensus revenue estimating group as
21 defined in W.S. 9-2-1002, the state investment council
22 created by W.S. 9-4-722 and the investment funds committee
23 created by W.S. 9-4-720;

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2 **Section 4.**

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4 (a) There is appropriated three hundred fifty
5 thousand dollars (\$350,000.00) from investment earnings
6 (revenue code 4601R) from the state agency pool that would
7 otherwise be deposited to the general fund, to the state
8 investment council for purposes of this act. This
9 appropriation shall be for the period beginning with the
10 effective date of this act and ending June 30, 2022. This
11 appropriation shall not be transferred or expended for any
12 other purpose and any unexpended, unobligated funds
13 remaining from this appropriation shall revert as provided
14 by law on June 30, 2022.

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16 (b) The state treasurer's office shall provide the
17 state investment council with meeting facilities,
18 secretarial or clerical assistance, supplies and accounting
19 needs required by the council until a reorganization plan
20 is implemented by law.

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1 **Section 5.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

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(END)