

## WEEK TWO LEGISLATIVE SUMMARY – JANUARY 25, 2025

Week two ended with work on the supplemental budget almost complete. The Joint Appropriations Committee met throughout the week to mark up the Governor's supplemental budget recommendations. So far, the joint committee has cut the proposed supplemental by \$195.2 million, almost half of which came from Governor Gordon's energy projects matching funds initiative (\$100 million). Another \$11 million was rejected for an 8.5% pay increase to classified K12 employees (paraprofessionals, cafeteria workers, and custodians). Dollars to replenish the wildfire accounts were also changed to a loan program, which has drawn controversy from the public. The final supplemental budget should be published early next week for the final approval of the JAC, and then all legislators get to have a say in what goes into the budget when it goes to the floor. The plan for hearing the budget on the floor of the House and Senate is as follows:

- January 31 & February 3 presentation of the supplemental budget to the floor
- February 5 second reading of the budget
- February 7 third reading of the budget

We also have several deadlines coming up:

- January 29 last day for Senate files to be introduced
- February 3 last day for House bills to be introduced
- February 7 last day for bills to be reported out of committee in the house of origin

Of interest to the colleges, the JAC included \$200,000 for the efficiency study under the Wyoming Innovation Partnership (WIP) initiative. This will be included in the Governor's Office budget. Remember that the committee rejected the \$5 million for the WIP.

## **PROPERTY TAX RELIEF**

There are many property tax relief measures drafted for consideration; however, several are quickly working their way through the process:

- <u>SF 67- Long-term homeowners tax exemption.</u> This bill revises the long-term homeowner's tax exemption program, passed during the 2024 Budget Session. These revisions include removing the surviving spouse language, changing the eligibility for residing in Wyoming down to six months, from eight, and removing the sunset date on the program.
  - o Passed Senate Revenue and is on general file in the Senate
- <u>HB 39 Property tax refund program provisions</u>. Clarifies the percentage of household income from 165% to 145% so more people will qualify.
  - Passed House Revenue, which is on general file in the House.
- HB 169 Homeowner tax exemption-2025 and 2026. This bill provides a 50% exemption on the first \$1M of fair market value for residential structures, which only applies to tax years 2025 and 2026. The bill provides a backfill for half of lost revenues to local governments, subject to available funds. A \$125M appropriation from the General Fund and up to \$100M from the Legislative Stabilization Reserve Account to fund the backfill. WACCT testified and asked the Committee to pause to consider how the property tax relief that has already passed will impact local entities.
  - Here is the vote on the final reading in the House:
  - O Aye: Bratten, Brown, G, Brown, L, Campbell, K, Clouston, Filer, Geringer, Guggenmos, Haroldson, Heiner, Hoeft, Johnson, Kelly, Knapp, Lien, Locke, Lucas, McCann, Neiman, Ottman, Pendergraft, Rodriguez-

- Williams, Schmid, Singh, Smith, Strock, Styvar, Tarver, Washut, Wasserburger, Webb, Webber, Wharff, Winter
- o Nays: Representative(s) Byron, Campbell, E, Chestek, Connolly, Davis, Erickson, Harshman, Jarvis, Larsen, Larson, Lawley, Nicholas, Posey, Provenza, Sherwood, Storer, Thayer, Williams, Wylie, Yin
- o Excused: Representative(s) Eklund, Riggins
- o Ayes 40 Nays 20 Excused 2

Don't forget that legislators passed four major property tax relief measures last year. It is important to understand that we still do not know the impact of these measures. WACCT has testified several times (along with the counties, municipalities, and special districts), urging lawmakers to carefully understand how all of the pieces fit together, so to speak, as the impacts on the local entities could be overwhelming. Here is a quick run-down of what passed last year:

- House Enrolled Act 54 puts a permanent 4% cap on all year-to-year property tax increases.
- Gordon also signed <u>House Enrolled Act 44</u>, which provides a 50% tax exemption for people age 65 and older who have paid property taxes in Wyoming for more than 25 years. This relief will expire in 2027.
- Gordon also allowed <u>House Enrolled Act 52</u> to pass into law, but did so while making a line-item veto to it. As written, this bill would have expanded Wyoming's property tax refund program to people who make up to 165% of the median income for the state or their local county. Gordon reduced the top qualifying income bracket to 145% of median income.
  - o In his <u>line-item veto letter</u>, Gordon explained that the legislation goes too far, that people making more than \$200,000 a year in Teton County could have qualified for a 25% tax refund, which he believes amounts to a "hand out," not a "hand up," as the program originally intended. He also expressed concern that the \$20 million he requested in his biennial budget proposal for this program would not be enough money to cover the bill.
- Gordon also signed <u>Senate Enrolled Act 61</u>, which increases the annual ad valorem tax exemption for veterans in Wyoming from \$3,000 to \$6,000.

## WHAT HAPPENED THIS WEEK

- <u>HB 258 State Funded Capital Construction</u> In a move that has been seen before, the Joint Appropriations Committee carved out the state funded capital construction projects into a separate bill. The LCCC exterior renovation dollars are included, as well as CWC's authorization, but the state dollars for the Sheridan College Science Center were rejected. The bill is on House general file and may need to be amended in the Senate.
- **K12 CTE** The House moved several bills (HB 17, HB 18 and HB 235) that support building more CTE access for K12 districts. WACCT testified in support of the bills.
- Other bills that impact the colleges:
  - O What is a woman HB 32 passed the House
  - o Fairness in sports SF 44 intercollegiate athletics passed the Senate
  - o Stop ESG State funds fiduciary duty act passed the House
  - o Student eligibility in sports amendments HB 60 passed House Education
  - o Protecting women's privacy in public spaces act HB 72 passed House Education
  - O Data privacy government entities HB 65 passed House Minerals (WACCT worked on this in the interim)
  - o Freedom to work and build business SF 107 passed Senate Judiciary
  - o Age verification for websites with harmful material HB 43 House general file –
  - Obscenity amendments HB 194 will be heard in House Judiciary next week
  - o Public property and building amendments HB 86 passed House Transportation WACCT supports

Please visit the WACCT Advocacy tab of the website for the weekly WACCT Bill Tracking, Legislative priorities, and talking points. <a href="https://www.wacct.org/advocacy">www.wacct.org/advocacy</a>.

**WEEKLY ZOOM** Remember, WACCT hosts weekly conference/Zoom calls to update you on **Fridays at 10am**.