

FISCAL NOTE

This bill contains an appropriation of \$45,000 from the GENERAL FUND to the Legislative Service Office. This appropriation is effective immediately.

This bill contains an appropriation of \$20,000 from the GENERAL FUND to the Governor's Office. This appropriation is effective immediately.

DETAIL OF APPROPRIATION

Agency #: 201 Agency Name: Legislative Service Office
 Unit: 0101 Administration

EXPENDITURE BY SERIES AND YEAR	FY 2025	FY 2026	FY 2027
0100 Personnel/Benefit Costs	\$5,200	\$10,300	\$0
0200 Supportive Services Costs	\$9,100	\$18,200	\$0
 Total Expenditure Per Year:	 \$14,300	 \$28,500	 \$0
 Grand Total Expenditure:	 \$42,800		
Total Appropriated to Agency:	\$45,000		
Total Appropriated by Fund:			
GENERAL FUND	\$45,000		

Description of appropriation:

This appropriation would be expended for the payment of salary, per diem and mileage for the eight legislators appointed to the task force. The above estimate assumes meeting days in FY 2025 and FY 2026.

DETAIL OF APPROPRIATION

Agency #: 001 Agency Name: Governor's Office
 Unit: 0125 Governor's Office Task Forces

EXPENDITURE BY SERIES AND YEAR	FY 2025	FY 2026	FY 2027
0100 Personnel/Benefit Costs	\$600	\$900	\$0
0200 Supportive Services Costs	\$7,400	\$11,100	\$0
 Total Expenditure Per Year:	 \$8,000	 \$12,000	 \$0
 Grand Total Expenditure:	 \$20,000		
Total Appropriated to Agency:	\$20,000		
Total Appropriated by Fund:			
GENERAL FUND	\$20,000		

Description of appropriation:

The appropriation would be expended for the payment of salary, per diem and mileage for two nonlegislative members of the task force. The above estimate assumes meeting days in FY 2025 and FY 2026.

	FY 2026	FY 2027	FY 2028
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue (decrease)			
SCHOOL FOUNDATION FUND	(\$1,900,000)	(\$1,900,000)	(\$0)
AD VALOREM TAX (local taxing entities)	(\$1,100,000)	(\$1,100,000)	(\$0)

Source of revenue (decrease):

This bill creates a property tax exemption for lands owned by the state of Wyoming regardless of the use of the lands. This exemption shall apply to the tax year beginning January 1, 2025 and is repealed January 1, 2027. The estimated decreases in property tax revenues to the School Foundation Program (SFP) and to other local taxing entities are provided in the above table.

The SFP will experience a revenue decrease from the 43 mills supporting K-12 public education, which include the statewide 12 mill levy, the school district 25 mill levy, and the countywide 6 mill levy. For purposes of this analysis, the decrease in property tax revenues to the SFP is shown as an absolute revenue decrease in lieu of estimating the school district recapture revenue decrease and school district entitlement expenditure increase separately.

Source of expenditure (decrease):

This bill will also result in a corresponding expenditure decrease in FY 2026 and FY 2027 from the SFP and other state funds. The Governor's supplemental budget recommendation includes a \$3.0 million appropriation in the Office of State Lands and Investments (OSLI) budget to pay property taxes on lands owned by the state.

Assumptions:

The above estimate was provided by the Department of Revenue (DOR) based on data from OS LI, the Natural Resources Conservation Service (NRCS) and DOR's annual agricultural land valuation study. The estimates are based on the highest value for each land resource area and soil class of range land found in the DOR study.

Based on the information above, this bill would decrease total property taxes by approximately \$3.0 million in tax years 2025 and 2026 (FY 2026 and 2027). Of the estimated total impact, the decreased revenue from the 43 mills supporting the SFP is approximately \$1.9 million in tax years 2025 and 2026 (FY 2026 and FY27). The DOR indicates that the lands owned by the state of Wyoming exempt under this bill were probably not on the property tax rolls in prior years.

The OS LI states there has not been an assessment done by county assessors to estimate the tax burden on lands owned by the state. There also has not been guidance given by the Board of Land Commissioners on how any tax burden could be passed through to the lessees of state lands, or an inventory of existing leases that already carry such a pass-through provision.

Prepared by: Dean Temte, LSO Phone: 777-7881
 (Information provided by Rory L. Horsley, Governor's Office, 777-5010;
 Kenneth Guille, Department of Revenue, 777-5235;
 Jason Crowder, Office of State Lands and Investments, 777-3428)