



## Consensus Revenue Estimating Group Wyoming State Government Revenue Forecast *Fiscal Year 2024 – 2028*

The Consensus Revenue Estimating Group (CREG) released the *January 2023 Wyoming State Government Revenue Forecast for Fiscal Year (FY) 2024 - 2028* on January 12, 2024. Co-Chairman Don Richards reported the revised forecast is to “update and educate” the legislature for their use in the determination of the upcoming budget. Co-Chairman and Wyoming State Budget Director Hibbard noted the change between October and January is “very, very marginal” which coincided with Co-Chairman Richards theme of “practical and pragmatic”. However, Co-Chairman Hibbard did note how quickly things can change due to the reliance on the mineral industry, “which is volatile” and can be seen in adjustments.

Overall, the 67th legislature will have \$13.3 million less than the original recommendation from the Governor leaving them with \$37 million in discretionary unappropriated funds for their use. Per Co-Chairman Richards, the School Foundation Program has a “modest” increase of \$8 million, while sales and use tax continues to be “resilient”. Specifically, sales and use tax growth is attributed to strong growth in wind development and the mining sector along with inflation in the retail sector. The CREG increased the sales and use tax collections by \$10 million for Fiscal Year 2024 only.

The state continues to rely on investment earnings and were adjusted in a “practical” method as CREG does not include capital gains in the forecast. This will not impact the 5% guarantee but will impact the reserve amounts. Additional impacts include bonus payments for oil and gas, state lands and minerals. CREG feels like they were “tinkering” too much with minerals and it had a “di minimis” effect to the fiscal profile. However, the mineral changes worth mentioning for calendar year 2024 were adjusted in trona by a \$10 reduction to \$105/ton, the reduction of \$5/per barrel of oil to \$75/per barrel of oil and reduction of \$0.30/Mcf to \$3.50 /Mcf for natural gas. Co-Chairman Richards suggested to pay attention to the notes when reviewing the fiscal profile as there are adjustments per *Governor’s Letters*. The *Fiscal Profile* remains a tool to see how the legislature spends versus the Governor.

**Table 1. FY 2023-2024 Biennium General Fund and Budget Reserve Account Revenue Forecast Comparison (millions of dollars)**

<b>Revised Revenue Source</b>	<b>October 2023 Forecast FY 2023-2024 Biennium</b>	<b>January 2024 Forecast FY 2023-2024 Biennium</b>	<b>Difference</b>
Sales and Use Tax	\$1,277.6	\$1,287.6	\$10.0
Mineral Severance Tax	\$763.5	\$758.7	-\$4.8
Federal Mineral Royalties	\$644.0	\$637.9	-\$6.1
Investment Income*	\$792.3	\$792.3	\$0.0
GF “All Other”	\$400.3	\$400.3	\$0.0
<b>Total GF/BRA</b>	<b>\$3,877.7</b>	<b>\$3,876.8</b>	<b>-\$0.9</b>

\* Includes \$123.4 million (\$34.4 million in FY 2023 and \$89.0 million in FY 2024) of investment earnings that are transferred out of the GF under the Permanent Wyoming Mineral Trust Fund’s (PWMTF) statutory spending policy in the October 2023 forecast.

**Table 2. FY 2025-2026 Biennium General Fund and Budget Reserve Account Revenue Forecast Comparison (millions of dollars)**

<b>Revised Revenue Source</b>	<b>October 2023 Forecast FY 2025-2026 Biennium</b>	<b>January 2024 Forecast FY 2025-2026 Biennium</b>	<b>Difference</b>
Sales and Use Tax	\$1,341.6	\$1,341.6	\$0.0
Mineral Severance Tax	\$682.6	\$672.0	-\$10.6
Federal Mineral Royalties	\$446.4	\$437.0	-\$9.4
Investment Income*	\$948.3	\$948.3	\$0.0
GF "All Other"	\$405.0	\$405.0	\$0.0
<b>Total GF/BRA</b>	<b>\$3,823.9</b>	<b>\$3,803.9</b>	<b>-\$20.0</b>

\* Includes \$209.0 million (\$101.5 million in FY 2025 and \$107.5 million in FY 2026) of investment earnings that are transferred out of the GF under the PWMTF's statutory spending policy in the October 2023 forecast.