

The final week of the Wyoming legislative session ended late Friday evening as both Houses voted to override most of the Governor's line item vetoes in the budget bill. Discussions for the 64th Wyoming Legislature centered on such issues as the transfer of federal public land to the state, a failing prison, the education funding crisis, abortion bills, and guns, guns, guns. While some of the social issues indeed ate the time away, the prevailing issues for the end of the session remain yet to be resolved – namely, the K12 education funding crisis.

In the end, some of the abortion bills passed, some of the gun bills passed, and nondiscrimination efforts failed...again. The transfer of federal public lands bill died in the Senate President's drawer (along with several others such as criminal justice reform), and the House and Senate members rallied on in what has been characterized as one of the most contentions legislative sessions in recent years.

In the end, K12 education was cut by \$34 million, and no new taxes were passed to make up for it. Yet the issue continues into the next interim – a legislative committee is charged with studying the K12 funding model and studying proposals that either divert savings or propose new taxes to make up for the shortfalls (\$400 million/year). Even with the interim study for education funding as assigned, word of a special session still ran through the halls of the Jonah Building late Friday evening.

BUDGET LINE-ITEM VETO OVERRIDES –

- Cuts to several agencies amounting to approximately \$4 million.
- A provision that prohibits the Governor from filling vacant positions – Specifically, Section 320 of the budget bill institutes a hiring freeze for all state employees and directs Governor Mead to identify another 90 general fund positions to cut (or identify a like amount in savings (\$6.75 million)).

OTHER AREAS OF INTEREST IN THE BUDGET AND IMPACT TO THE COLLEGES –

Recall, the legislature started the session \$156 million underwater. The Supplemental Budget bill yielded the following:

- General Fund Appropriations: Net appropriation reductions of \$279.4 million, contingent upon other 2017 bills being enacted.
- Federal Fund Appropriations: Net appropriation reductions of \$16.4 million.
- Other Fund Appropriations: Net appropriation increases of \$142.1 million (estimate), contingent upon other revenues and emergency actions.
- Cuts of \$2.1 million from suicide and substance abuse prevention.
- Cuts to the public health nursing program.
- \$10 million from the LSRA for Title 25 (only after DOH spends \$4.3 million)
- K12 recalibration committee
- \$15 million for the State Penitentiary (only after the Department of Corrections uses internal funding and all major maintenance dollars)
- \$200,000 general fund for emergency boiler piping and fire suppression repairs or replacement at Western Wyoming Community College.
- Higher Education Excellence Endowment - If the unencumbered, unobligated balance of the excellence in higher education endowment reserve account created by W.S. 9-4-719(k) is less than two million five hundred thousand dollars (\$2,500,000.00) on September 30, 2017, there is

appropriated from the LRSA up to \$1,250,000 as necessary so that the unencumbered, unobligated balance in the excellence in higher education endowment reserve account is \$2,500,000. This appropriation shall be deposited to the excellence in higher education endowment reserve account not later than September 30, 2017.

- UW, on behalf of the University, community colleges and commission, shall report progress on a unified plan for recruitment and retention to the Joint Education Committee and the JAC not later than September 30, 2017.
- Restoring \$631,250 for the Veteran’s Tuition Waiver program.
- Recall, both UW and the community college block grants were cut (\$590,902 for community colleges and \$1.04 million for UW) **however, half the amount of the cuts took hold in the final budget.** This amount is reflective of the positions and/or program reductions as provided for in Section 320 “Position Freeze and Statewide Budget Reduction” to which other state agencies are subject. Incidentally, the colleges, UW and the Wyoming Community College Commission are not impacted by the additional positions cuts.

BILLS OF GENERAL INTEREST –

- A bill that requires on-line retailers such as Amazon who do more than 200 transactions or \$100,000 in annual sales to remit sales tax to Wyoming.
- Several tax increases were defeated – wind generation, alcohol, cigarette, sales and use tax, taxes on services that aren’t already taxed, and property tax assessment rates, to name a few. Fees of all shapes and colors were increased (including vehicle registration fees).
- A bill that allows transportation network companies like UBER and Lyft to operate in Wyoming.
- Abortion issues;
 - A bill that makes it a felony to transport, sell, give away or distribute cells or tissue from an aborted fetus.
 - Requirement for doctors to offer an ultrasound to women seeking an abortion or a chance to listen to the heartbeat.
- Guns:
 - HB137 allows guns at any state or local government meeting.
 - HB194 allows school districts to decide whether to allow employees and volunteers to carry firearms.
 - HB136 – Campus carry was defeated. (impacts UW and the community colleges)
- SF 156 Creates a State Government Efficiencies Task Force.
- SF 170 Authorizes the Wyoming aeronautics commission to promulgate rules related to unmanned aircraft (Drones).

Finally, the good news – given the economic stresses of the session, lawmakers made a decisive effort to focus on economic development and diversification of Wyoming’s economy:

- **ENDOW** – Initiated by Governor Matt Mead, the legislature passed a bill that aims to develop a twenty-year comprehensive and coordinated economic diversification strategy known as ENDOW -- “Economically Needed Diversity Options for Wyoming.”
 - The goals are to encourage the expansion and diversification of Wyoming’s existing energy and industrial sectors, stimulate new and emerging industries, create private sector jobs and encourage business development, entrepreneurship and innovation. The bill appropriates \$1 million for administration and \$1.5 million that goes to partnerships between business and the community colleges.
 - The goal is to create regional advisory groups around the state including participants of all sectors of the economy.

- The Governor’s office developed a survey and is asking for input from citizens. Through this survey, the Governor is also soliciting nominations of individuals interested in serving in some capacity as the ENDOW Initiative moves forward.
- The survey can be found on the Governor’s website and at this link: [ENDOW Survey](#).
- The deadline for submitting information is April 2, 2017. Participation from the colleges will be critical to this effort.
- **Economic Development Account Funding** – This bill appropriates \$25 million from the Legislative Stabilization Reserve Account (LSRA or rainy day fund) to an economic development account within the Revolving Investment Fund created under the Wyoming Constitution.
 - An amendment to the Wyoming Constitution created a revolving investment fund to provide fully-funded loan guarantees or loans to proposed or existing enterprises which will employ people within the state, provide services within the state, use resources within the state or otherwise add economic value to goods, services or resources within the state.

2017 INTERIM TOPICS –

The interim topics for 2017 are not yet posted on the Legislative Service Office website. The focus for the Joint Education Committee will center on K12 issues, particularly, funding. I do not believe the committee has much in the way of higher education issues on the docket.

For a final report of the bills WACCT tracked during the session, please see the [WACCT Weekly 2017 Legislative Tracking Sheet](#).