
PROPOSED LEGISLATION FOR 2020 MAY SPECIAL SESSION

[HB 1001 Emergency Appropriation - COVID-19 Funds \(mirror to SF 1001\)](#)

To date, \$1.25 billion of qualifying funds has been received by the State of Wyoming and is being appropriated under this bill.¹ Funds appropriated under section 2, subsection (b) of the bill may be expended or obligated by the Governor subject to the following:

- On the effective date of the bill, up to \$450,000,000 shall be available for expenditure or obligation.
- Absent enactment of further legislation, on July 15, 2020 an additional \$400,000,000.00 plus any funds remaining from the amount authorized on the effective date of the bill shall be available for expenditure or obligation.
- Absent enactment of further legislation, on September 15, 2020, any remaining funds shall be available for expenditure or obligation.
- The funds may be used for the following purposes:
 - Any COVID related expenses incurred by a state entity. “State entity” is defined in this bill to include the following (allocations of distributions to entities in this section are NOT subject to approval of the State Loan and Investment Board (SLIB):
 - School districts
 - State offices
 - Departments
 - Boards
 - Councils
 - Commissions
 - Separate operating agency, institution or other instrumentality of operating until of the State
 - University of Wyoming and Community Colleges
 - Further, any COVID related expenses incurred by cities, towns, counties and other political subdivisions are subject to approval of the SLIB.
 - To provide grants for expenses incurred by Wyoming health care providers and health care facilities (subject to approval of the SLIB)
 - For operational or capital construction expenses at the Wyoming Life Resource Center and the Wyoming State Hospital
 - For capital construction expenses to improve the state’s capacity to provide mental health services (subject to approval of the State Building Commission)

¹ If the Legislature determines that no additional legislative action is necessary and no further legislation is enacted, the Governor may expend any remaining CARES Act relief funds pursuant to Section 2 in this bill.

- Expenses related to food insecurity as determined by the Governor
- Any COVID-19 related expenses and expenditures of the Judicial Branch, Legislative Branch

There are four broad areas of priorities for expenditures:

- **COVID-19 emergency response** – These are expenditures that were incurred and that continue to be incurred as a direct response of combating COVID-19 in Wyoming, and additional state programs needed to respond.
- **Relief aid** – Payments to state and local programs to support business, families and individuals who have been economically impacted by the public health crisis.
- **Economic development priorities** – These are capital construction, road building, infrastructure, broadband and other potential projects intended to invest in Wyoming by providing employment opportunities for Wyoming residents to offset the devastating impacts of the crisis and by enhancing infrastructure.
- **Replacement of lost revenue for public entities** – To the extent allowable under the CARES Act, relief funds could be used to allow state and local governments to continue to provide a base level of critical services while longer term solutions can be implemented.

[HB 1002 Emergency Government Action – COVID-19 \(mirror to SF 1002\)](#)

This bill contains an appropriation of \$10,000,000 made available for expenditure through the CARES Act or from any other available federal funds related to the COVID-19 emergency response to the Governor's Office. The appropriation is effective immediately. Funds will be used for establishment and operation of **a temporary program for payment of rent and avoidance of evictions for persons impacted by the COVID-19 pandemic**. The source of the revenue decrease will be in the form of a workers' compensation premium credit to all covered employers in good standing with the Workers' Compensation Division due to the rate holiday.

- **Assumptions for Workers' Compensation:**
 - The premium credit amount assumes an 8.33% premium credit to all eligible employers and assumes all currently eligible employers will remain eligible to claim the credit by 12/31/2020. The assumption of collected premium for 2020 is based on the current number of employers in good standing with the Division as of June 30, 2019. Estimated premium totals for 2020 are \$197,395,242.
- **Source of revenue decrease for Unemployment Insurance:**
 - Non-chargeable benefits to the employer's accounts would result in a decrease in revenue for the Unemployment Insurance Fund. The short-term compensation (STC) program would initially result in a revenue decrease until it was established.
 - Further, the non-chargeability provision included in the bill may impact the Department of Workforce Services' Employment Support Fund, which provides funding for a number of critical agency functions.
- **Assumptions for Unemployment Insurance:**
 - It is assumed that the decrease in Unemployment Insurance taxes to the Unemployment Trust Fund would result in a decrease in funds available. In addition, the reduction in taxes will also result in a reduction of interest in the interest account as historically a minimum of 10% of all employers are delinquent for at least one quarter.
 - Assumptions for the STC program are that it will take money to invest in this program and the UI Commission will need to establish rules for the program. The agency will also need to establish internal policies and procedures, as well as developing quality assurance tools and reprogramming of the WYUI system. Once established, the program could eventually become a revenue/expenditure neutral program.

- The changes in expenditures are indeterminable, as the dollar amounts that may be expended on claims related to the COVID pandemic are unknown. If these costs are not reimbursed, the reduction in both the Workers' Compensation and Unemployment Insurance Funds will increase. If these costs are reimbursed, the reduction in both the Workers' Compensation and Unemployment Insurance Funds will be reduced, and therefore, the employer premium rates will not be affected.

[HB 1003 – Emergency Budgeting – COVID-19 \(mirror to SF 1003\)](#)

This bill would provide additional authority to the Governor to transfer funds appropriated to agencies to respond to the public health emergency and the associated impacts caused by COVID-19. Here are the highlights:

- The Governor would be able to transfer an additional 50% of the total appropriation for any executive branch agency (excluding the University of Wyoming) between programs within the agency. The Governor would also be able to transfer an additional 25% of the total appropriation for an agency (excluding the University of Wyoming) to other executive branch agencies. This additional authority would be effective beginning on the effective date of the bill and ending December 30, 2020.
- This bill also states that 25% of the unexpended, unobligated monies appropriated from the General Fund to any governmental unit or branch of government receiving an appropriation under 2018 Wyoming Session Laws, Chapter 134, as amended by 2019 Wyoming Session Laws, Chapter 80, shall not revert on June 30, 2020 and are re-appropriated to the governmental unit or branch of government receiving the appropriation for purposes of funding a budget shortfall or structural budget deficit during the period beginning July 1, 2020 and ending June 30, 2022.
- The bill also states that any unexpended, unobligated funds remaining from the appropriations for **capital construction** projects under 2018 Wyoming Session Laws, Chapter 136, Section 4(a)(i), as amended by 2019 Wyoming Session Laws, Chapter 205, Section 2 that would otherwise revert are re-appropriated for active capital construction projects receiving prior appropriations from the General Fund or Strategic Investments and Projects Account, as approved by the State Building Commission.
- The bill also amends W.S. 21-13-313(e), modifying the Wyoming school districts' operating balance and cash reserves calculation for FY 2021. The calculation to determine the portion of a district's operating balance and cash reserves that exceeds the total School Foundation Program amount from school year 2019-2020, deemed to be a state revenue, is increased from 15% to 25%. The increase from 15% to 25% equates to a statewide maximum operating balance and cash reserves of approximately \$371.7 million, or an increase of \$148.7 million. The estimated fiscal impact of the change by school district or which district(s) would take advantage of the additional flexibility cannot be determined at this time.