

CREDIT UNIONS

Wyoming
2023 Interim Legislative Update
June 28, 2023

Electronic Titling & Titling Inconsistencies

In March, the Association sent a letter to the Clerk's Association to respond to their request for additional information on electronic titling and why this is a priority for credit unions. Also based on credit union feedback a list of [inconsistencies across counties](#) application of current titling statutes was prepared. On June 12, a meeting was held with the Clerks Association leadership to discuss both the inconsistencies and electronic titling. The Clerks indicated they were having their statewide meeting in mid-June and would be appointing a Title Committee to work on the issue.

In May, the Association met with the new leadership of the Department of Transportation to discuss steps to move electronic titling forward. This meeting was followed up with a request to WYDOT to initiate rulemaking. The Wyoming Truckers Association and the American Property Casualty Insurance Association have also indicated an interest in participating in the effort to advance electronic titling.

Financial Literacy

Representatives of Meridian Trust FCU met with the Superintendent of Public Instruction in May to discuss her vision for financial literacy in Wyoming schools. She indicated an interest in collaborating and asked Meridian to move forward with forming a task force of stakeholders to provide her with recommendations on advancing this initiative. Follow-up meetings will occur in early July to convene a group of interested parties to strategize.

Implementing 2023 legislation

Wyoming Stable Token

With the passage of SF 127/SEA 85 – Wyoming Stable Token Act the Stable Taken Commission, initially made up of the Governor, State Treasurer, and State Auditor met for the first time on May 8. The Commission is [seeking candidates](#) for the four “subject matter expert positions” to serve on the commission. The commission will adopt rules and regulations to implement the new act and pursue issuing a Wyoming stable token.

Financial Exploitation of Vulnerable Adults

The Department of Family Services promulgated revised Chapter 1 and 2 rules, in part, to implement provisions of [SF 24/SEA 18 – Financial Exploitation of Vulnerable Adults legislation](#). The Association represented Wyoming Credit Unions during several meetings where the Department requested feedback for the draft rule.

After publication, the Association submitted [formal comments](#) for the record in support of the Department's rule. The Department held an online training session on June 13 and at least eight credit unions were represented at the training. The training presentation is available [here](#).

Interim Legislative Committees

ESG in the headlines

Environmental, Social, and Governance issues continue to be at the forefront of discussions with Secretary of State Chuck Gray [proposing in May](#) a rule requiring investment brokers, broker-dealers, and securities agents doing business in Wyoming to disclose ESG principles. The proposed rule requires the approval of the Governor to go through the form rulemaking process. This came after the State Loan & Investment Board (governed by Wyoming's top five elected officials) meeting in April where Secretary Gray drilled investment advisors on their ESG policies and lamented the defeat of several ESG-related bills during the 2023 session. The state Treasurer's office in April issued a [revised ESG Statement](#) essentially recognizing Wyoming's investment managers, as fiduciaries, should serve to maximize Wyoming's risk-adjusted return.

The Governor continues to contend that Wyoming remains ESG agnostic recognizing the commitment to investing in what provides the state the highest rate of return.

The Select Committee on Capitol Financing & Investment received updates June 16 from both the Governor's office and State Treasurer on actions and policies related to ESG issues. Governor's Deputy Chief of Staff Betsy Anderson reported and shared the [Governor's action, along with 18 other Governors](#), related to the Department of Labor Rule and provided an overview of the Governor's view of the state's Investment policies complying with Wyoming's Prudent Investor Rule.

Treasurer Meier discussed his involvement with the national association of state financial officers foundation related to the ESG issue. More information on the foundation is found [here](#). Discussed the Treasurer's concerns with ESG legislation in the 2023 session. As well he shared with the committee the State Treasurer's [updated ESG statement](#). When specifically asked, the Treasurer indicated he preferred to utilize the policy to address opportunities to respond to ESG issues versus legislation.

The Attorney General's office also provided an update on the lawsuit Wyoming and twenty-five other states filed against the Department of Labor in January 2023 challenging their new rule, authorizing 401(k) managers to ESG investments versus focusing on pecuniary or financial investments. The Coalition of States filed a motion for a preliminary injunction, a motion for summary judgment, and asked to court vacate and set aside the rule for violating the Employee Retirement Income Security Act of 1974 (ERISA) and federal Administrative Procedures Act.

No hearing has yet been scheduled but it is anticipated to be set soon and decided in the coming months.

The Joint Appropriations Committee was assigned the ESG topic in terms of consideration of legislation. Their first interim committee meeting is July 10 & 11 in Cheyenne.

Blockchain, Financial Technology, Digital Innovation

During their May 15 & 16 meeting on Blockchain, Financial Technology, and Digital Innovation Technology, the Committee directed legislation be drafted to address unincorporated decentralized autonomous organizations, banking and trust assets in bankruptcy, digital asset lien registry, and legislation to allow for expedited corporate filings with the Secretary of State's office. The committee will also have a working group to explore legislative needs related to artificial intelligence. The GoWest team will review legislation as it is available. The next meeting of the Blockchain committee is September 11 & 12 in Laramie.

Regulatory Reform

The Corporations Committee met in May and along with an extensive discussion on elections, the committee reviewed the [General Regulatory Sandbox overview](#) prepared by the Legislative Service Office. Regulatory sandboxes are a novel way to provide alternative regulatory structures to allow companies to test products. The first successful sandbox created in Arizona was Arizona's fintech sandbox created in 2018. Drew Perkins, Chief of Staff, and Governor Mark Gordon also discussed the concept of a regulatory sandbox with the Committee. Across the U.S. 67 companies have participated in sandboxes and of these 38 were in a fintech sandbox. The discussion was spurred by the failed 2023 legislation [HB 214 - General regulatory sandbox program](#). The committee will have a bill draft based on HB 214 for consideration at their next meeting.

Corporations will meet again on August 24 and 25 in Douglas.

The Governor's office and the legislative Management Council collaborated and created the Regulatory Task Force. The Task Force is slated to meet three times over the interim. The Committee does not have the authority to request bill drafts; however, it can make recommendations to the standing committees to advance. The Task Force met June 19 and members discussed and took testimony on regulatory challenges in the state. The Task Force will work in three subcommittees focused on agriculture, energy, and housing. Affordable housing and regulatory barriers to being able to construct housing in the state are areas of focus. The Task Force will be appointing sub-committees, one of which will tackle issues surrounding housing.

Taxes and Revenue

Addressing the increase in property taxes experienced over the last several years was the focus of the Joint Revenue Committee during their June 27 – 28 meeting.

The committee heard hours of testimony from citizens primarily in Sheridan, Johnson, and Park counties, who have experienced some of the most significant increases in property taxes. The Committee also received an update from the Department of Revenue on sales taxes and tax exemptions.