

SUMMARY of PROCEEDINGS



JOINT REVENUE COMMITTEE

COMMITTEE MEETING INFORMATION

June 26-27, 2023 | 8:30 AM
Sheridan College, Thorne-Rider Campus Center, Room 008
1 Whitney Way
Sheridan, Wyoming

COMMITTEE MEMBERS PRESENT

Senator Bo Biteman, Co-Chairman
Representative Steve Harshman, Co-Chairman
Senator Tim French
Senator Bob Ide
Senator Troy McKeown
Senator Stephan Pappas
Representative John Bear
Representative Andrew Byron
Representative Tony Locke
Representative David Northrup
Representative Ember Oakley
Representative Liz Storer
Representative Tomi Strock
Representative Dan Zwonitzer

LEGISLATIVE SERVICE OFFICE STAFF

Katie Adams, Staff Attorney
Josh Anderson, Senior Staff Attorney
Taylor DuPont, Associate Fiscal Analyst
Clarissa Nord, Legislative Editor
Dean Temte, Senior Fiscal Analyst

OTHERS PRESENT AT MEETING

Please refer to [Appendix 1-02](#) to review the Committee Sign-in Sheet
for a list of other individuals who attended the meeting.

The Committee Meeting Summary of Proceedings (meeting minutes) is prepared by the Legislative Service Office (LSO) and is the official record of the proceedings of a legislative committee meeting. This document does not represent a transcript of the meeting; it is a digest of the meeting and provides a record of official actions taken by the Committee. All meeting materials and handouts provided to the Committee by the Legislative Service Office, public officials, lobbyists, and the public are on file at the Legislative Service Office and are part of the official record of the meeting. An index of these materials is provided at the end of this document and these materials are on file at the Legislative Service Office. For more information or to review meeting materials, please contact the Legislative Service Office at (307) 777-7881 or by e-mail at lso@wyoleg.gov. The Summary of Proceedings for each legislative committee meeting can be found on the Wyoming Legislature's website at www.wyoleg.gov.

EXECUTIVE SUMMARY

The Committee met for two days in Sheridan to begin its interim work. The Committee received information regarding property taxes including a general overview of Wyoming's property tax system. The Committee considered information from the Department of Revenue (DOR) pertaining to Wyoming sales and use tax and reviewed sales tax imposition and exemption statutes. The Committee also discussed the potential implementation of a gross receipts tax on the production of electricity. The Committee received information from the DOR and State Board of Equalization regarding any potential statutory changes that would assist each agency in their administration of the Wyoming tax code. The Committee further received an overview from the Office of State Lands and Investments relating to previous efforts to maximize revenue from state trust lands. The Committee created several working groups to address property tax relief, tax administration issues, and state lands.

CALL TO ORDER (MONDAY, JUNE 26, 2023)

Chairman Harshman called the meeting to order at 8:31 AM. The following sections summarize the Committee proceedings by topic. Please refer to [Appendix 1-01](#) to review the Committee Meeting Agenda.

The meeting can be viewed on YouTube – Joint Revenue Meeting, June 26, 2023, ([AM](#)), ([PM](#)); and June 27, 2023 ([AM](#)), ([PM](#)).

Adoption of Interim Committee Rules

Chairman Harshman moved that the Committee adopt the standard interim committee rules. The motion passed by voice vote.

TAX ISSUES AND WYOMING COUNTIES

Jerimiah Rieman, Executive Director, Wyoming County Commissioners Association, presented information regarding county property taxes and sales and use taxes, [Appendix 2-01](#).

Public Comment

No public comment was provided on this topic.

PROPERTY TAX ISSUES

Brenda Henson, Director, Department of Revenue (DOR), provided an overview of DOR's structure and divisions. Director Henson briefly summarized Wyoming's property tax system and noted the differences between property types and how those distinctions may affect taxpayers.

Ken Guille, Property Tax Division Administrator, DOR, reviewed a presentation regarding the fundamental principles of Wyoming's property tax structure, [Appendix 3-02](#). Mr. Guille presented a general overview of Wyoming's property tax history and noted the constitutional and statutory provisions that govern property taxes. Mr. Guille reviewed Wyoming's property tax rates for the various property types compared to other states and referred to the DOR's Chapter 9 Rules for property tax valuation methodology and assessment, [Appendix 3-03](#), mill levy information, [Appendix 3-04](#), and the State Board of Equalization's Chapter 5 Rules, [Appendix 3-05](#).

Mr. Guille demonstrated the Computer Assisted Mass Appraisal System (CAMA) and described how Assessors use CAMA to value real and personal property. Mr. Guille provided an overview of the current forms of property tax relief that are available as well as inactive property tax relief programs. Mr. Guille further reviewed the Constitutional Amendment the Legislature enacted, 2023 Senate Joint Resolution 3.

Public Comment

Representative Ken Pendergraft, House District 29, discussed property tax increases throughout the State and whether citizens are receiving commensurate services.

Representative Bill Allemand, House District 58, commented on a petition signed by 1,825 Natrona County residents who are in favor of implementing an acquisition valuation for property taxes, [Appendix 3-07](#).

Glen Schultz, Wapiti, Wyoming, provided information regarding educational spending in Wyoming, [Appendix 3-06](#).

Dixie Huxtable, Converse County Assessor, Wyoming County Assessors Association, reviewed the approaches county assessors utilize to assess different property types.

Dave Divis, Sweetwater County Assessor, Wyoming County Assessors Association, testified that county assessors aim to be fair and equitable.

Paul Fall, Sheridan County Assessor, provided information regarding Sheridan County's property taxes.

Pat Meyer, Park County Assessor, reviewed other states' budget-based systems and states that have implemented property tax limits.

Rozmaring Czaban, Casper, Wyoming, commented on the acquisition value petition she organized in 2022, [Appendix 3-07](#).

Cindy Barlow, Johnson County, Wyoming, provided additional information about the 1988 constitutional amendment and Wyoming's current property taxation system.

Neil Ingram, Sheridan, Wyoming, Maggie Wisniewski, Sheridan, Wyoming, Rob Stuessy, Sheridan, Wyoming, Gary Carlson, Private Citizen, Shelia Leach, Park County, Wyoming, Karen Jones, Park County, Wyoming, Chad Sailor, Sheridan County, Wyoming, Jan Loftus, Buffalo, Wyoming, Rick Vine, Sheridan, Wyoming, and Greg Loftus, Johnson County, commented and spoke in favor of property tax reform.

Property Tax Matrix

Josh Anderson, Senior Staff Attorney, Legislative Service Office (LSO), presented a memorandum containing a matrix of options for property tax relief, [Appendix 3-01](#). Mr. Anderson summarized the potential legal challenges that may arise if the Legislature adopted each option. Dean Temte, Senior Fiscal Analyst, LSO, provided the estimated fiscal impact of each property tax relief option.

Committee Action

The Committee will form a working group to discuss property tax issues.

MEETING RECESS

The Committee recessed at 5:39 PM.

CALL TO ORDER (TUESDAY, JUNE 27, 2023)

Chairman Biteman called the meeting to order at 8:32 AM.

ELECTRICAL GENERATION TAX ISSUES AND PREVIOUS EFFORTS

Mr. Anderson and Mr. Temte provided an overview of a memorandum on electricity taxes that are imposed in Wyoming and recent efforts to revise those taxes, [Appendix 8-01](#). In addition, Mr. Temte provided a memorandum summarizing other states' taxes on electricity production, [Appendix 8-02](#).

Electric Power Cooperatives 101

Shawn Taylor, Executive Director, Wyoming Rural Electric Association, provided information about electric power cooperatives, reviewed the various principles governing each cooperative, and presented a map of the service areas for each cooperative, [Appendix 8-04](#).

Brian Mills, Powder River Energy, provided information about the cooperative's investment decisions for infrastructure including capacity and transmission costs.

Rocky Mountain Power Overview

Rick Kaysen, PacifiCorp, Rocky Mountain Power, reviewed a presentation regarding Rocky Mountain Power's operations, [Appendix 8-03](#). Mr. Kaysen highlighted Rocky Mountain Power's service areas and the company's investments in a variety of energy resources.

Public Comment

David Bush, State Government Affairs Manager, Black Hills Energy, reviewed the company's operations, infrastructure, and projects.

Senator Cale Case, Senate District 25, presented what it would look like to impose a gross receipts tax on power generation in Wyoming, [Appendix 8-05](#).

Representative Pendergraft commented on fair taxation principles.

Chris Brown, Powering Up Wyoming, discussed the organization's focus on a diverse energy portfolio.

Ryan Fitzpatrick, NextEra Energy Resources, mentioned the company's investments in renewable energy resources in Wyoming.

Travis McNiven, Basin Electric, testified about the potential impact of a gross receipts tax on the electric power cooperative model.

Abby Briggerman, Holland & Hart LLP, Wyoming Industrial Energy Consumers, commented on electricity rates for industrial consumers.

Bruce Asay, Montana-Dakota Utilities Company, noted the company is not in favor of a gross receipts tax on electricity production.

Patrick Sweeney, Former Representative, Casper, Wyoming, expressed support for carbon capture technology.

SALES TAX ISSUES

Director Henson introduced sales and use tax for the Committee's consideration and mentioned the primary purpose of implementing sales tax in Wyoming was to provide relief from property tax. Director Henson testified the Department oversees the collection of sales and use tax through the Excise Division and collaborates with retailers to administer sales tax.

Bret Fanning, Excise Division Administrator, DOR, reviewed a presentation regarding Wyoming sales and use tax, [Appendix 5-01](#). Mr. Fanning noted the current sales tax rates and summarized Wyoming's sales tax imposition and exemption statutes.

Public Comment

No public comment was provided on this topic.

TAX ADMINISTRATION ISSUES

Mr. Fanning highlighted several areas in Wyoming's excise tax statutes where clarification may be beneficial, [Appendix 11-01](#).

E. Jayne Mockler, Board Member, State Board of Equalization (SBOE), summarized a report the SBOE provided to the Committee, [Appendix 11-01](#), and reviewed the 2023 Wyoming assessed and market values, [Appendix 11-03](#), [Appendix 11-04](#). Member Mockler recommended the Legislature amend statute for the property tax appeals process and reconsider 2023 Senate File 39 – Board of equalization-questions before the board.

Committee Action

The Committee will form a working group to address the tax administration issues the DOR identified.

Public Comment

No public comment was provided on this topic.

STATE LANDS - SUGGESTED REFORMS AND PREVIOUS EFFORTS

Jason Crowder, Deputy Director, Wyoming Office of State Lands and Investments (OSLI), summarized the Committee's previous efforts to address the maximization of revenue from state trust lands. Deputy Crowder also reviewed OSLI's recent work in studying commercial development opportunities in Teton County. Deputy Crowder testified the Legislature may want to provide additional guidance to OSLI on whether the agency should prioritize commercial development for certain state lands parcels.

Public Comment

Bruce Burns, Former Senator and Representative, Sheridan, Wyoming, provided the history of the State selling state trust lands.

Committee Action and Directives

The Committee will form a working group to discuss state lands.

The Committee directed LSO Staff to analyze the impact of repealing personal property tax after five to ten years.

MEETING ADJOURNMENT

There being no further business, Senator Bo Biteman adjourned the meeting at 5:05 PM.

Respectfully submitted,

Representative Steve Harshman

Committee Meeting Materials Index

Index Number	Agenda Item	Document Description	Document Provider
1-01		Agenda	Legislative Service Office
1-02		Sign-In Sheet	Legislative Service Office
2-01	Tax Issues and Wyoming Counties	County Taxes - Property and Sales and Use	Wyoming County Commissioners Association
3-01	Property Tax Issues	Property Tax Relief Matrix	Legislative Service Office
3-02	Property Tax Issues	Property Tax 101 Presentation	Wyoming Department of Revenue
3-03	Property Tax Issues	Wyoming Department of Revenue Rules, Chapter 9	Wyoming Department of Revenue
3-04	Property Tax Issues	2022 Mill Levy Information	Wyoming Department of Revenue
3-05	Property Tax Issues	Wyoming State Board of Equalization Rules, Chapter 5	Wyoming Department of Revenue
3-06	Property Tax Issues	Wyoming Education Expenditures	Neil Ingram
3-07	Property Tax Issues	Acquisition Value Petition	Rozmaring Czaban
5-01	Sales Tax Issues (MOVED TO DAY TWO - 10:30 AM)	Sales/Use Tax 101 Presentation	Wyoming Department of Revenue

8-01	Electrical Generation Tax Issues and Previous Efforts	Electricity Tax Efforts Memo	Legislative Service Office
8-02	Electrical Generation Tax Issues and Previous Efforts	Taxation of Power Generation in Other States Memo	Legislative Service Office
8-03	Electrical Generation Tax Issues and Previous Efforts	Rocky Mountain Power Presentation	Rocky Mountain Power
8-04	Electrical Generation Tax Issues and Previous Efforts	Service Area Map	Wyoming Rural Electric Association
8-05	Electrical Generation Tax Issues and Previous Efforts	The Case for an Electricity Tax in Wyoming	Senator Cale Case
11-01	Tax Administration Issues	Wyoming Department of Revenue Excise Tax Administration Issues	Wyoming Department of Revenue
11-02	Tax Administration Issues	Wyoming State Board of Equalization Presentation	Wyoming State Board of Equalization
11-03	Tax Administration Issues	2023 Wyoming Assessed and Market Values	Wyoming State Board of Equalization
11-04	Tax Administration Issues	Sheridan Statistical Review	Wyoming State Board of Equalization