



Wyoming  
Association of  
Municipalities  
**Building Strong Communities**

## LEGISLATIVE SUMMARY 65<sup>TH</sup> Wyoming Legislature

January 8 – February 28, 2019

This summary provides a summary of the proceedings of the Wyoming Legislature that are of significance for WAM members.

There were a total of 503 House Bills and Senate Files drafted and introduced during the session. Of these, 196 passed both Houses. At the time of this report, Governor Gordon signed most bills, vetoed a number of bills, and several have not yet been signed and may become law without the governor's signature.

### HOUSE BILLS OF INTEREST

#### House Bill 01 – General Government Appropriations

This bill provides for supplemental budget amounts for state agencies, local governments, education, special districts and more. Unfortunately, the Legislature did not approve any supplemental funding for municipalities and counties. Thus, for FY2020 the total amount remains the same for direct distribution (\$52.5 million) utilizing the same distribution formula and distribution months. Senate File 01 is the companion bill to the House Bill 01.

#### House Bill 10 - Crimes Against Critical Infrastructure

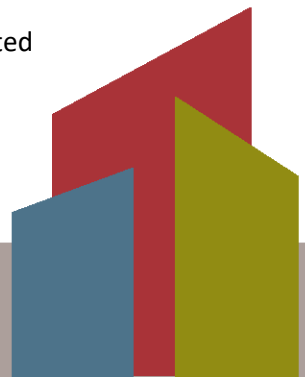
This bill made it a felony to impede the development of and/or operation of critical infrastructure. The bill was primarily designed to protect oil, gas facilities and electrical generation plants, but also included municipal facilities such as sewer plants, water treatment facilities, etc. The bill died in the House.

#### House Bill 14 – Daylight Savings Time

This bill would have changed the time zone for the State of Wyoming. This bill would authorize the Governor to apply to the US Secretary of Transportation to modify the Wyoming Time Zone when at least 3 contiguous states to Wyoming have made this change. The bill passed the House but died in the Senate.

#### House Bill 51- Lawful Fence Standards-County Preemption

This bill preempted counties from adopting regulations for fencing that exceed state mandated standards. The bill died in the House.





House Bill 52 - Public Works and Contracts

This bill deals with public works and contracts. It modifies the requirements for procurement of furniture and movable equipment in capital construction projects. The bill requires local governments to competitively bid furniture and other movable items that are purchased with other capital construction. The bill provides exceptions for not competitively bidding these items. The bill passed both houses and has been signed into law.

House Bill 64 – Indexing Fuel Tax

This bill proposed to adjust fuel tax rates by indexing the tax rate to the consumer price index. It was proposed by the House Revenue Committee but was never introduced.

House Bill 66 – Statewide Lodging Tax

This bill would have imposed a 5% statewide lodging tax, with 3% being used to fund the State Office of Tourism and 2% going to local governments. This bill passed the House but died on 3<sup>rd</sup> reading in the Senate.

House Bill 67 – Sales Tax Revisions

This bill was drafted and introduced by the Joint Revenue Committee. It reduced the state sales tax from 4% to 3.5% and eliminated all the current sales tax exemptions. The bill was introduced in the House and referred to the House Appropriations Committee but was never considered by the Committee.

House Bill 69 – Marketplace Facilitators

This bill would effectively tax internet sales. This bill is estimated to generate \$3.5 million for local governments in FY 2020. This bill passed both bodies and has been signed into law.

House Bill 76 - Wyoming Beer Freedom Act

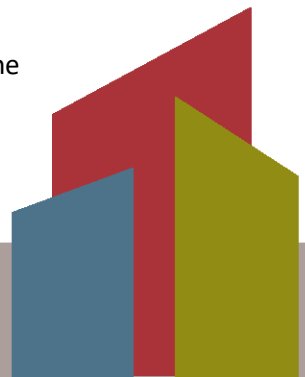
This bill would allow local licensing authorities to issue 24-hour malt beverage permits for microbreweries. This passed and is an enrolled act.

House Bill 81 – Omnibus Water Bill--Planning

This bill funds several water projects around the state including municipalities. The bill appropriates \$6.4 million from the Water Development Funds for planning of water projects. The bill passed both Houses and has been signed into law.

House Bill 82 – Veterans’ Skilled Nursing Facility

This bill appropriated fund for a veterans’ skilled nursing facility to be in Buffalo. It passed the legislature and was signed as an enrolled act.





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#### House Bill 93 – Tourism Districts

This bill authorized counties, cities and towns to establish tourism improvement districts to fund specified tourism and marketing activities. The bill passed the House but died in the Senate.

#### House Bill 95 – Specific Purpose Tax – Excess funds

This bill provides a methodology for expending excess funds from the Specific Purpose Tax elections. This bill only addresses those ballot election items where the ballot language does not address excess funds. Both Houses passed the bill and is an enrolled act.

#### House Bill 98 – Rights of Way Communication Services

This bill authorizes the use of rights of way for communication services, (telephone, internet, broadband, etc.). The bill acknowledges a statute change that communication companies are distinct from public utilities. This bill still requires a franchise agreement and allows for the imposition of a franchise fee. This bill passed both Houses and is an enrolled act.

#### House Bill 101 - Joint Powers Boards – Natural Gas

This bill authorizes the creation of a Joint Powers Board to provide natural gas services in the Tongue River Valley and includes the Towns of Ranchester and Dayton. It passed both Houses and has been signed by the Governor.

#### House Bill 105 – Municipal Services Recovery Actions

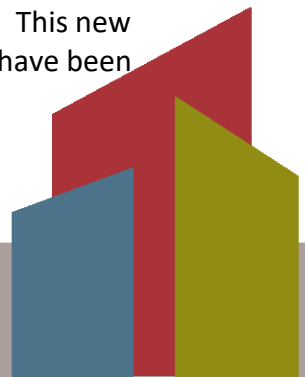
The bill would have preempted cities and towns to collect from a property owner when a renter defaults on the fees for services rendered. The bill failed a vote of the House Committee of the Whole.

#### House Bill 126 – Revenue Recalibration Task Force

This bill would have established a task force to recommend standards and options for developing “a fair, viable and economically competitive state and local tax structure capable of generating sufficient revenues to meet the state's future expected needs”. The task force was to review the Tax Reform 2000 committee report. This bill was introduced but postponed indefinitely.

#### House Bill 138 -- Sales Tax Payments

This bill would use the 1% collection fee that the Department of Revenue collects for administrating sales and use tax collections to create a reserve account of \$5 million. This new account would be used to repay cities/towns and counties when sales tax payments have been made to an incorrect jurisdiction. The bill died in the House Revenue Committee.





#### House Bill 146 – Local Government Publication Requirements

This bill modified the publication requirements for local governments. It would continue to require the publication of the salaries of public officials but no longer require that names of the officials be published. This bill failed a vote of the Committee of the Whole in the House.

#### House Bill 151 - Ban on Sanctuary Cities

This bill prohibited the implementation of immigration sanctuary policies by cities, towns and counties. It passed the House Corporations Committee but failed a vote of the Committee of the Whole.

#### House Bill 179 – Food Trucks

This bill provided for the state licensure of food trucks. It authorized a license to operate a food truck “within any city, town or county in the state, including public rights of way”. It restricted local governments from unduly interfering with the operation of food trucks, but would allow some limited regulation (reasonable time, place and manner) as necessary to provide for public health and safety. This bill was withdrawn and will likely be an interim topic.

#### House Bill 183 - Repeal of Gun Free Zones

This bill repealed the gun free zones established in previous legislation. This bill did not pass the House Committee of the Whole by the deadline.

#### House Bill 188 – Cities and Town Zoning Protest

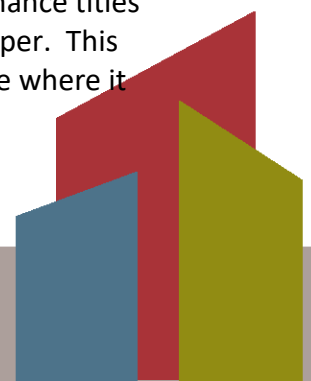
This bill modified the requirements for protesting zoning changes in city or town regulations. It reduces the number of protests (from 20% to 10%) and increases the area considered immediately adjacent (from 140 feet to 200 feet). A protest would require 2/3 majority to be effective. The bill died in the House Agriculture Committee.

#### House Bill 196 Local Regulation - Subdivisions

This bill would preempt Counties from establishing minimum lot sizes in residential subdivisions. This bill does not affect cities and town’s but is another local government preemption bill. The bill was amended to minimize land speculation. It passed the House and Senate has been signed as an enrolled act.

#### House Bill 201 Cities and Counties – Publication of Notices

This bill would allow cities, towns and counties to publish meeting minutes and ordinance titles on the city/town or county website instead of publishing them in the official newspaper. This bill was introduced and referred to House Travel, Recreation and Tourism Committee where it died a quick painless death.





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#### House Bill 206 – Video Skill Games

This bill would allow establishments with liquor licenses and truck stops to install and operate video skill games. After hours of public comment and committee debate, the bill died in the House Appropriations Committee.

#### House Bill 220 – Retail Fairness Act

This bill would impose an income tax on out of state corporations who do business in Wyoming. These corporations are domiciled in states (i.e. Walmart, Target, etc.) that have a state corporate tax. Income from the Wyoming businesses are taxed in the home state, with no revenue going to Wyoming. This bill was expected to raise \$45 million in revenue and would go to the School Foundation Fund. The bill passed the House but died in the Senate Corporations Committee.

#### House Bill 237 - Transportation Infrastructure-Local Option

This bill would authorize Specific Purpose Tax sales and use tax to be used for roadway construction or other transportation infrastructure. The bill passed the House Revenue Committee but was not considered by the Committee of Whole.

#### House Bill 242 – Statewide Official Notices Website

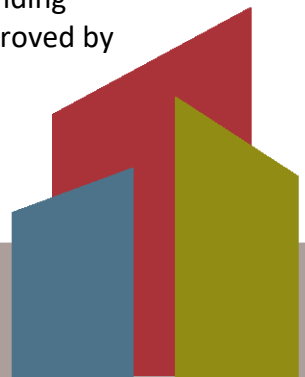
This bill provided for the creation of a statewide website where required legal and public notices could be posted in lieu of publishing them in an official newspaper. This bill allowed a municipality, county or special district to choose which medium to post the required public notices. The bill died in the House Corporations Committee.

#### House Bill 266 Sales Tax – Local Distributions

This bill proposed to increase the state sales tax by .05% to 4.5%. The first \$52,500,000 of this increase would be distributed to local governments using the formulas provided in the bill. Local governments would also receive their normal share of the additional one-half percent increase in the sales and use tax. This bill was never heard by the Joint Appropriations Committee.

#### House Bill 271 – Firefighter Nonbinding Arbitration

This bill eliminated the requirement for binding arbitration and replace it with nonbinding arbitration for fire departments represented by a bargaining union. This bill was approved by the House Appropriations Committee but defeated by the Committee of Whole.





#### House Bill 277- Town and County Developments (2)

This bill would have preempted cities/towns and counties from imposing affordable housing requirement on new developments. The bill passed the House Corporations Committee but was not considered by the Committee of Whole by the deadline.

#### House Bill -284 - Video Skill Games (2)

This bill replaced HB 206 with the same title. The bill essentially made video “games of skill” legal. This would allow establishments with liquor licenses to install and operate 2 video skill games. Counties could opt out of the bill provision and effectively ban these machines from their respective counties. Cities/towns could not opt out. This bill failed a vote of the House Committee of Whole.

#### House Bill 291 - Alcoholic Beverages-Licensing Authority Powers

This bill would have limited a city or town’s ability to regulate establishments with liquor licenses. It would have restricted a municipalities ability to regulate zoning only. In other words, a city/town could not grant or renew a license and restrict hours of operation, etc. The bill passed the House and died on 3<sup>rd</sup> reading in the Senate.

#### House Bill 298 – Surface Water Drainage Systems (2)

This bill was identical to Senate File 20 and granted cities and towns the authority to fund surface water drainage systems by service charges. This bill effectively allowed a city or town to establish an enterprise fund to pay for storm water improvements. The bill died in the House Corporations Committee

#### House Bill 306 – Employee Group Insurance (2)

This bill was identical to Senate File 79 and allowed municipal and county employees to opt into the State Health Care plan. This bill was defeated in the House Corporations Committee.

#### House Joint Resolution 2 – Funding Sewerage Systems

HJ02 is a joint resolution that would modify the Wyoming Constitution with respect to the debt limit for cities and towns. When adopted in 1889, the Constitution provided “*no city or town shall in any manner create any indebtedness exceeding four per cent (4%) of the assessed value of the taxable property therein, except that an additional indebtedness of four per cent (4%) of the assessed value of the taxable property therein may be created for sewage disposal systems*”. This bill removes the 4% limitation on debt for sewage disposal systems and replaces it with a limit to be established by the Wyoming Legislature. The bill was approved, and this matter will be on the ballot in the November 2020 election for a statewide vote to ratify or reject this constitutional amendment.

#### **SENATE FILES OF INTEREST**





#### Senate File 16 – Community Development Districts

This bill allowed for the creation of community development districts within municipal boundaries at the request of the property owners. The bill passed the Senate but failed the House Committee of the Whole.

#### Senate File 20 – Surface Water Drainage Systems

This bill would grant cities and towns the authority to fund surface water drainage systems by service charges; this bill had the same intent as House Bill 298. This bill effectively allows a city or town to establish an enterprise fund to pay for storm water improvements. As drafted, the bill would require a vote of the municipal residents to establish a storm water enterprise fund. This bill died on 3<sup>rd</sup> reading in the Senate.

#### Senate File 29 – Cease and Transfer Priority List

This bill prioritizes municipal solid waste facilities cease and transfer projects, authorizes expenditures of previously appropriated funds and establishes a prioritized list of projects. The bill was passed by both houses and is an enrolled act.

#### Senate File 48 - Unemployment Compensation-Seasonal Employment

This bill would have allowed an employer to apply to the Department of Work Force Services (DWFS) to be a designated seasonal employee and not pay unemployment for seasonal workers when not justified. The bill was tabled indefinitely due to implementation problems by the DWFS.

#### Senate File 49 -- County Zoning Authority – Private Schools

This bill preempts the ability of counties to regulate private schools through county zoning regulations and treats private schools similar to public schools. The bill passed both Houses and is an enrolled act and awaits the governor's signature.

#### Senate File 57 – Public Records

This bill relates to the production of public records to include setting time limits for production, designating the custodian of records, provides for appeal processes, sets penalties for noncompliance to produce records. The bill as originally proposed caused numerous concerns for WAM and many other public entities. The bill was amended to a point where it is workable, but still needs improvements and may be an interim topic again. The amended bill passed both Houses and is an enrolled act.

#### Senate File 59 – Omnibus Water Bill – Construction

This bill relates to funding for water construction projects. It appropriates approximately \$28 million for various water projects around the state including municipal projects. The bill passed both Houses and is an enrolled act.



Senate File 75 -- Repeal Gun Free Zones and Preemption Amendments

This bill repealed the gun free zones statutes established in previous legislation. The bill failed a vote of the Senate Judiciary Committee and was postponed indefinitely.

Senate File 79 -- Employee Group Insurance – Local Governments

This bill allowed municipal and county employees to opt into the State Health Care plan. This bill was defeated in the Senate Committee of the Whole.

Senate File 88 – Firemen’s Retirement Fund Plan B-Contribution

This bill reduces the actuarial schedule for the fund from 40 years to 30 years. While there is no increase in the rate, plan costs will go up 4% by 1% over four years by virtue of the reduced actuarial schedule. Wyoming Retirement System Officials states this action is necessary to keep the fund adequately funded. The bill passed both Houses and has been signed by the Governor.

Senate File –121—Municipal Solid Waste Cease and Transfer-Appropriation

This bill relates to municipal solid waste facilities cease and transfer projects and provides \$7 million in appropriations. The bill passed both Houses and is an enrolled act.

Senate File – 132—Wyoming Gaming Commission

This bill would have created a gaming commission to regulate specific types of gambling and included a provision that authorized local authorities to prohibit specific types of gambling. The bill was postponed indefinitely.

There were several bills that addressed taxation and liquor license. Some bills were not addressed, or some failed in committees of house actions.

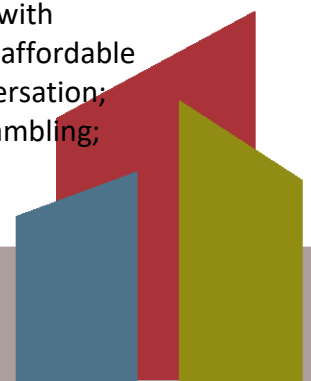
Tracking Bills on Line

A complete listing of the bills is available at the WAM website.

<https://wyomuni.org/follow-legislation>

**INTERIM TOPICS**

The Legislative Management Council will meet on March 22<sup>nd</sup> in Cheyenne to assign interim committee topics for 2019. Based on previous committee discussions and speaking with individual legislators, the following may be topics for interim discussion food trucks; affordable housing regulations; state education funding; wind development, taxation and conversation; liquor licenses; taxation; personal property and reporting of same; public records; gambling;







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zoning and land use; surface water drainage; development regulations; and critical infrastructure.

If you have questions about any legislative issue, please do not hesitate to call Rick Kaysen at (307) 632-0398 or (307) 287-4218.

