
FINAL LEGISLATIVE SUMMARY MARCH 17, 2020

Sine Die. Interestingly, the final WACCT reports from the last two years read with a familiar tone. This was one of the most bizarre legislative sessions with the tension between the two houses...except for last year...and the year prior. The House and the Senate were at odds over K12 funding, capital construction and the looming budget crisis.

Wyoming continues to have big issues on the table. The State is considering a large land purchase of one million acres across southern Wyoming. K12 funding, through both the amount and the recalibration process, continue to trump most funding conversations, and the price of oil plummets. Wyoming policy makers continue to find themselves conflicted between the political implications of raising taxes (especially during this, an election year), and taking the heat for cutting programs. One tax did manage to enjoy a successful journey to the Governor's desk – the tourism tax.¹ Add to that, an abortion bill passed, gaming regulations, a number of bills related to coal bankruptcies, and carbon capture, to name a few. And now we have a pandemic that brings ramifications we do not even understand.

The Community Colleges were met with heavy scrutiny as the \$30M on-going budget ask turned into conversations about the role of the Wyoming Community College Commission (WCCC), governance of the colleges as a "system", sustainable funding sources, workforce development, and CTE coordination efforts, just to name a few. Although the ongoing request did not move through the Joint Appropriations Committee, WACCT was successful in lobbying for additional one-time moneys for the colleges.

INTERIM TOPICS

Similar to last year, suggestions for interim topics were presented and discussed in committees at the end of the session. The Management Committee will meet on March 26th to assign interim topics for the committees. It is likely the meeting will either be postponed or held virtually, due to the COVID-19 emergency. The Colleges might expect to see activity in several committees. The Joint Appropriations Committee wants to study sustainable funding and/or governance. Talk of a state-wide mill levy rises to the top of the list in casual conversations. There might be a special task force formed to study the role of the WCCC and governance of our entire higher education "system" and also tackle the disconnect that seems to exist between the efforts of the Department of Workforce Services, the Wyoming Business Council, the community colleges, CTE teacher training, apprenticeships, etc. And the Joint Education Committee and Joint Minerals Committee may also have the colleges reporting to their committees.

Management Council will also assign meetings for each of the committees. WACCT will watch for the Joint Education, Joint Appropriations, or a special task force, to see if the WACCT Annual Conference can coincide again.

BILLS OF INTEREST

- **HB 32 - Resident tuition for military families and family** - Allows the continuation of resident tuition rates for military and family members who are transferred out of state but maintain continuous enrollment.

¹ The tourism tax is only the second tax increase to pass in the last ten years. The tax is set at a 5% statewide lodging tax. It will raise \$18 million a year. The \$.10 increase on gasoline passed in 2013.

- **HB 50 - Government procurement-amendments** - Modifies provisions related to procurement by governmental entities.
- **HB 51 - Professional services procurement-amendments** - Amends provisions related to the procurement of professional architectural, engineering and land surveying services; modifies applicability of resident firm selection requirements; specifies duties of the state construction department.
- **HB 52 - Public works and contracts** – Modifies conforming provisions governing public contracting.
- **SF 83 Budget and financial data reporting** - Names community college districts as a "local government entity" and requires they publish for public consumption on the state A&I website their finance and expenditure data.
- **SF 93 - Wyoming Works application period** - Clarified the application period and eligibility for Wyoming works program grants.
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CAPITAL CONSTRUCTION – SF 119

SF 119 fell to its doom late on Thursday, March 12th, the last day of session. Ultimately, the two houses could not come to agreement about the projects for the University of Wyoming. The Senate was not interested in entertaining any UW projects, and the House stood strong to support them. Also lost in the bill were critical projects like the removal of hazardous material at the Wyoming Life Resources Center in Lander, repairing the HVAC system at the Women's Corrections Center in Lusk and state parks, military and other construction projects.

There was a last-ditch effort from the Governor's Office to prioritize projects. The community college authorizations were on that list as well as the WWCC capital renewal project. The Senate attempted to offer the list to the House, but the House wanted to add more UW into the offer. The Senate adjourned and the bill died. What is clear is that for several of the community college projects, this set-back is devastating. With more than \$162M worth of projects lost, it is also devastating to Wyoming's construction industry. Governor Gordon remarked, "I worry a little bit that egos got in the way of being thoughtful about the projects that were really necessary going forward." It is not clear if there will be an effort to prioritize capital construction in the supplemental budget. Stay tuned.

What is crystal clear is that the community colleges did everything they could to advocate and education about the importance of their projects. Thank you to everyone who worked to hard to reach out on both sides of the capitol. We couldn't have lobbied it any better, we couldn't have presented the facts any differently. It is unfortunate we lost the bill to such circumstances.

BUDGET BILL

The January CREG forecast is based on \$50/barrel oil, however today, prices hover in the low twenties. Couple that with the declined price and production for natural gas and coal, and the Governor may need to call the CREG group together to re-issue their formal forecast based on these drastically reduced prices. For every \$1/barrel decrease it impacts the state by \$12.5M/year. Therefore, when the price jumps from \$50/barrel to \$25/barrel, you can see how significant this impact can be. Before the session, the structural deficit was sitting at \$400M. Now, the state is looking at a deficit of \$575M or more. We are already taking money from the rainy-day fund to keep the state afloat. In fact, \$600M was taken from the LSRA to keep the accounts balanced this year.

All of that is a preview to what was discussed in the hallways of the capitol during the last days of the session – special session? There must be a specific purpose to call a special session – and this year it could be for the land deal and the budget. Again, stay tuned.

While the Community Colleges did not end up with an on-going \$30M in the budget, the WCCC did receive funding for their priorities.

Of note in the budget bill:

- \$265,000 added back in for the faculty side of the **Wyoming Investment in Nursing** program
- **Major maintenance** dollars for the community colleges

- A **comprehensive IT study** including dollars for a consultant to assess the IT funding requests submitted to the legislature and develop standards, criteria and project request prioritization to be considered for future legislatures
- \$21M set aside for future increases to the **state employees group insurance plan**
- Anticipated **1% agency reductions** (**this was vetoed by the Governor**)
- Recreation of the 1% severance tax account and diversion of such funds
- **\$5M one-time distribution** to the colleges:
 - \$3.5M from SIPA for disbursement in equal amounts to each community college district
 - \$1.5M from SIPA accordingly:
 - \$254,850 to Casper College
 - \$132,000 to Central Wyoming Community College
 - \$115,950 to Eastern Wyoming College
 - \$316,650 to Laramie County Community College
 - \$101,400 to Northwest College
 - \$325,800 to the Northern Wyoming Community College District
 - \$253,350 to Western Wyoming Community College
- **\$5M one-time matching** with the following directives:
 - To provide matching funds to each Wyoming community college district. Subject to subsection (d) of 16 this section, these funds shall be used to match gifts and donations made to each community college district for any purpose designated by the district.
 - A match shall be paid to the community college district any time after the sum of any accumulated gifts totals ten thousand dollars (\$10,000.00) or more.
 - Each community college district may request that the state treasurer encumber amounts available in the district's account in anticipation of gifts or donations that meet the requirements of paragraph (i) of this subsection and that are the subject of a binding agreement to make the gift or donation;
 - The state treasurer shall make all transfers due under this section not later than the end of the calendar quarter following the quarter in which a qualifying gift is actually received by the district.
 - Any match paid to a community college district by the state treasurer shall be equal to, and shall not exceed, the amount of the gift received by the district.
 - From January 1, 2022 and ending June 30, 2022, any amounts remaining in any of the seven (7) community college district matching accounts created by this section, and that have not been paid to or obligated to any community college district, may be paid to any community college district that can meet the matching requirements under subsections (c) and (d) of this 7 section.
- **Wyoming Works:**
 - \$1M program funding
 - \$1.5M scholarship dollars

Please visit the [WACCT webpage](#) for the WACCT Bill Tracking, Legislative priorities, and talking points.