



March 21, 2024

The Honorable Chuck Gray, Secretary of State
Secretary of State's Office
Herschler Building East, 122 W. 25th Street, Suites 100
Cheyenne, Wyoming 82002

Re: Line-Item Veto of HB0004/House Enrolled Act No. 52 Property tax refund program.

Dear Secretary Gray,

In my 2024 State of the State address, I emphasized the importance of ensuring that our tax policies are fair and equitable and expressed my support of continued, but measured, efforts to provide tax relief to those who most need it. House Enrolled Act No. 52 expands on the previous good work of the Legislature to achieve that worthy policy goal, and will qualify thousands of additional Wyoming homeowners for the property tax refund program, bringing expanded and needed relief. However, considering the legislature's other work this session and the interplay between all the bills, I believe that this bill extends just a bit too far.

The bill that came to my desk starts to move beyond the goal of targeted tax relief perhaps in a sign of election year exuberance. It would have extended tax refunds to those earning up to 165 percent of county median income. This would have made Wyoming residents with incomes approaching \$100,000 per year eligible for a tax refund. In the county with the lowest median income, that would be about \$90,000 per year. In the county with the highest median income, that would be in excess of \$200,000 per year. I believe that exceeds the original intent of the program, which was to provide a hand up, not a handout. Therefore, I have line-item vetoed what would have been W.S. 39-13-109(c)(v)(C)(III), the highest income category from the bill, and a conforming line-item veto of a portion of the bill's changes to W.S. 39-13-109(c)(vi)(E) as indicated in the original House Enrolled Act No. 52 that I am delivering along with this letter.

Importantly, I also must note that without these line-item vetoes, the \$20,000,000 that I requested in my biennial budget for the property tax refund program, and to which the Legislature agreed, would be insufficient to cover the program's biennial obligation without an additional appropriation of at least \$3,000,000. The additional necessary funding was not appropriated in the bill and would essentially be an illusory promise or require a supplemental request –

something this administration seeks to avoid. By the second year of the program, funding would run out for those who need it most. As noted above, there are four other property tax relief bills on my desk that, if signed, would augment tax relief for Wyoming homeowners. I will carefully consider each while taking special care to balance the desire to see meaningful homeowner property tax relief with the fiscal stability of our state and local governments, as well as the expectations citizens have to continue receiving the services provided by state and local entities. This last should be an ongoing conversation.

After I have taken action on all five property tax relief bills to reach my desk, I am committed to working with the legislature to redress any areas where collectively we may have missed the mark, understanding none of us appreciates paying taxes.

With this letter I convey to you this signed bill with my line item vetoes.

Sincerely,



Mark Gordon
Governor

MG:dp:kh

cc: The Honorable Albert Sommers, Speaker of the House w/copy of line-item pages HEA 52
The Honorable Ogden Driskill, President of the Senate w/copy of line-item pages HEA 52
Chief Clerk, Wyoming Senate w/copy of line-item pages HEA 52
Chief Clerk, Wyoming House of Representatives w/copy of line-item pages HEA 52

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percent (100%) of the maximum refund calculated under this paragraph;

(II) If the gross income is one hundred forty-five percent (145%) or less of the applicable median income, the refund shall be sixty-five percent (65%) of the maximum refund calculated under this paragraph. *MS*

~~(III) If the gross income is one hundred sixty-five percent (165%) or less of the applicable median income, the refund shall be twenty-five percent (25%) of the maximum refund calculated under this paragraph.~~ *MS*

(G) The department of audit, upon the request of a county treasurer or the department of revenue, may conduct a review of the distributed property tax refund under this program for compliance with the requirements of this paragraph.

(vi) Each county shall have the option to implement a county-optional property tax refund program that is in addition to the program established under paragraph (v) of this subsection, subject to the adoption of rules as required by subparagraph (H) of this paragraph. The following shall apply to a county-optional property tax refund program implemented under this paragraph:

(A) On or before the ~~first~~second Monday in ~~September~~October, an applicant may apply to the county treasurer for a property tax refund from property taxes paid on or before the first Monday in June for the preceding calendar year upon the applicant's principal residence including the land upon which the residence is located. An applicant shall have been a resident of this

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(75%) of the applicant's prior year's property tax. In no instance shall the maximum amount of the refund exceed one-half (1/2) of the median residential property tax liability for the applicant's county as determined annually by the department of revenue. The maximum refund shall be adjusted using the highest applicable percentage, based on the person's gross income as determined in subparagraph (C) of this paragraph, using the percentages specified in subdivisions (v)(C)(I) through (II~~I~~) of this subsection. The total amount of the refunds under this paragraph and paragraph (v) of this section shall not exceed one hundred percent (100%) of the applicant's prior year's property tax. The county shall issue all refunds due under this paragraph on or before December 30 of the year in which application is made for the refund;

Section 2.

(a) There is appropriated ten thousand dollars (\$10,000.00) from the general fund to the department of revenue for the period beginning with the effective date of this act and ending June 30, 2026 to be expended only for purposes of programming costs to administer the property tax refund program under W.S. 39-13-109. This appropriation shall not be transferred or expended for any other purpose and any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2026.

(b) There is appropriated sixty thousand dollars (\$60,000.00) from the general fund to the department of revenue for the period beginning with the effective date of this act and ending June 30, 2026 to be expended only for purposes of personnel costs to administer the property tax refund program under W.S. 39-13-109. This appropriation