

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

COVID-19 tourism sector relief programs.

Sponsored by: Joint Travel, Recreation, Wildlife & Cultural
Resources Interim Committee

A BILL

for

1 AN ACT relating to the emergency expenses of government
2 related to business relief; providing legislative findings;
3 authorizing emergency governmental programs related to
4 economic development and business and organization relief
5 as specified; providing appropriations; providing a sunset
6 date for created emergency programs; providing rulemaking
7 authority; authorizing transfers of appropriations as
8 specified; and providing for an effective date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

12 **Section 1.**

1 (a) The legislature finds that:

2

3 (i) In December 2019, a novel coronavirus known
4 as severe acute respiratory syndrome coronavirus 2 (SARS-
5 CoV-2) was first detected in China, leading to outbreaks of
6 novel coronavirus disease (COVID-19) that have now spread
7 globally;

8

9 (ii) On March 13, 2020, the president of the
10 United States and the governor of Wyoming declared
11 emergencies in anticipation of the spread of COVID-19 and
12 following nationwide cancellations, suspensions and growing
13 cases of COVID-19;

14

15 (iii) The governor, the state health officer,
16 local health officers, local officials and tribal leaders
17 responded with swift measures to contain the spread of
18 COVID-19, minimize the public's exposure to COVID-19 and
19 protect the health, safety and well-being of Wyoming
20 residents;

21

22 (iv) Among other actions, the governor and the
23 state health officer enacted statewide orders that limited

1 gatherings to ten (10) people or less and that required
2 many Wyoming businesses and organizations to close, cancel
3 events or to severely curtail their operations in order to
4 protect the health and safety of all Wyoming residents;

5

6 (v) The Wyoming businesses and organizations,
7 particularly in the tourism sector of the state's economy,
8 that have been affected by the public health crisis and
9 required closures help provide critical support to many
10 charitable endeavors that assist Wyoming residents and
11 industries;

12

13 (vi) The public health crisis and the required
14 cancellations and other disruptions have caused Wyoming
15 businesses and organizations in the tourism sector of the
16 state's economy to experience an unprecedented and
17 unforeseen loss of revenue and income. Accordingly, it is
18 unclear whether those businesses and organizations will be
19 able to adequately recover and continue contributing to
20 Wyoming's economy;

21

22 (vii) While it is not currently possible to
23 fully assess the scope, duration and severity of the impact

1 of the public health crisis to Wyoming businesses and
2 organizations as a whole, the recovery efforts will require
3 a dedicated response by Wyoming's state government, tribal
4 governments and local governments of Wyoming's counties,
5 cities, towns and political subdivisions;

6

7 (viii) The federal Coronavirus Aid, Relief, and
8 Economic Security (CARES) Act, P.L. No. 116-136, has
9 provided the state government of Wyoming with relief funds
10 of one billion two hundred fifty million dollars
11 (\$1,250,000,000.00) to cover costs that are necessary
12 expenditures incurred due to the public health crisis with
13 respect to COVID-19. Further federal stimulus aid may be
14 forthcoming to the states from the federal government to
15 address this crisis;

16

17 (ix) Due to the extraordinary circumstances of
18 the COVID-19 public health crisis and resulting economic
19 devastation, joint action of the legislature and executive
20 branches in determining how the CARES Act relief funds are
21 expended will result in the greatest benefit to the state;

22

1 public health emergency with respect to the Coronavirus
2 Disease 2019 (COVID-19); (2) Were not accounted for in the
3 budget most recently approved as of March 27, 2020 (the
4 date of enactment of the CARES Act) for the State or
5 government; and (3) Were incurred during the period that
6 begins on March 1, 2020, and ends on December 30, 2020.

7
8 The requirement that expenditures be incurred "due to" the
9 public health emergency means that expenditures must be
10 used for actions taken to respond to the public health
11 emergency. Expenditures incurred to respond to second-order
12 effects, such as by providing grants to small businesses to
13 reimburse the costs of business interruption caused by
14 required closures are permissible. The Committee should
15 closely consider whether the assistance provided through
16 this bill qualifies as a permissible second-order effect.

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19

20 Section 2.

21
22 (a) As used in this section:

23
24 (i) "Council" means the Wyoming business
25 council;

26
27 (ii) "Eligible event" means an event that:

28
29 (A) Occurs annually and had an aggregate
30 attendance in 2019 of not less than two-hundred fifty (250)
31 persons;

1 (B) Has a proven economic impact on the
2 community or region in which the event takes place as
3 defined by rule of the council;

4

5 (C) Applies a portion of the revenue
6 generated by the event to a charitable program or for a
7 charitable purpose. The council shall define by rule what
8 qualifies as a charitable program and purpose, and shall
9 specify the portions of revenue dedicated;

10

11 (D) Has been conducted annually in the
12 state for not less than five (5) years prior to the date of
13 enactment of any order issued by the state or any local
14 government of Wyoming that required the cancellation of the
15 event in response to the COVID-19 pandemic; and

16

17 (E) Is operated by a business or
18 organization that is headquartered in Wyoming or has its
19 principal operations located in Wyoming.

20

21 (iii) "Required cancellation" means the
22 cancellation of an eligible event that was ordered or
23 necessitated by the state or any local government of

1 Wyoming through an order issued or in effect on or after
2 March 15, 2020 in response to the COVID-19 pandemic.

3

4 (b) The Wyoming cancelled events stipend program is
5 hereby created. The Wyoming business council shall
6 establish and administer this temporary program to
7 reimburse businesses and organizations that operate
8 eligible events for the costs of required cancellations.
9 Stipends awarded under this section shall:

10

11 (i) Not be awarded until an eligible event's
12 business or organization submits, and the council approves,
13 an application. The application shall be developed by the
14 council and shall require each applicant to certify that
15 the business or organization operates an eligible event as
16 defined by this section and that knowingly making a false
17 statement to the council on the application is prohibited
18 and may result in the applicant being required to repay all
19 funds awarded under this section;

20

21 (ii) Be conditioned upon the applicant
22 certifying to the council that the business or organization

1 that operates the eligible event has incurred actual losses
2 as a result of the required cancellation of the event;

3

4 (iii) Be commensurate with the size of the
5 cancelled event and the actual incurred loss, including the
6 financial resources expended for required event staffing
7 and for securing event services, exhibits and
8 entertainment. The council shall through rule establish a
9 stipend award formula consistent with the requirements of
10 this paragraph and may include additional factors as
11 necessary. In no event shall a stipend issued under this
12 section exceed one hundred fifty thousand dollars
13 (\$150,000.00);

14

15 (iv) Be made only with funds provided to the
16 state government of Wyoming under the Coronavirus Aid,
17 Relief, and Economic Security (CARES) Act, P.L. No. 116-
18 136. No other funds of any kind or from any other source
19 shall be expended on the payment of stipends awarded under
20 this section.

21

22 (c) In awarding stipends under this section, the
23 council shall give preference to those businesses and

1 organization that operate eligible events that, as of the
2 date of submitting an application for a stipend under
3 subsection (b) of this section, have not received any
4 funding from the paycheck protection program established by
5 the federal CARES Act, 2020 Wyoming Special Session Laws,
6 Chapter 3 or under section 3 of this act.

7

8 (d) The council shall promulgate any rules necessary
9 to administer the program authorized by this section.

10

11 (e) No expenditure of funds shall be made under this
12 section except in accordance with state and federal laws,
13 regulations and orders.

14

15 (f) The attorney general shall review in writing the
16 legality of the program and any rules established for the
17 program authorized by this section.

18

19 (g) The council may conduct and contract for random
20 audits of businesses and organization that operate eligible
21 events and receive stipends under this section to ensure
22 awarded funds are expended in compliance with state and
23 federal law.

1

2 (h) There is reappropriated to the Wyoming business
3 council fifty million dollars (\$50,000,000.00) from any
4 funds appropriated in 2020 Wyoming Special Session Laws,
5 Chapter 1, Section 2(b) and as authorized and made
6 available for expenditure in Section 2(c)(ii). If a COVID-
7 19 relief account or other similarly named account is
8 created for the deposit of COVID-19 related emergency
9 response funds, this appropriation shall be made from that
10 account. This appropriation shall be used only for the
11 establishment and operation of the program authorized by
12 this section. Except as provided in section 4 of this act,
13 this appropriation shall not be transferred or expended for
14 any other purpose. Any unobligated, unexpended funds
15 remaining from this appropriation on December 30, 2020
16 shall revert as provided by law.

17

18 *****

19

STAFF COMMENT

20

21 The Committee may wish to consider from which of the three
22 (3) CARES Act fund tranches, created by 2020 Wyoming
23 Special Session Laws, Chapter 1, the funds for the program
24 created under this section should be reappropriated.
25 Section (2)(c)(ii) makes an additional four hundred million
26 dollars (\$400,000,000.00) available to the Governor's
27 Office on July 15, 2020, while section (2)(c)(iii) releases

1 any remaining CARES Act funds to the Governor's Office on
2 September 15, 2020.

3

4 *****

5

6 (j) The program created by this section shall
7 terminate on December 30, 2020.

8

9 **Section 3.**

10

11 (a) As used in this section:

12

13 (i) "Council" means the Wyoming business
14 council;

15

16 (ii) "Eligible business" means a business that:

17

18 (A) Was established on or before the date
19 of enactment of any order issued by the state or any local
20 government of Wyoming that required closures of businesses
21 in response to the COVID-19 pandemic;

22

23 (B) Is independently owned and operated;

24

1 (C) Is headquartered in Wyoming or has its
2 principal operations located in Wyoming; and

3

4 (D) Has as its primary economic purpose to
5 provide entertainment and services to individuals engaging
6 in the tourism and visitor economy. The businesses that
7 qualify under this subparagraph include but are not limited
8 to:

9

10 (I) Hotels and motels;

11

12 (II) Bed and breakfasts;

13

14 (III) Dude ranches;

15

16 (IV) Other hospitality businesses.

17

18 (iii) "Required closure" means the closure of a
19 business that was ordered by the state or any local
20 government of Wyoming in an order issued or in effect on or
21 after March 15, 2020 in response to the COVID-19 pandemic.

22 "Required closure" shall also include the interruption of a
23 business's normal business as a result of any closures or

1 state or local public health orders associated with the
2 COVID-19 pandemic.

3

4 (b) The Wyoming tourism sector relief program is
5 hereby created. The Wyoming business council shall
6 establish and administer this temporary program to
7 reimburse eligible businesses for the costs of business
8 interruptions caused by required closures. Stipends awarded
9 under this section shall:

10

11 (i) Not be awarded until an eligible business
12 submits, and the council approves, an application. The
13 application shall be developed by the council and shall
14 require each applicant to certify that the business is an
15 eligible business as defined by this section and that
16 knowingly making a false statement to the council on the
17 application is prohibited and may result in the applicant
18 being required to repay all funds awarded under this
19 section;

20

21 (ii) Be conditioned upon the applicant
22 certifying to the council that the eligible business has
23 incurred actual losses as a result of business

1 interruptions due to a required closure. Under this
2 paragraph eligible businesses shall be required to submit
3 not less than five (5) years of financial information
4 including information regarding expenditures, net profits
5 and any other information as required by the council. An
6 eligible business may submit less than five (5) years of
7 financial information for good cause as determined by the
8 council;

9

10 (iii) Be commensurate with the size of the
11 eligible business and the actual incurred loss. Under this
12 paragraph, the council shall consider the average revenues
13 generated by the business in comparison to the losses
14 incurred by the business as a result of a required closure,
15 the impact the business has on the community within which
16 it operates and the number of individuals the business
17 employs. The council shall through rule establish a
18 stipends award formula consistent with the requirements of
19 this paragraph and may include additional factors as
20 necessary. In no event shall a stipend issued under this
21 section exceed XXXXXX dollars (\$XXXXXX.00);

22

23

1 *****

2 STAFF COMMENT

3

4 LSO was not given direction on whether the stipend awards
5 available under this section should have a monetary cap,
6 and if so, that monetary figures. The above language is
7 include for the Committee's consideration and debate.

8

9 *****

10

11 (iv) Be made only with funds provided to the
12 state government of Wyoming under the Coronavirus Aid,
13 Relief, and Economic Security (CARES) Act, P.L. No. 116-
14 136. No other funds of any kind or from any other source
15 shall be expended on the payment of stipends awarded under
16 this section.

17

18 (c) In awarding stipends under this section, the
19 council shall give preference to those eligible businesses
20 that, as of the date of submitting an application for a
21 stipend under subsection (b) of this section, have not
22 received any funding from the paycheck protection program
23 established by the federal CARES Act, 2020 Wyoming Special
24 Session Laws, Chapter 3 or under section 2 of this act.

25

26 (d) The council shall promulgate rules necessary to
27 administer the program authorized by this section.

1

2 (e) No expenditure of funds shall be made under this
3 section except in accordance with state and federal laws,
4 regulations and orders.

5

6 (f) The attorney general shall review in writing the
7 legality of the program and any rules established for the
8 program authorized by this section.

9

10 (g) The council may conduct and contract for random
11 audits of eligible businesses receiving stipends under this
12 section to ensure awarded funds are expended in compliance
13 with state and federal law.

14

15 (h) There is reappropriated to the Wyoming business
16 council **XXXXXXXXXXXXXXXXX** dollars (**\$XXXXXXXXXXXX.00**) from any
17 funds appropriated 2020 Wyoming Special Session Laws,
18 Chapter 1, Section 2(b) and as authorized and made
19 available for expenditure in Section **2(c)(ii)**. If a COVID-
20 19 relief account or other similarly named account is
21 created for the deposit of COVID-19 related emergency
22 response funds, this appropriation shall be made from that
23 account. This appropriation shall be used only for the

1 establishment and operation of the program authorized by
 2 this section. Except as provided in section 4 of this act,
 3 this appropriation shall not be transferred or expended for
 4 any other purpose. Any unobligated, unexpended funds
 5 remaining from this appropriation on December 30, 2020
 6 shall revert as provided by law.

7

8 *****
 9 STAFF COMMENT

10
 11 LSO left amount of CARES Act funds reappropriated for the
 12 purposes of this program intentionally blank in order for
 13 he Committee to consider and debate this issue.

14
 15 *****
 16

17 *****
 18 STAFF COMMENT

19
 20 As stated in regard to section 2 of this bill draft, the
 21 Committee may wish to consider from which of the three (3)
 22 CARES Act fund tranches, created by 2020 Wyoming Special
 23 Session Laws, Chapter 1, the funds for the program created
 24 under this section should be reappropriated. Section
 25 (2)(c)(ii) makes an additional four hundred million dollars
 26 (\$400,000,000.00) available to the Governor's Office on
 27 July 15, 2020, while section (2)(c)(iii) releases any
 28 remaining CARES Act funds to the Governor's Office on
 29 September 15, 2020.

30
 31 *****
 32

33 (j) The program created by this section shall
 34 terminate on December 30, 2020.

1

2 **Section 4.** On or before November 1, 2020, the Wyoming
3 business council shall estimate the total amount of funds
4 expended, obligated and necessary for the stipend programs
5 authorized by this act. Any funds reappropriated under this
6 act in excess of the total amount estimated by the council
7 are hereby reappropriated to the office of the governor
8 after November 1, 2020 for the purposes specified in 2020
9 Wyoming Special Session Laws, Chapter 1. Any unexpended,
10 unobligated funds remaining from this reappropriation on
11 December 30, 2020 shall revert as provided by law.

12

13 **Section 5.** This act is effective immediately upon
14 completion of all acts necessary for a bill to become law
15 as provided by Article 4, Section 8 of the Wyoming
16 Constitution.

17

18

(END)