

Bill No.: HB0001 **Effective:** Multiple Dates

LSO No.: 18LSO-0422

Enrolled Act No.: HEA No. 0062

Chapter No.: 134

Prime Sponsor: Joint Appropriations Committee

Catch Title: General government appropriations.

Subject: Budget bill.

This bill contains the following appropriations for these major programs:

Department of Health – Appropriations of \$1,858,764,059 (\$908.8 million GF; \$806.0 million FF; and \$143.9 million OF). In addition to these amounts, the bill includes appropriations of \$21.37 million GF effective immediately (Section 326) to address immediate needs in FY 2018 and \$23,437,456 GF to an account within the State Auditor’s Office for potential supplemental requests of the Department of Health and the Department of Family Services.

Department of Family Services – Appropriations of \$294,145,580 (\$147.2 million GF; \$137.5 million FF; and \$9.4 million OF). In addition to these amounts, the bill includes appropriations of \$23,437,456 GF to an account within the State Auditor’s Office for potential supplemental requests of the Department of Health and the Department of Family Services.

Community Colleges – Appropriations of \$246,065,222 (\$240.6 million GF; \$1.9 million FF; and \$3.6 million OF).

State Lands and Investments – Appropriations of \$103,199,926 (\$23.1 million GF; \$33.6 million FF; and \$46.4 million OF).

University of Wyoming – Appropriations of \$379,959,114 GF.

Department of Corrections – Appropriations of \$276,434,039 (\$260.0 million GF; \$0.4 million FF, \$16.0 million OF).

K-12 Foundation Program – Appropriations of \$1,757,607,097 from the School Foundation Program account.

Major Maintenance for State Facilities and Schools – Appropriations of \$110.5 million GF for state, community college, and University of Wyoming properties; \$144.5 million from the School Capital Construction Account for K-12 school district major maintenance.

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Various provisions –

- Carryover of prior appropriations;
- Provision of employer-paid benefits, including appropriation of prior funding for retiree health care from employer paid health insurance contributions for retiree health insurance rather than new appropriations;
- Programmatic and departmental transfer authority for the Governor and the Judiciary (flex);
- Limitation on use of personal services (100 series);
- Borrowing authority for specified funds and purposes;
- Limitation on salary increases;
- ~~Directives for statewide employee or program reductions;~~ [Vetoed by Governor.]
- School capital construction appropriations of \$83,549,132 for K-12 facilities, leases, and related projects;
- Redirection of severance taxes, federal mineral royalties, coal lease bonus funds, and state royalties on school lands;
- ~~Transfer of sales and use taxes collected from remote sellers;~~ [Vetoed by Governor.]
- ~~Conditional appropriation for district court workload;~~ [Repealed by the enactment of 2018 Senate File 90, SEA 26.]
- Appropriation of \$11 million from the Municipal Solid Waste Landfill Remediation Account;
- Directives on strategic purchasing of computers;
- Appropriation of \$400,000 for court security improvements;
- Creation of the Select Committee on Family Medicine Residency Programs, the Blockchain Task Force and the Wyoming Museum of Military Vehicles Task Force;
- Development of a grant or loan program for the continued operation of an automotive technology trade school;
- Reductions of prior appropriations; and
- Provision to distribute investment income from the Permanent Wyoming Mineral Trust Fund.

Provisions for appropriations/transfers from various accounts –

- Authorization to transfer funds from the Budget Reserve Account to the General Fund as necessary;
- Transfer of funds within the Budget Reserve Account to the Legislative Stabilization Reserve Account on June 30, 2020;
- Suspension on the transfer of monies to specified inviolate funds;
- Transfer of \$81,562,630 from the General Fund to the Capitol Building Rehabilitation and Restoration Account;
- Transfer of \$150,524,585 from the School Foundation Program Reserve Account to the Common School Permanent Fund Reserve Account;
- Transfer of \$6,651,070 from the School Foundation Program Reserve Account to the Excellence in Higher Education Endowment Reserve Account;

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- Appropriation of \$40,833,074 from the Legislative Stabilization Reserve Account and a like amount from the Permanent Wyoming Mineral Trust Fund Reserve Account to the School Capital Construction Account;
- Conditional appropriation of \$41.5 million from the Legislative Stabilization Reserve Account to the Economic Diversification Account; [Reduced by appropriations to the account within other legislation enacted in the 2018 Budget Session. Relevant contingent legislation includes 2018 Senate Files 40, 100, 108 and 118.]
- Appropriation of \$10 million from the Permanent Wyoming Mineral Trust Fund Reserve Account and a like amount from the Legislative Stabilization Reserve Account to the Wyoming State Penitentiary Capital Construction Account;
- Redirection of funds from corporate fees for purposes of election equipment, contingent upon future legislative authorization.

7,685 Total Authorized Positions (7,381 full-time and 304 part-time)

Total Appropriations:

General Fund Appropriations:	\$2,899,037,800
Federal Fund Appropriations:	\$1,590,769,363
School Foundation Program Appropriations:	\$1,792,110,902
Other Fund Appropriations:	\$2,361,335,058
<u>Total Appropriations in Budget Bill:</u>	<u>\$8,633,253,123</u>

The following reports are required under the budget bill:

- The State Treasurer shall report on the documented savings resulting from increased use of internal investment personnel and reduced payments for external investment managers to the Joint Appropriations Committee (JAC) and the Select Committee on Capital Financing and Investments not later than June 30, 2019 and June 30, 2020.
- The Department of Administration & Information (A&I) shall transmit a report from the multi-payer claims contractor identifying potential cost savings and recommendations for improved efficiency within the State Employees' and Officials' Group Insurance Program to the Joint Labor, Health and Social Services Interim Committee and the JAC not later than December 1, 2018 and December 1, 2019.
- The Military Department shall report to the JAC on all positions created or eliminated pursuant to budget footnotes through the B-11 process.
- The Department of Revenue shall report to the Management Council and the JAC on the effectiveness of adding one (1) position to the Excise Tax Unit and one (1) position to the Mineral Tax Unit, including a preliminary report not later than December 1, 2019 and a final report as of June 30, 2020.
- The Department of Revenue shall provide an update on the study on the use of discounted cash flow valuation for the ad valorem tax on oil and gas production to the Joint Revenue Interim Committee not later than November 30, 2018 and shall report the results of the study and final recommendations to the Joint Revenue Interim Committee not later than November 30, 2019.

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- The Department of Audit shall report to the Management Council and the JAC on the effectiveness of adding three (3) positions to the Excise Tax Division, including a preliminary report not later than December 1, 2019 and a final report as of June 30, 2020.
- The Wyoming Infrastructure Authority shall provide a report to the Joint Minerals, Business and Economic Development Interim Committee on energy strategy initiatives, including a preliminary report not later than October 31, 2018 and a final report not later than October 31, 2019.
- The Department of Family Services shall report to the JAC all B-11 transfers made pursuant to the budget footnote related to the \$250,000 budget reduction.
- The Wyoming Tourism Board shall report to the Joint Travel, Recreation and Cultural Resources Interim Committee and the JAC on the regional marketing pilot grant not later than November 1, 2019.
- The University of Wyoming shall submit a report of the plan to acquire a replacement research aircraft to the JAC within thirty (30) days after a loan authorized by a budget footnote is executed.
- The Department of Enterprise Technology Services shall report to the Joint Education Interim Committee and the JAC not later than November 1, 2018 on the feasibility of administering strategic bulk purchasing of all computer hardware and operating software for all Wyoming school districts.
- The Department of Enterprise Technology Services shall report to the JAC on December 1, 2018 and on December 1, 2019 on the identifiable savings from the strategic bulk computer purchasing program.
- The Department of Enterprise Technology Services, in cooperation with the Wyoming Community College Commission, shall report to the Joint Education Interim Committee and the JAC not later than November 1, 2018 on the use, costs and proportionate funding share of the Wyoming Unified Network by community colleges.
- The Department of Corrections shall report quarterly to the JAC on the expenditure of funds re-appropriated under 2017 Wyoming Session Laws, Chapter 120, Section 2, Section 080, footnote 2 throughout the period beginning July 1, 2018 and ending June 30, 2020.
- The Department of Corrections shall report on a quarterly basis to the JAC on any transfers made within the state penitentiary facility management unit pursuant to the budget footnote.
- The District Attorney's Office in Judicial District #1 shall report to the JAC on all federally funded positions that are eliminated, pursuant to the budget footnote, through the B-11 process.
- University of Wyoming – Medical Education shall report on any 100 series transfers and expenditures pursuant to the budget footnote and Section 307 of this bill.
- The Department of Education shall provide a report to the Joint Education Interim Committee and the JAC, not later than October 1, 2018, on school-related information on the Wind River Reservation.
- The Department of Education shall report to the Joint Education Interim Committee and the JAC not later than October 1, 2018 regarding the national board certification incentive.

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- The Environmental Quality Council and the Department of Environmental Quality shall report to the Joint Minerals, Business and Economic Development Interim Committee and the JAC not later than November 1, 2018 on whether the Council could be staffed exclusively by personnel within the Department.
- The Wyoming Infrastructure Authority shall provide a report comparing the tax burden in Wyoming with the tax burden on oil and gas development in other states to the Joint Minerals, Business, and Economic Development Interim Committee and the Joint Revenue Interim Committee not later than November 1, 2018.
- Upon notification from the Governor, the State Auditor shall transfer funds to agencies for purposes of employee group health, dental and life insurance premium increases. All transfers authorized under this provision shall be approved by the Governor and reported to the JAC through the B-11 process.
- The Department of Health shall report quarterly to the JAC and the Joint Labor, Health and Social Services Interim Committee on expenditures made from reappropriations for Title 25.
- All transfers authorized under the flex authority granted to the Executive Branch in Section 305 shall be reported to the JAC through the B-11 process.
- All transfers authorized under the flex authority granted to the Judicial Branch in Section 306 shall be reported by the Supreme Court to the JAC.
- The Department of Health and the University of Wyoming-Medical Education shall report quarterly to the JAC and the Joint Labor, Health and Social Services Interim Committee regarding the Department's and the University's respective exercise of personal services transfers.
- The Department of Corrections and the Judicial Branch shall report to the JAC quarterly and in a cumulative report not later than December 1, 2018 and December 1, 2019 on all transfers by program, unit and expenditure series made by the exercise of personal services transfers.
- The Department of Health shall report quarterly to the JAC on the amount of the actual budget shortfall and an estimate of anticipated shortfalls, if any, prior to June 30, 2020.
- The State Construction Department, the University of Wyoming and the Community College Commission shall report not later than October 31, 2019 to the State Building Commission and the JAC on the expenditures and commitments made from the appropriations for major maintenance.
- The Governor shall report to the JAC, the President of the Senate and the Speaker of the House immediately upon exercise of the borrowing authority for wildland fire response.
- The director of the Department of A&I shall report to the JAC and the Governor within thirty (30) days of exercise of loan authority for cash flow for the Employees' and Officials' Group Health Insurance Plan.
- Any position exempted by the Board of Judicial Policy and Administration from salary limitations shall be reported to the JAC.
- ~~The Governor shall provide reports by February 1, 2019, July 1, 2019, January 1, 2020 and June 30, 2020 to the JAC identifying, by agency, the eliminated generally funded, full time positions and associated salary and benefits of each position. [Vetoed by Governor.]~~

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- The State Construction Department shall report at least once each year on the deployment of amounts to fund projects under Section 313. The reports, as approved by the Commission, shall be submitted by the Department to the Select Committee on School Facilities, the JAC and the Governor.
- Prior to expenditure of land acquisition appropriations, the State Construction Department shall report proposed land acquisitions to the cochairmen of the JAC and the Joint Education Interim Committee and the chairman and vice chairman of the Select Committee on School Facilities.
- ~~Transfers related to district court workload shall be reported annually by the Supreme Court to the JAC.~~ [Repealed by the enactment of 2018 Senate File 90, SEA 26.]
- The Select Committee on Family Medicine Residency Programs shall submit a report summarizing its studies and recommendations to the JAC on or before November 1, 2018.
- The Governor, in conjunction with the Wyoming Community College Commission and any community college district receiving a grant for operation of automotive technology trade school, shall report to the Joint Education Interim Committee and the JAC not later than December 1, 2018.
- Not later than October 1, 2018, the Wyoming Museum of Military Vehicles Task Force shall provide a report of its findings to the Joint Travel, Recreation, Wildlife and Cultural Resources Interim Committee and the JAC.

The Governor vetoed the following provisions:

- Governor's Office – footnote 6.
- State Engineer – footnote 1.
- Enterprise Technology Services – footnote 5.
- Section 312 – Statewide employee reduction and budget reduction.
- Portions of Section 313 – School capital construction.
- Portions of Section 316 – Federal mineral royalty diversion.
- Section 330 – Transfer of sales and use taxes collected from remote vendors.
- Portions of Section 331 – Operation of automotive technology trade school grant or loan.

Comments:

- Portions of this bill are effective immediately. Otherwise, the bill is effective July 1, 2018.
- This bill requires multiple reports as described above.
- This bill creates the Select Committee on Family Medicine Residency Programs, the Blockchain Task Force and the Wyoming Museum of Military Vehicles Task Force with legislative members appointed to each. The bill appropriates funds to the Legislative Service Office for the legislative members thereof.
- This bill requires the Legislative Service Office to delete obsolete or fully executed date references to the provision of Wyoming Statutes that are amended or created in the bill.

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