

9-27-2018

Hello Sublette County, this is Albert Sommers reporting to you from the legislative interim. First, I want to take this opportunity to express my sorrow and to give my best wishes for those folks affected by the Roosevelt Fire. Whether it is loss of homes, property, or livestock, these large fires can be devastating to individual families and communities. I would also like to thank local, state and federal firefighters for their efforts to save those things we cherish. I had the opportunity to tour the fire with Governor Mead and County Commissioners Bousman, Noble, and Burnett. The State of Wyoming has stepped up with resources, and will continue to do so.

The Joint Appropriations Committee (JAC), of which I am a member, met September 18-19 in Buffalo. The committee continued to examine revenue streams, budget and process simplification, statewide gaming issues, and performance-based compensation for our state financial investors. We also received a progress report from the Department of Corrections on mitigating construction failures at the Wyoming State Penitentiary.

The full JAC continued to work on several items on budget transparency that I have described in previous updates. The committee supported the idea of establishing an earlier deadline for the Governor to submit a budget to the Joint Appropriations Committee. The old deadline was December 1; we are examining a new deadline of the third Monday in November. An earlier submission date will allow us to complete another recommendation, which is to submit a completed budget to the public and legislators by the first day of the legislative budget session. The committee is also recommending that we hold two thirty-day sessions, instead of a 40-day General Session and a 20-day Budget Session. It has become very difficult to get the work done in a 20-day Budget Session, and in fact last session took 23 days. We are constitutionally held to a total of 60 days of sessions every two years.

We are also continuing to examine transitioning school districts and community colleges to quarterly major maintenance payments, instead of front loading the payouts. This will allow the state to borrow less money from itself. The state receives its revenue over a two-year period, but it front loads many of its payments to various entities, which forces the state to borrow money from its savings account. We are also looking to statutorily create a partial shift in revenue flows from the permanent school fund to the school capital construction account, in order to pay for K12 major maintenance. The Legislature

made this shift in a temporary fashion last session, but due to our loss of Coal Lease Bonus money, the committee is looking to make this shift permanent, as the need will not be going away.

The JAC will continue to work on a bill that would transform the Pari-mutuel Commission into a statewide gaming commission, with the responsibility to regulate gambling. The Pari-mutuel Commission oversees gambling associated with both live and historic horse racing. Historic horse racing is simply a video gambling game that is allowed in counties which vote to allow it. This form of gambling was made legal a few years ago, ostensibly to support horse racing. By doing this we have created winners and losers in those seeking to provide video gambling machines to Wyoming residents. Further, Wyoming allows non-profit charity organizations to run bingo and pull-tab games to earn revenue. Currently, the internet is full of gambling opportunities, with virtually no regulation or enforcement. The question before the state is what role should the state play in this new era of gambling? What should be legal, and what should not be legal?

The JAC will develop a bill to provide performance-based compensation for the investment teams in the State Treasurer's Office and in the Wyoming Retirement System. These two entities in 2017 had a combined \$29 BILLION of invested assets. Wyoming needs to hire quality individuals to take care of our money, and this is going to require a more competitive compensation package. The bill we are developing will base decisions on benchmarks that have been recommended by a third-party advisor to ensure impartiality.

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