

WYOMING CREDIT UNIONS

WYOMING 2023 LEGISLATIVE SESSION

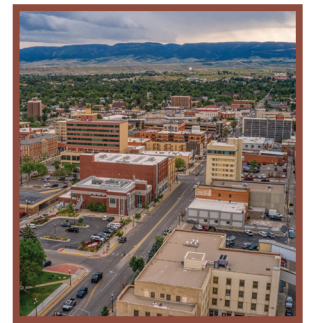


Credit Unions exponentially expanded their presence at the Wyoming State Capitol during the 2023 Session. Between the extraordinarily successful Day at the Capitol event with over 50 credit union representatives sharing credit union impact messaging with their elected officials and onsite session long representation at the Wyoming Capitol, credit unions expanded their voice on priority issues.

General Overview and Themes of the 2023 Session Overview

The 37-day legislative session convened on January 10 and adjourned on March 3. Of the total 497 bills, 196 passed in the 2023 Session. A large focus of this session was on property tax relief, ESG related issues, health care, state trust land management, and social issues.

The Governor **signed** the \$1.8 billion supplemental budget, passed by the legislature, exercising limited line-item veto authority, some of which was overridden by a two-thirds majority vote of the Wyoming Legislature. The budget included an additional \$1.4 billion allocated to savings accounts, primarily the Common School Permanent Land Fund, Common School Reserve Account and general fund savings, representing 78% of the total budget. Wyoming investment earnings fund approximately 30 percent of government operations.



Financial Exploitation



Wyoming's credit unions participated in a coalition including the Wyoming Banker's Association and AARP to support Financial Exploitation of Vulnerable Adults legislation (**House Enrolled Act 18 Original SF 24**). This legislation was a Joint Judiciary interim committee bill. The legislation ran into opposition in the House from several members of the Freedom Caucus, expressing concern with financial institutions' ability to place a temporary hold on funds; however, the bill passed and was signed by the Governor. The bill amends Title 13 – Banks, Banking and Finance statute creating a new article requiring financial institutions, including credit unions, to report financial exploitation of vulnerable adults, authorizes discretionary reporting of exploitation to third parties, and authorizes temporary holds on transactions. Additionally, the bill provides

immunity to financial institutions, requires disclosure of certain records and will require rulemaking by the Department of Family Services. The effective date is July 1, 2023.



We are also actively participating in the Department of Family Services' rulemaking to implement the new statutory provisions. Additional information will be forthcoming when the Department publishes the draft rules for public comment. It is their intent to have the rulemaking concluded before the July 1 effective date.

Homestead Exemptions

The original legislation **Homestead Exemption – amendments (House Enrolled Act 39 Original HB 174)** would have provided an unlimited homestead exemption. Working with committee members, credit unions, were able to get a committee amendment to limit the exemption to \$50,000. However, the bill sponsor garnered floor support for a 2nd reading amendment raising the limit to \$100,000. As the bill moved to the second house, the Senate Committee discussed amending back to an unlimited exemption; however, with credit union and banker testimony the committee agreed to maintain the \$100,000. The bill amends Title 1 – Code of Civil Procedure and increases the homestead value that is exempt from execution and attachment arising from any debt, contract, or civil obligation entered or incurred from \$20,000 to \$100,000, which is consistent with several of our surrounding states. The effective date is July 1, 2023.

ESG Related Legislation

Several bills related to ESG issues were introduced in this session. The **Financial institution Discrimination bill (HB210)** primary sponsor was House Majority Floor Leader Chip Neiman (R-HD1-Crook/Weston Counties), along with numerous other co-sponsors, and would have created and published a list of financial institutions in the state that were boycotting the energy sector and further prohibited the state treasurer and auditor from entering banking contracts with the institutions on the list. Although credit unions were not directly affected, testimony on behalf of credit unions pointed out that credit unions in Wyoming are not boycotting the energy industry in the state and reminded the committee that credit unions are unable to accept public fund deposits. The bill was indefinitely postponed by the Minerals Committee.

A bill aimed at addressing concerns with the new credit card product code system that has been adopted by VISA and Mastercard to add the tracking of firearm and ammunition purchases to their product category groupings was introduced. The **Wyoming Second Amendment Financial Privacy Act (SF171)** would have prohibited financial institutions, including credit unions, from disclosing information related to members' purchases of firearms and ammunition identified under this new code category, without consent to do so, and would have prohibited financial institutions from taking any discriminatory conduct to those members who made lawful purchases. In basic, establishing a civil action against financial institutions that allowed the code to be utilized, tracked, and disclosed in their systems. The bill was riddled with issues and testimony on behalf of the credit unions pointed out that current federal statute and regulations prohibit disclosure of member information and financial institutions do not control the MCC (Merchant Category Codes) codes, nor are they in a position through contract negotiations to affect the credit card companies' use of the codes. Working with the bill sponsors a couple of different amendments were drafted to address concerns, however ultimately the bill missed the deadline cut off for bills on general file and died.

The **Stop ESG-State Funds Fiduciary Duty Act (SF 172)**, which also ultimately died, was aimed at the state investment strategies and prohibiting the use of investment firms that use social, political, or ideological interests for investment decisions. The **Stop ESG-Eliminate Economic Boycott Act (SF 159)** was also aimed at requiring vendors for state contracts to certify they do not engage in boycotting industries including fossil fuel, timber, mining, and agriculture industries. Neither of these bills directly affected credit unions, and neither were passed and signed into law.

Despite these bills' failure, there is concern with the increasing negative impact that industry boycotting policies are having on the state's primary economic drivers. We fully anticipate this being studied in the interim.

Interim Study Topics

The Joint Standing Committees met at the end of the session to discuss potential interim study topics. Among the topics of interest to credit unions were updates to Unclaimed Property statutes, ESG related topics, and affordable housing issues. The ESG topics are likely to be assigned to the Select Committee on Capital Financing and Investments.

The Interim Committee process includes individual legislators submitting their requested topics on behalf of themselves, constituents, and/or associations or organizations wanting to advance an issue during the interim. The Committees discuss these issues and individually rank them in order of importance. The final prioritization is submitted by the Interim Committee leadership to the Management Council, and the Council then approves the interim study topics. **The Management Council is set to meet March 23 to assign interim study topics. The interim committee meeting schedule was posted with the first one set for next month.**



At the request of the Wyoming County Clerk's Association, we did not specifically request an interim study topic on electronic titling at this time; however, we are continuing to work closely on the issue. Legislation can be pursued if warranted in the 2024 session with individual sponsors. We are continuing to reach out to credit unions to compile challenges encountered by them in the vehicle titling process, and how electronic titling can bring efficiency to the process. This will be incorporated into a response to the County Clerk's Association, and it will help guide our legislative efforts going forward. We will be following up in the coming months with the same organizations we have consulted to date to develop a path forward.

The Government Affairs Committee will hold the Q2 meeting on April 18 and discuss additional legislative priorities.

Additional Bills Affecting Wyoming Credit Unions



House Enrolled Act 45 (Original HB96) Transfer on Death Deed-insurance coverage

Amends Title 26 – Insurance Code, adding provisions that existing homeowner's insurance would transfer to the beneficiary in cases of a transfer on death deed for real property, for a period of up to 60 days, following the date of death of last owner, unless the grantee beneficiary has disclaimed interest in the real property. Effective date July 1, 2023.

House Enrolled Act 89 (Original HB0014) – Civil Case Filing Fees – assessments

Amends Title 5 – Courts, providing for an increase in the fee for filing a civil case from the current \$120 to \$160. If a credit union needs to file a civil case against a member to collect a debt, this will be an additional cost. Effective date July 1, 2023.

Senate Enrolled Act 52 (Original SF 91) Creation of Tenancy by the Entirety

Amends Title 34 – Property, Conveyances and Security Transactions adding clarification in establishing joint tenancy or tenancy by entirety for real or personal property. Basically, adds that if the instrument of transfer includes terms like as “husband and wife,” “spouses” or similar language, it is sufficient to establish the joint rights to the property. The final legislation included amendments to clarify that the joint tenancy provisions apply unless the deed specifies another form of ownership and that the legislation is intended to clarify existing Wyoming law and that there is no intent to make substantive change to prior law. The effective date is July 1, 2023.

Senate Enrolled Act 95 (Original SF 76) – Wyoming Digital Asset Registration Act

Amends Title 34 – Property Conveyances and Security Transactions providing for discretionary registration of digital assets with the secretary of state. Establishes jurisdiction for Wyoming registered digital assets. Establishes application for registration and filing fee. Authorizes rulemaking. Rulemaking authority provisions effective immediately all other provisions effective December 1, 2023. Portions authorizing rulemaking and appropriations are effective immediately.

Senate Enrolled Act 139 (Original SF 139) – Credit Card, Charge Card, and Debit Card Fraud

Amends Title 6 – Crimes and Offenses adding a definition of charge card and debit cards to the existing Wyoming statute for unlawful use of credit cards. This means someone would be guilty under the statute for fraudulent use of a credit card, charge card or debit card. The current statute only applies to credit cards. Effective Date July 1, 2023.



Bobbie Frank
VP, Legislative Affairs for Wyoming
307.369.7689
bfrank@gowest.org



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