

HOUSE BILL NO. HB0074

Investments task force.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to public funds and public employee
2 retirement funds; creating the investments task force and
3 providing for its membership and duties; providing for
4 staffing and for assistance by state agencies; requiring a
5 report; providing appropriations; and providing for an
6 effective date.

7

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

9

10 **Section 1.**

11

12 (a) There is created the investments task force
13 consisting of the following members:

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15 (i) Three (3) members of the Wyoming senate
16 appointed by the president of the senate;

1

2 (ii) Three (3) members of the Wyoming house of
3 representatives appointed by the speaker of the house;

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5 (iii) Three (3) members appointed by the
6 governor not later than March 31, 2018, two (2) of which
7 who possess institutional investment knowledge and
8 experience;

9

10 (iv) One (1) member appointed by the Wyoming
11 retirement board not later than March 31, 2018;

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13 (v) The director of the Wyoming retirement
14 system or a designee of the director shall serve as an ex
15 officio nonvoting member;

16

17 (vi) The state treasurer or a designee of the
18 state treasurer.

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20 (b) The task force shall select from among its
21 members a chairman and a vice-chairman. The task force
22 shall meet at the call of either the chairman or a majority
23 of the membership of the task force.

1

2 (c) The task force shall be staffed by the
3 legislative service office. The Wyoming retirement system
4 and the state treasurer's office shall provide information
5 and assistance to the task force as requested by the task
6 force.

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8 (d) The task force shall identify, study and make
9 recommendations concerning:

10

11 (i) The benefits and challenges of the
12 consolidation or integration of the investment staff of the
13 Wyoming retirement system and the state treasurer's office;

14

15 (ii) Design and implementation of performance
16 compensation for employees of the Wyoming Retirement system
17 and the state treasurer's office directly engaged in
18 investing public employee retirement system funds and
19 public funds of the state of Wyoming. In studying design
20 and implementation of performance compensation, the task
21 force shall:

22

1 (A) Identify appropriate investment
2 performance benchmarks against which to base performance
3 compensation;

4

5 (B) Establish recommendations for
6 limitations on total payments for performance compensation
7 that are based on investment returns exceeding established
8 performance benchmarks;

9

10 (C) Evaluate use of other measures related
11 to performance compensation which are identified by the
12 task force.

13

14 (iii) Whether increased use of internal
15 investment strategies could result in efficiencies if
16 applied to the investment and management of public employee
17 retirement system funds and public funds of the state of
18 Wyoming. In studying increased use of internal investment
19 strategies, the task force shall:

20

21 (A) Identify the resources that would be
22 required, saved or reallocated under increased use of
23 internal management strategies;

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2 (B) Identify appropriate benchmarks and
3 peers against which to evaluate the internal investment
4 performance of the public employee retirement system funds
5 and public funds of the state of Wyoming.

6

7 (iv) The investment management, structure and
8 governance of retirement, pension, permanent, sovereign
9 wealth and other comparable funds in other states. In
10 studying investment management and structure in other
11 states, the task force shall:

12

13 (A) Identify states that provide for
14 combined or separate management of retirement, pension,
15 permanent, sovereign wealth and other comparable funds and
16 evaluate the benefits and challenges of combined and
17 separate management structures;

18

19 (B) Evaluate the structure of internal as
20 compared to external management of other states'
21 retirement, pension, permanent, sovereign wealth and other
22 comparable funds;

23

1 (C) Identify the most comparable investment
2 funds of other states and evaluate the size of the
3 investable balances of the funds along with the number and
4 compensation of the investment staff.

5

6 (v) Specific changes to Wyoming law necessary to
7 implement the recommendations of the task force;

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9 (vi) Timelines, costs and any governance
10 implications associated with implementing the
11 recommendations of the task force.

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13 (e) The task force shall submit a report summarizing
14 its studies, findings and recommendations to the joint
15 appropriations committee on or before November 1, 2018.
16 The joint appropriations committee shall consider the
17 recommendations and develop any legislation it deems
18 appropriate for consideration by the legislature.

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20 (f) The task force shall exist until December 31,
21 2018. Members of the task force who are legislators shall
22 be paid salary, per diem and mileage as provided in W.S.
23 28-5-101 for their official duties as members of the task

1 force. Subject to constitutional limitations, members of
2 the task force who are employees or elected officials of
3 the state of Wyoming shall be considered on official
4 business of their agency or office and shall receive
5 mileage and per diem in the manner provided by their agency
6 or office. Any other member of the task force shall be
7 paid no salary but shall receive mileage and per diem the
8 same as state employees as provided by W.S. 9-3-102.

9

10 **Section 2.**

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12 (a) There is appropriated fifty thousand dollars
13 (\$50,000.00) from the general fund to the legislative
14 service office. This appropriation shall only be expended
15 for providing payments authorized by section 1 of this act
16 to legislative members of the investments task force.

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18 (b) There is appropriated twelve thousand dollars
19 (\$12,000.00) from the general fund to the governor's
20 office. This appropriation shall only be expended for
21 providing payments authorized by section 1 of this act for
22 any member of the investments task force appointed by the

1 governor who is not an employee or elected official of the
2 state of Wyoming.

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4 (c) There is appropriated four thousand dollars
5 (\$4,000.00) from the general fund to the Wyoming retirement
6 system. This appropriation shall only be expended for
7 providing payments authorized by section 1 of this act for
8 any member of the investments task force appointed by the
9 Wyoming retirement board who is not an employee or elected
10 official of the state of Wyoming.

11

12 (d) There is appropriated four thousand dollars
13 (\$4,000.00) from the general fund to the state treasurer's
14 office. This appropriation shall only be expended for
15 providing payments authorized by section 1 of this act for
16 any member of the investments task force designated by the
17 state treasurer who is not an employee or elected official
18 of the state of Wyoming.

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20 (e) Funds appropriated under this section shall be
21 for the period beginning with the effective date of this
22 act and ending June 30, 2019. Notwithstanding any other
23 provision of law, funds appropriated under this section

1 shall not be transferred or expended for any other purpose
2 and any unexpended, unobligated funds remaining from this
3 appropriation shall revert as provided by law on June 30,
4 2019.

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

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11

(END)