WYOMING TAXPAYERS ASSOCIATION

= ACTION ALERT



WEEK ONE LEGISLATIVE SUMMARY FRIDAY, JANUARY 11, 2013

Week one of the 62nd Legislative session comes to an end with more than 259 bills filed and almost just as many to be expected. This weekly report will keep you abreast of the happenings of the week and any significant changes to bills we are watching. You will find details of committee hearings and amendments in the summary below. Please see WTA's Bill Tracking sheet for general information on all of the bills we are tracking.

GOVERNOR'S STATE-OF-THE-STATE ADDRESS

Governor Matt Mead opened the general session of the sixty-second Wyoming Legislature with his state-of-the-state address Wednesday, January 9, 2013. He opened by mentioning that we have the opportunity to take steps to position Wyoming well for either boom or non-boom times. Specifically, he suggested we should:

- build savings;
- reduce the standard budget;
- cut the size of government and streamline state regulations;
- decide on the funding mechanism for our highways;
- change some fiscal policies; and
- provide funding for major items wildfire expenses, landfills, assistance to local government, the Gillette-Madison water project, the UW School of Engineering, and recognition of employee performance, to name a few.

In his comments, the Governor stressed his concern over the growth of the state budget over the last ten years. While the Legislature was able to accomplish a lot with one time appropriations, an environment of falling natural gas prices coupled with growing budgets does not lend itself to a sustainable spending policy. This, combined with uncertainties at the federal level (Affordable Care Act, debt/deficit, loss of AML funding, etc.), charges the Governor to think in terms of smoothing out the trend lines of the State's revenue and expenditures.

As for savings, the Governor emphasized that his supplemental recommendations bring more transparency to the process – both for profiling revenues and for expenditures. His main concern lies with making more liquid savings over the next biennium rather than shooting everything into permanent savings.

Perhaps the most controversial 'big ticket' item facing the Legislature this year is highway funding. Governor Mead urged legislators to stray away from the idea of continuing to allow Wyoming citizens to subsidize out of state drivers, noting that Wyoming's own citizens pay more to drive on our roads. He highlighted the tenants of fiscal responsibility and paying as you go, rather than using savings to pay for ongoing expenditures - and made an example of the federal government in that regard.

The bottom line is that "we are at an impasse – the general fund should not be used to fund basic functions of government," said the Governor. Roads are the backbone to our everyday living – it's an issue of safety. He stressed that we will need to look for efficiencies within the Wyoming Department of Transportation, but for now, our only options are increasing the fuel tax, or, in the alternative, diverting severance revenues from the permanent fund. In the end, the Governor noted, "this is not Washington, D.C. We get things done in Wyoming. Let's get this done."

For a copy of the state-of-the-state address, click here.

GOVERNOR MEAD'S SUPPLEMENTAL BUDGET RECOMMENDATIONS

The Governor is proposing \$385M in supplemental appropriations. Of that recommendation, \$131.9M comes from the General Fund, \$15M from Federal Funds and \$238M from other funds. In the end, the Governor decided some agencies were better suited to weather budget cuts. As a result, some sustained 10% cuts and others were closer to 6%. The total reduction to the standard budget is \$60.52M or 6.51%. Note that the Department of Health is not part

of the proposed reductions because the Legislature separately reduced that agency's budget by 4% for fiscal year 2014. Combined with the 2013-2014 Appropriation Bill of \$8.1B, the total budget for the 2013-2014 biennium is \$8.5B. The Joint Appropriations Committee is still working on agency call backs and will mark up their budget recommendations next week. See WTA's summary of the Governor's Supplemental Budget Recommendations on the Members Only section of our website.

BILLS OF INTEREST THIS WEEK

HB 111 – TIPS AND GRATUITIES – SALES TAX – The bill allows all tips and gratuities to be excluded from sales tax. **The bill passed out of House Revenue Committee today with a unanimous vote.**

SF 30 – Special Districts – the bill requires special districts to submit proposed budgets and requires the Department of Audit to provide reports to boards of county commissioners. The basic intent is to bring more transparency and accountability to the special districts. The bill passed the Senate Revenue Committee with a unanimous vote and was amended to exclude irrigation districts, which are under the jurisdiction of the district courts. WTA Supports this bill.

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

WHERE: 2120 CAREY AVE., CHEYENNE, 4TH FLOOR CONFERENCE ROOM

WHEN: 2:00 PM

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.