

# WYOMING TAXPAYERS ASSOCIATION



January 31, 2015

Week Three of the 63rd Wyoming Legislature added another 61 bills to the total, now standing at 387. This weekly report and the WTA Bill Tracking Sheet will keep you current on legislative action for the week relevant to the bills we are watching.

As of Friday, January 30, 2015, the total profiled General Fund appropriations for other bills (in addition to the Governor's budget recommendation) totaled \$2,952,682, moving the amount of funds available for appropriation further into the red (see table below). The Joint Appropriations Committee is nearing completion of its analysis and markup of the Governor's budget recommendations.

Recall the adjustments made recently by the CREG, which had a dramatic effect on funding available for appropriation. Funding for the current biennium, FY 2015-16, suffered a further blow from the dismal negative \$4.4M profiled in October. The result of these revisions translated into a reduction of \$217.6M in traditional funds available for appropriation (General Fund and Budget Reserve Account (BRA)). Both the General Fund and BRA realized reductions of \$18M and \$199.6M, respectively. Combined with the -\$4.4M in traditional funds profiled in October, the overall shortfall, or starting point before any supplemental budget, was **-\$222M**.

<b>Funds Available (Cash, Revenue, Net Transfers)</b>	<b>15-16 Biennium Gov.'s Rec. Oct. CREG Status</b>	<b>15-16 Biennium Gov.'s Rec. Jan. CREG Status</b>
Total Traditional Funds	3,634,099,255	3,450,829,723
Expenditures:		
2014 Budget Bill	-3,345,363,652	-3,345,363,652
2014 Budget Bill transfers	- 159,865,000	- 159,865,000
2015 Governor's Rec. (inferred)	- 135,594,544	- 135,594,544
Other 2014 Bills (GF Approp.) Bud. Session	- 24,983,887	- 24,983,887
Other 2015 Bills (GF Approp.) Gen. Session	- 2,952,682	- 2,952,682
Total Appropriations/Transfers	<u>-3,668,759,765</u>	<u>-3,668,759,765</u>
General Fund/BRA Balance	-34,660,510	-217,930,042
Statutory Reserve (5% of GF revenues)	<u>-109,860,000</u>	<u>-109,860,000</u>
Total Traditional Funds Available for Appropriation **	<b>-144,520,510</b>	<b>-327,790,042</b>

Source: Legislative Service Office, Fiscal Profile 1/23/2015

\*\* The Governor's supplemental budget message identifies funds available (General Fund/BRA, Legislative Stabilization Reserve Account (LSRA), Strategic Investments and Projects Account (SIPA), Permanent Wyoming Mineral Trust Fund (PWMTF) Reserve and possible reversions) but makes no recommendation as to the source of revenue to fund the supplemental budget recommendations. As such, other than the SIPA, which has been profiled as fully expended, the remaining negative balance has not been apportioned to specific revenue sources, e.g., LSRA or PWMTF Reserve.

## WTA Bills of Interest This Session

The Legislative Policy Committee met on Monday, January 26<sup>TH</sup> and submitted its recommendations on 19 bills to the Executive Committee, all of which were approved. Please see WTA's Bill Tracking Sheet for additional information on all of the bills the WTA is tracking.

**HB 9 – ALTERNATIVE FUEL TAXATION** – This bill provides for taxation of alternative fuels (LNG, CNG, electricity, et al) used to propel a motor vehicle. The effective tax rate will be \$0.24 per gallon. The gasoline gallon equivalency (GGE) will be used for CNG, LPG or electricity. The diesel gallon equivalency (DGE) will be used for LNG or renewable diesel. Electrical energy sold or used for the purpose of propelling a motor vehicle is exempt from all taxes if an electric vehicle decal has been obtained. **Passed House 53-7 on 1/22 and Received for Introduction in Senate 1/26.**

**HB 24 – MINIMUM WAGE** – This bill would have increased the minimum wage from \$5.15 per hour to \$9.00 per hour (175%). It also would have raised the minimum wage for tipped employees from \$2.13 per hour to \$5.00 per hour (235%). It specified a penalty for non-compliance. **Failed House Revenue 1-8 on 1/23.**

**HB 25 – RAILROAD ROLLING STOCK TAX EXEMPTION-SUNSET** – This bill repeals the sunset of the exemption (7/01/15) on the imposition of state sales and use tax on the repair, assembly, alteration or improvement of railroad rolling stock. **Passed House 53-7 on 1/26 and Received for Introduction in Senate 1/26.**

**HB 44 – EMERGENCY 911 FEES-PREPAID WIRELESS** – This bill proposes the imposition of a 911 emergency tax of 1.5% on every retail sale of prepaid wireless communications access in Wyoming. **Passed 2<sup>nd</sup> reading in the House as amended on 1/30.**

**HB 51 – EXCISE TAX-WELL SITE** – This bill amends the definition of a well site from being the area within a 250-foot radius of an oil or gas wellbore to an area where production equipment is installed to store or prepare oil or gas for transportation off the well site. **Passed House 59-1 as amended on 1/21 and Received for Introduction in Senate 1/23.**

**HB 84 – CONSERVATION DISTRICT LEVY** – This bill authorized the county commissioners the option to annually levy a tax upon all property in the district not to exceed one mill on each dollar of assessed valuation for a general conservation tax and one mill on each dollar of assessed valuation for a water specific purpose tax. This tax was not part of the general county or city mill levies. **Failed House 26-33-159-1 on 1/28.**

**HB 140 – MALT BEVERAGE TAX** – This bill imposed an additional tax of \$0.17 per gallon on malt beverages. **Failed House Revenue 1-8 on 1/26.**

**HB 141 – MALT BEVERAGE TAX -REPEAL**– This bill repeals the excise tax on malt beverages. **Passed House 49-11 on 1/29 and Received for Introduction to Senate on 1/29.**

**HB 169 – TAX COLLECTIONS**– This bill provides for monthly payment and reporting of ad valorem taxes by the taxpayer to the county treasurer in the county where production occurs, and requires each county to report monthly to the Department of Revenue. **Introduced in House and referred to House Revenue on 1/26.**

**HB 173 – TOBACCO TAX REVISIONS**– This bill provides for an increase in tobacco taxes on a pack of cigarettes of \$0.65/pack (108%) and increases state excise tax on other tobacco products by 130%. The revenue distribution is apportioned 45% to the general fund and 55% to Department of Health for tobacco cessation and prevention, and Medicaid. **Introduced in House and referred to House Revenue on 1/26.**

**SF 42 – TASK FORCE ON MINERAL TAXES**– This legislation creates a task force appointed by the President of the Senate, Speaker of the House, and Governor to study and simplify the mineral product taxes. It requires a report to the Joint Revenue Interim Committee to be delivered no later than November 30, 2016 and provides both an appropriation and effective date. **Passed Senate as amended 25-4 -1 on 1/28 and Received for Introduction in the House on 1/29.**

## WTA Toast and Taxes

This week's Toast and Taxes was another well-attended event. We were privileged to have Senator Floyd Esquibel, SD 8 (Laramie), Representative Tom Walters, HD 38 (Natrona), Representative Mike Madden, HD 40 (Johnson/Sheridan), Representative Norine Kasperik HD 32 (Campbell), Representative Garry Piiparinen, HD 49 (Uinta), and Representative Jim Allen, HD 33 (Fremont), join 11 WTA board members for breakfast and lively discussion. QEP Resources is our gracious sponsor for this event – THANK YOU.

Toast & Taxes meets each Tuesday morning during session at 6:30 at the Egg & I.



## WTA Members please note – WTA weekly Legislative Policy Meetings every Monday during the legislative session.

**Where:** 200 East 8th Avenue, Cheyenne, 2<sup>nd</sup> floor conference room  
**When:** 2:00 p.m.  
**Why:** To discuss timely legislative policy issues, summary of bills, and decide WTA policy direction.

**To Call-In:** 1-877-820-7831  
**Pass code:** 6358761#

## 2015 Legislative Session – Tentative Schedule

(37 day schedule – Recess Friday & Monday for President's Day)  
ASSUMES LEGISLATURE WILL NOT CONVENE ON SATURDAYS  
SCHEDULE SUBJECT TO CHANGE WITHOUT NOTICE

- Day 1 January 13 - Session convenes.
- Day 12 January 28 - Last day for Senate Files to be submitted to LSO for introduction. (noon)
- Day 15 February 2 - Last day for House Bills to be submitted to LSO for introduction. (noon)
- Day 19 February 6 - Last day for bills to be reported out of Committee in house of origin.
- Day 20 February 9 - Last day for Committee of the Whole in house of origin.

## 2015 Legislative Session – Tentative Schedule (continued)

- Day 21 February 10 - Last day for Second Reading in house of origin.
- Day 22 February 11 - Last day for Third Reading on Bills in house of origin.
- February 13 - President's Day Recess
- February 16 - President's Day Recess
- Day 32 February 27 - Last day for bills to be reported out of Committee in second house.
- Day 33 March 2 - Last day for Committee of the Whole on bills in the second house.
- Day 34 March 3 - Last day for Second Reading on bills in the second house.
- Day 35 March 4 - Last day for Third Reading on bills in the second house.
- Day 36 March 5 - Concurrence on Amendments/Joint Conference Committee Reports.
- Day 37 March 6 - Joint Conference Committee Reports; All JCC Reports due to Front Desk by 2:00 p.m. ADJOURN by Midnight.
- March 9, 10 and 11 are available if necessary.