

Gov: Give cities, counties more

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Thursday, November 29, 2007 2:05 AM MST

CHEYENNE -- Gov. David Freudenthal's proposed state budget will make \$408 million available to cities, towns and counties in the 2009-10 biennium, but leaves it to the Legislature to decide how to dole out the money.

Freudenthal said he is not comfortable extending the dollar-distribution schemes under current law.

A widely supported distribution system "remains elusive," he said in a Wednesday news release. As a result, he chose not to recommend a formula but will work with the Legislature's Joint Appropriations Committee and others to develop a "rational" distribution system.

The absence of a distribution formula did not please Senate President John Schiffer, R-Kaycee.

"It's really too bad. Here the chief executive of the state of Wyoming cannot even come up with a formula whether it's to cities or to counties and to show some leadership doing it," Schiffer said.

The governor, he said, has done the easy part, but the Legislature is left with the tough work.

"It's a shame he couldn't provide that kind of leadership," Schiffer said in a telephone interview Wednesday afternoon. "I just think it's deplorable. He had a whole year to work on the budget. He knew it was a big-ticket item and knew it was important to our communities, and why he couldn't do that I don't know."

Schiffer is co-chairman, along with House Speaker Roy Cohee, R-Casper, of the Select Committee on Local Government Finance, which currently is working with cities and counties to figure out the basic cost of government..

At the outset of the study, the committee members said it would have no recommendation of a new equitable distribution system before the 2009 legislative session, Schiffer pointed out.

Cohee was not critical of the lack of a distribution scheme. He said the Legislature over the past five or six years has had a variety of distribution formulas for local government. The ad hoc approach has been in effect since the Legislature restricted the automatic flow of mineral revenue earmarked for local governments.

"Ultimately we painted ourselves into a position where the Legislature has to determine when there is wealth, how it is to be distributed," Cohee said. "So we have to go through this annual conversation."

During the past few sessions, the formulas have come from individual legislators during last-minute budget amendments.

Unhappiness with this system, Cohee said, is what prompted establishment of the Select Committee on Local Government Finance.

Freudenthal's recommendations add \$300 million for local governments to the \$108 million already in the standard budget or the 2009-10 biennium. He suggests a significant portion of the funding be tied to housing infrastructure projects.

Of the additional \$300 million, Freudenthal recommends using \$40 million to replace revenues to local governments lost by the elimination of the sales tax on groceries.

The Wyoming Association of County Commissioner had requested \$150 million in state dollars for the coming biennium.

The Wyoming Association of Municipalities' controversial original proposal would have cost \$372 million. The plan came under fire because the formula did not give special consideration to "hardship" and "impact" municipalities.

Mark Harris, WAM's legislative director, said Wednesday he was not prepared to comment on the governor's recommendation.

The governor will release his full budget for 2009-10 Friday morning.

The \$408.5 million local government total does not include Freudenthal's recommendations of \$79.3 million for the Business Ready Communities program, and \$15 million for the community facilities program, both administered through the Wyoming Business Council.

Local governments are also forecast to receive \$430.8 million as their share of the state sales and use taxes, which are not included as a part of the governor's budget, the governor's release said.

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