



March 10, 2022

The Honorable Dan Dockstader
President of the Wyoming Senate
Wyoming Senate
200 W. 24th St. Capitol Building, E201
Cheyenne, Wyoming 82002

Re: Line-item vetoes of SF0066/SEA No. 20 American Rescue Plan Act
Recovery Funds Appropriations

Dear President Dockstader:

This act is the culmination of months and months of work by many Wyoming people to develop ideas for how to maximize the long-term benefits of some fleeting federal funds. The American Rescue Plan's State and Local Fiscal Recovery Funds were meant to help states and localities mitigate and offset the impacts of the COVID-19 pandemic. Fortunately, provisions of the federal act allow us to create benefits for future generations as we recover from this crisis. Thus, I believe we should be very strategic in our spending of these funds.

This Act, as it was enrolled, would obligate nearly all of the funds available to the State of Wyoming. This is after I proposed obligating about half of the funds. My approach was for the Legislature to add ideas but aimed to also hold some funds back for next year, when together the people of Wyoming could develop and hone some proposals that will have added impacts, but require more detail. An example of this is expenditures for affordable and workforce housing, which is a pressing concern. I agree with lawmakers that more specifics are necessary before lawmakers agree to this spending proposal. Accordingly, I am line-item vetoing some sections of this act so we can have some dollars left next year to make additional investments for our future.

I thank you, Speaker Barlow, the Joint Appropriations Committee, and other members of the 66th Legislature for all the cooperation on this effort and look forward to that continuing in the months to come. I have signed Senate File 0066/Senate Enrolled Act No. 20 with the following line-item vetoes:

Section 2 - Section 400. American Rescue Plan Direct (ARPD) Appropriations Agency 29

Funding for water and sewer projects are important to me, but I have stricken this funding at this time, knowing that these funds will be available for reconsideration next year when the

Legislature returns. At that time, we will have a better idea of the actual utilization of these funds under the eligible State Revolving Fund programs, and lawmakers can then evaluate other competing priorities. For the upcoming year, this leaves \$50 million available through the State Loan and Investment Board for eligible water and sewer projects as well as \$50 million for local government support, which can also be used for water and sewer projects. ARPA Direct funds of \$100 million should be ample for the next 12 months while providing us time to better understand other water and sewer funding opportunities that are part of the Infrastructure Investment and Jobs Act.

Section 2 - Section 400. American Rescue Plan Direct (ARPD) Appropriations Agency Agency 49

The funding for crisis beds and stabilization services is not eligible for ARPA Direct funds. In conjunction with the Legislature, I will replace the spending in this footnote. I believe this reflects the intent and desire of the Legislature but ensures we are in compliance with federal law and guidance.

Section 2 - Section 400. Footnote 1

There are hundreds of pages of guidance from the federal government constraining the uses of these funds. This language is unnecessary because the Governor's Office will still be held to all of those federal requirements. Removing this language means that it will be easier for Wyoming to respond to any emerging issues more adeptly in the coming months with this appropriation to the Governor's Office.

Section 2 - Section 400. Footnote 10

Many of Wyoming's emergency medical systems are struggling financially and operationally at this time. My Health Task Force has put a high priority on examining options to better stabilize this system and developing recommendations on efficiency and financial sustainability. Even so, I am worried that in the coming months we could have some parts of the state lose their EMS service if we are unable to use this stabilization funding to prolong those services. The language I have stricken will help them maintain services until long-term solutions are in place.

Section 2 - Section 400. Footnote 11

The funding in this footnote is to develop examples of the long-term solutions referenced above. I agree a matching requirement would be beneficial, but in some rural areas, it may not be possible. With this line-item, I am committed to ensuring the Department of Health considers

matches and prioritizes those projects, but I do not want to preclude other options that may emerge in the coming months.

Section 2 - Section 400. Footnote 14

The funding for crisis beds and stabilization services is not eligible for ARPA Direct funds. In coordination with the Legislature, I will replace the spending in this footnote.

Section 2 - Section 400. Footnote 16 paragraph c (i)

The State Loan and Investment Board will develop rules for this program. Discretion is important when the Board considers its rules so that it may consider factors like the needs of the entity applying. I believe the rules, which will be aided by the notice and comment procedures of the rulemaking process, should establish the maximum award so that the board has the authority to set a higher amount if necessary. However, I do not believe any single project should receive more than \$10,000,000, and that is why I am leaving the language in paragraph (a)(i).

Section 2 - Section 400. Footnote 22 paragraph a (ii)

Through this act, Wyoming now has access to several hundreds of millions of dollars for improving broadband access across the state. This investment of government money should be done prudently and in a manner which does not pick winners and losers. Our first priority as a state should be to get service to those who do not have it or do not have access that allows them to work remotely, receive education, or get health care.

Section 2 - Section 400. Footnote 22 paragraph a (iii)

As stated, through this act Wyoming now has access to several hundreds of millions of dollars for broadband. Given that the government is paying for most or large portions of the broadband infrastructure, I do not want Wyoming to create monopolies by paying one company to provide access and then limiting other competitors from serving those customers. With time, we can better understand the needs in this area and can thoughtfully consider language and bills in future legislative sessions.

Section 2 - Section 400. Footnote 27

As I have stated, additional water and sewer projects are important to me, but I have stricken one pot of funding for these projects at this time, knowing that there will be more than \$100 million available this year for this purpose. I appreciate the work of the Legislature's Select Water

Committee. I too know that the Water Development Commission and Department of Environmental Quality are essential for administering grants and prioritizing them. However, I want elected officials to make the final decision about who receives a grant and who does not.

Section 4. Paragraph (b)

I support the concept of having some grants available to children's museums across the state, however, I do not believe that they qualify for Section 604 of the American Rescue Plan Act capital funds. Local communities could apply for these funds through the allocation to SLIB.

Section 5.

The restrictions in this section run contrary to our ongoing partnership to responsibly spend federal COVID-19 relief funding. These dates restrict my authority to expend funds on emergency programs, and take away flexibility and adaptability, which is especially important given the ongoing economic hardships caused by the pandemic. Now is not the time for the Legislature to tie the hands of the Executive to respond to the needs of our citizens.

Please do not confuse my use of my line-item authority for a plan to spend recklessly. In the almost nine months when I had the flexibility and authority to spend American Rescue Plan Act dollars, I did that judiciously and in line with my commitment to and partnership with the Legislature. Thus, the limitations of this section are unnecessary.

We should continue to partner in crafting responsible spending plans for the federal funds directed to our state.

Sincerely,



Mark Gordon
Governor

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cc: The Honorable Edward Buchanan, Secretary of State
The Honorable Eric Barlow, Speaker of the House
Chief Clerk, Wyoming Senate
Chief Clerk, Wyoming House of Representatives