



## ACTION ALERT

WEEK THREE LEGISLATIVE SUMMARY

FRIDAY, JANUARY 25, 2013

WTA testified with a position of opposition or concern on 10 bills this week, so it was a fast and furious five days at the Wyoming Capitol. Of those bills, eight of them died in one way or another in committee. This week was the last week for bills to be submitted for introduction in the Senate and Monday, the 28<sup>th</sup> is the last day for bills in the House. For a more detailed summary of the bills of interest this week, see the commentary below.

The Joint Appropriations Committee made so many changes to the Governor's recommendations on the supplemental budget, and it has taken staff all week to rewrite the appropriations bill. The Joint JAC will meet on Monday, January 28<sup>th</sup> to make sure the new bill says what it wants them to say. Then a summary of the JAC's recommendations will be delivered to the floor of both houses next week. WTA will provide a detailed summary of the supplemental budget appropriations bill.

We still do not know all the details, but we do know the JAC voted to reject Governor Mead's proposal to redirect \$130M from the PMTF to the LSRA. They also rejected Mead's proposal to profile the realized capital gains and redirect coal lease bonus dollars into the LSRA. Other proposals that were rejected include:

- State employee raises
- Reduced local government funding

WTA held our second *Toast & Taxes* this week at the Egg & I with one legislator and four WTA members in attendance. Last week we had 3 legislators and 6 WTA members. Regardless of the numbers, *Toast & Taxes* continues to reward attendees with one-on-one conversations with legislators. Please join us next Tuesday, January 29<sup>th</sup> at 6:30am at the Egg & I. All WTA members are welcome.

### BILLS OF INTEREST THIS WEEK

**HB 69 – Highway Funding** – Passing the House with a vote of 35-24-1, the bill now heads over to the Senate. The House resisted several amendments including one that targeted an increased impact towards diesel over gas; one that would have sunsetted the increase in six years; and one that would have phased the ten cent increase in over a period of 10 years, one cent at a time. **HB 69 will be heard in Senate Transportation on Wednesday, January 30<sup>th</sup> after adjournment. WTA will testify once again in support of this bill and continues our involvement with the Wyoming Fuel Tax Coalition to support the bill.**

**HB 186 – Tax Exemption for Natural Gas Filling Stations Equipment** – The bill passed the House by a vote of 34-25-1 on Friday. The House amended the bill so that the exemption goes away after \$6.250M of equipment exempted from taxation has occurred.

**HB 184 – Tax exemption for natural gas vehicle conversion** – The bill failed by a vote of 4-5 in House Revenue with Representatives Blikre, Loukes, Northrup, Semlek and Madden voting no.

**HB 185 – Tax exemption for natural gas power vehicles** - Similar to HB 184, discussion on this bill centered on the notion that the sales tax exemption is not the "make it or break it" deciding factor for folks who purchase one of these vehicles. The vote was the same as HB184. **WTA testified on this bill, HB 184 and HB 186 at the same time, extending our WTA Exemption Criteria as a tool for policy makers to utilize when evaluating sales and use tax exemptions. WTA's standard position is one of opposition to a tax exemption, unless sufficient data is provided and a majority of questions in the criteria can be answered. We did not feel that was the case on these bills.**

**SF 100 – Sales tax overpayments – refund period** – The bill sponsor; Senator Cooper said he was bringing this bill for a constituent who had overpaid his taxes. To the bill's peril, a majority of the room was there to caution the committee on the consequences the changes this bill proposes. Most states have a three year period in their

**WYOMING'S LEADING TAX POLICY AND RESEARCH ORGANIZATION SINCE 1937.**

statutes. Making this change would amount to increased costs both for the Department of Audit, but also businesses. **WTA testified that certainty in Wyoming's tax code is what makes it work for both sides of the revenue stream and that SF100 is not a good idea.**

**HB 196 – Small scale renewable exemption** - The House Revenue Committee decided that this exemption is not the deciding factor when these projects are installed. **WTA reminded the committee that when this exemption ran out two years ago, the same reasoning allowed the exemption to go away.** The vote was 4-5 with Representatives Blikre, Kirkbride, Loukes, Northrup, and Madden voting no.

**HB 30 – Specific purpose excise tax exemption** – Simply put, this bill brought up more questions than the sponsor had answers. DOR questioned what mechanism ultimately turns off this optional penny from being collected? How are the funds to be distributed? To the County Treasurer and let the County Commissioners decide? **WTA had similar concerns and strongly testified in opposition, reminding the committee of the integrity of the system we currently have in statute for our optional sales and use taxes. The bill died with a vote of 2-7 in House Revenue. Those voting no include: Blikre, Eklund, Kirkbride, Loukes, Northrup, Semlek, and Chairman Madden.**

**SF 151 – Tax free enterprise zone** – Senator Meier brought this idea before the Senate Revenue Committee with some support from the audience, however the bill was not ready for prime time. Questions of the effects on school mill levies (which are constitutionally protected), subjective reporting and decision making by entities that do not collect the money surfaced. **WTA cautioned the committee to move forward with an idea that is only half baked at this point in time.** The bill did not receive a motion.

**SF 163 – Senior citizen districts** – Senator Dockstader brought this bill before the committee in the name of continuity, however more questions were offered than were answered. It was unclear as to how many different statutes would be affected, and the Committee realized that special districts are terribly complicated and statutes pertaining to special districts are located all over the code. The committee expressed an interest in diving into a full blown interim study on special districts. **WTA expressed our concerns and committed to supporting such a study.** The bill failed to receive a motion.

**HB 210 – Large truck tax** – It was made clear by WYDOT, the Wyoming Trucking Association and **WTA** that this bill attempts to take us back to the ton/mile tax days and would bring on more inefficiencies and costs than our current system. The bill failed with a vote of 0-9.

**HB 199 – Cigarette Tax Increase** – The bill was popular within the health community and enjoyed tremendous support from many organizations, including an effort to support the bill from the Department of Health. However, opposition also stood strong arguing the need for the tax, efficiencies and use of the current funds for Medicaid, regressively of the tax, and the fact that this much of an increase would cause people to buy their cigarette elsewhere. **WTA testified in opposition to HB 199 and walked the committee through the Cornerstones of Taxation. Similar to the fuel tax debate, WTA asked why the proponents of the bill are not telling us how DOH currently utilizes Wyoming tax dollars to meet the needs to Medicaid, if current education and cessation programs are currently being administered efficiently, etc.** After running out of time, the committee voted 5-4 this morning to take the issue to the full floor of the House of Representatives. Those voting no include: Loukes, Petroff, Semlek, and Madden.

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**WTA MEMBERS, PLEASE NOTE – WTA WEEKLY LEGISLATIVE POLICY MEETINGS EVERY  
 MONDAY OF THE LEGISLATIVE SESSION**

**WHERE: 2120 CAREY AVE., CHEYENNE, 4<sup>TH</sup> FLOOR CONFERENCE ROOM  
 WHEN: 2:00 PM**

**THE VOICE OF THE WYOMING TAXPAYER SINCE 1937.**

**WHY:** TO DISCUSS TIMELY LEGISLATIVE POLICY ISSUES, SUMMARY OF BILLS, AND MAKE RECOMMENDATIONS FOR WTA POLICY DIRECTION.

**CALL:** 1-877-820-7831  
**PASS CODE:** 6358761

**ALL WTA MEMBERS ARE ENCOURAGED TO ATTEND.**

**2013 LEGISLATIVE SESSION SCHEDULE - TENTATIVE**

Day 1 Tuesday, January 8 Session convenes.  
 Day 12 Wednesday, January 23 Last day for Senate Files to be submitted to LSO for introduction. (noon)  
 Day 15 Monday, January 28 Last day for House Bills to be submitted to LSO for introduction. (noon)  
 Day 19 Friday, February 1 Last day for bills to be reported out of Committee in house of origin.  
 Day 20 Monday, February 4 Last day for Committee of the Whole in house of origin.  
 Day 21 Tuesday, February 5 Last day for Second Reading in house of origin.  
 Day 22 Wednesday, February 6 Last day for Third Reading on Bills in house of origin.  
 Monday, February 18 President's Day Recess  
 Day 32 Thursday, February 21 Last day for bills to be reported out of Committee in second house.  
 Day 33 Friday, February 22 Last day for Committee of the Whole on bills in the second house.  
 Day 34 Monday, February 25 Last day for Second Reading on bills in the second house.  
 Day 35 Tuesday, February 26 Last day for Third Reading on bills in the second house.  
 Day 36 Wednesday, February 27 Concurrence on Amendments/Joint Conference Committee Reports.  
 Day 37 Thursday, February 28 Joint Conference Committee Reports; All JCC Reports due to Front Desk by 2:00 p.m.  
 ADJOURN by Midnight.  
 Friday, Monday, and Tuesday - March 1, 4 and 5 are available if necessary.