

Budget bills to go before Legislature

By The Associated Press

CHEYENNE - Both houses of the Wyoming Legislature plowed through their respective general appropriations bills last week, finishing up final votes Friday afternoon after marathon sessions hashing out competing amendments.

Now in the third week of the four-week budget session, the House and Senate plan to work to reconcile differences in their budget bills. Once they reach consensus, they will send the budget bill to Gov. Dave Freudenthal.

"We'll have, I'm sure, some differences between the Senate and the House," House Speaker Roy Cohee, R-Casper, said Friday before either house finished its work.

He said that it likely will take a conference committee at least two days to blend the two bills into a mutually acceptable compromise.

"We hope to get the budget bill to the governor by Wednesday sometime," Cohee said.

Senate President John Schiffer, R-Kaycee, was more cautious on Friday about the timetable for reconciling the bills.

Schiffer said that while both the Senate and the House can work on the budget and send it to conference, it still will take several days after that to craft what he called the "budget balancers." Those are bills that transfer money among various reserve accounts to make the whole thing add up.

"We won't know what moneys to put in until we see what other spending bills are passed," Schiffer said. "So it won't go to the governor's desk right away for sure, until we know what big spending bills we've still got out there."

Predictions for essentially flat state revenues for the coming two years have left lawmakers relatively little money to spread around on their own pet projects.

After several budget sessions in which Wyoming enjoyed record surpluses from the state's energy boom, the Joint Appropriations Committee this year told legislators they had only about \$30 million for projects beyond the committee's own recommendations. The total two-year state budget is about \$7.7 billion, including federal funds.

Without much surplus money to haggle over, much of the budget discussion this session has centered on how to allocate the \$350 million the JAC has recommended the state spend to support local governments.

The House on Friday adopted a funding proposal supported by the Wyoming County Commissioners Association. It would designate \$40 million of the local government funding to reimburse counties and local governments for revenues they stand to lose from last year's permanent repeal of the sales tax on groceries.

The House approach also calls for making direct grants to counties, with 85 percent of the amount based on the each county's population and 15 percent distributed equally to each of the state's 23 counties.

The Senate, meanwhile, adopted a funding proposal on Friday that doesn't specifically designate money to cover the lost revenues from the food tax.

The Senate proposes making \$200 million available for direct block grants to local governments. It also calls for making \$42 million in direct distributions to counties and \$98 million in direct distributions to municipalities.

"Whether it's going to work will depend on how well the county commissions and municipalities get along

in the consensus block grant area," said Sen. Curt Meier, R-LaGrange, sponsor of the funding formula the Senate adopted.

Speaking before the House and Senate adopted their respective funding formulas, Cohee predicted that there would be differences in the House and Senate approaches to local government funding, but said they will get worked out.

"There will probably be some differences on local government distribution, but the money won't change," Cohee said. "I think we're looking at a total of about a \$350 million contribution into the local government financing."

In addition to figuring out how to parcel out money to local governments, the Legislature this week will also continue working on a handful of property tax relief bills.

"I think the biggest issue with the public, in trying to stay responsible and responsive to what the public is considering, is that of property tax," Cohee said. He said the House will consider them carefully.

Schiffer said he expects the Senate to know by Tuesday which of several pending House tax relief bills it will have to consider.

"There are about four of those still alive, I think," Schiffer said Friday. "They range the whole gamut. I don't know whether all four of them are coming, or part of them are coming. But we'll certainly work those bills. As soon as we can get them over here, we'll get them into committee and start holding some hearings on the tax relief bills."

A bill sponsored by Sen. Charles Scott, R-Casper, would have reduced assessment rates on industrial and residential property. It failed to get a hearing on Friday in the Senate and died. It would have cost counties an estimated \$80 million in lost revenue.

In other action, a House bill that would specify that the owner of the surface of a piece of land also owns the subsurface storage space that could be used to hold carbon gas or similar substances is scheduled for a hearing this morning in the Senate Judiciary Committee.

Establishing state law on the subsurface ownership issue is one of the main objectives of legislative leadership and Freudenthal for this session.

Overall, both Cohee and Schiffer said they see this session running smoothly and on schedule so far.

"In terms of what I've got assigned to committee, nothing too earthshaking," Schiffer said. "A whole big set of blue collar bills is what you've got, and we certainly intend to work them."

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