

ROUNDTABLES

SUMMARIES OF PROCEEDINGS

August, September and October, 1985

Sponsored by:

Ucross Foundation

Ucross Route, Box 19

Ucross, Wyoming 82835

(307) 737-2291

FOREWORD

The Ucross Foundation has been pleased to sponsor and conduct a series of seven Roundtables, separate but in tandem with the first phase of the Wyoming Futures Project.

More than 150 citizens of Wyoming, representing a broad cross-section of professions and leadership from throughout the state, contributed their time, energy and creativity as active participants in these Roundtables. The nature and timing of these gatherings were:

Out-of-State Corporate Interests in Wyoming	August 18-20, 1985
Community Development and In-State Business Interests in Wyoming	September 8-10, 1985
Non-Profit Resource Use Organization of Wyoming	September 15-17, 1985
Tourism, Recreation and Travel in Wyoming	September 22-24, 1985
Agriculture and Ranching in Wyoming	September 26-28, 1985
Education in Wyoming	September 30 thru October 1, 1985
The Finance Industry in Wyoming	October 13-15, 1985

The following pages are Summaries of the Proceedings of these Roundtables, including recommended blueprints for action emanating from each session and the listing of the active participants.

The Ucross Foundation is deeply honored and indebted to these energetic, concerned leaders of the state for the vision and thoughtful planning reflected in these pages.

Dr. Robert B. Thomas
President
Ucross Foundation
Ucross, Wyoming 82835

SUMMARY

Roundtable Proceedings

August 18 - 20, 1985

UCROSS FOUNDATION

"Out-of-State Business
and Industry in Wyoming"

With Grateful Acknowledgement

To Martha Thomas
for the many hours volunteered
to record, review and assimilate
these Roundtable proceedings

Table of Contents of Proceedings

ROUNDTABLE

on

INDUSTRY IN WYOMING

August 18 - 20, 1985

<u>Topic</u>	<u>Page</u>
"How has Out-of-State Business been a boon to Wyoming?"	1
"What advantages does Wyoming have for out-of-state corporate interests?"	3
"What are the issues/problems/goals which confront the partnership between out-of-state business and Wyoming which, with appropriate leadership, might be creatively addressed?"	4
Plan: To equalize property taxation between sectors of the state	6
Plan: To establish a more responsible taxation policy	8
Plan: To amend the Wyoming Industrial Siting Act	11
Plan: To establish a network mechanism in Wyoming that will improve climate of responsible development	15
List of participants	21

I. HOW HAS OUT-OF-STATE BUSINESS BEEN A BOON TO WYOMING?

The primary contribution out-of-state corporations have chosen to make is

- to place capital investments in the state which
- develop the natural resources (minerals, gas, oil, lumber) and in turn
- create employment for the populace.

This brings about many secondary results that may be ranked in importance, depending upon any given individual or any designated group's viewpoint.

Some of these secondary benefits are as follows:

Corporations pay severance and property taxes which

- bring large dollars to state and local budgets and
- provide considerable reinforcement to the already existing tax base.

Because corporations want to protect their investments within the state, they are in a strong position to

- support Wyoming interests at the federal level and
- produce a need for sophisticated and knowledgeable governmental leadership at the state level.

Managerial expertise brought into the state

- complements the existing state and community leadership structure. Out-of-state people
- bring different viewpoints to the private sector and
- enrich local communities' perspective economically, socially, culturally, and philanthropically.

The combination of newly created jobs for the local populace and new employees coming into the state

- * creates additional income and needs for expanded secondary service markets. Thus, additional employment is created at the secondary level which stimulates community growth.

A quality of life and a higher standard of living result from these stimuli.

Educational institutions feel the impact of this prosperity through corporations' support of

- * higher education, through funding of special projects, matching grants, research, and tuition assistance to employees.
- * student internships which keep students in state and provide incentive for staying in state.
- * grade schools and high schools through payment of severance and property taxes.

The demand for improved social services has resulted in

- * improved medical services and improved hospital facilities.
- * the establishment of such human services as counseling, emergency or disaster aid in the form of equipment or money, and organizations, such as the United Fund.

A pleasant and prosperous aside of all of this growth is the improvement and expansion of recreational facilities.

II. WHAT ADVANTAGES DOES WYOMING HAVE FOR OUT-OF-STATE
CORPORATE INTEREST?

As a state Wyoming offers:

- * abundant natural resources (mineral, oil, gas, and land) which provide potential profits for capital investments
- * a quality labor force with a strong work ethic supported by the right to work law
- * a conservative stable political environment conducive to investment.

This includes:

easy access to political leaders,
no corporate income tax and
low overhead cost for production (utilities).

- * an in place public transportation system which provides reasonable market access (although the cost of transporting goods to market is relatively high)
- * an appealing environment which permits a high quality of living for employees.

This includes:

low personal property taxes,
an established infrastructure, including educational
instruction and adequate medical facilities.
a natural beauty of environment which encourages
outdoor recreational advantages such as hunting,
skiing, fishing, hiking, snowmobiling etc.

III. WHAT ARE THE ISSUES/PROBLEMS/GOALS WHICH CONFRONT THE PARTNERSHIP BETWEEN OUT-OF-STATE BUSINESS AND WYOMING, WHICH, WITH APPROPRIATE LEADERSHIP, MIGHT BE CREATIVELY ADDRESSED?

Out of the preliminary discussion, three basic issues emerged:

- the disadvantages of the regulatory climate which include duplicity of jurisdiction and often adversarial roles of various state and federal governmental agencies. These centered about permit processes, reclamation issues, water use and storage, plant siting, excessive standards, and access to leasing public lands.
- the need to develop a network organization among state leaders which has the ability to oversee and regulate with some consistency economic environmental issues as they affect
the private sector
local governments
divergent regional areas of the state
preservation vs development.
- the need to develop a network among leaders of the private sector which can identify and encourage new economic interests in the state and help keep businesses updated and informed.
- the need for the leaders of both of these networks to communicate, co-operate, and complement each other in building a better Wyoming.

- a need to investigate possible restructuring of taxes by considering equitability between corporate and personal taxation of property, setting mandatory levels and consistent evaluation methods and risking tax incentives.

Other areas given consideration were

- the need to improve passenger transportation (air, train, bus).
- the need to deal more realistically with the environmental issues of development vs preservation, industrial development vs pollution and the press coverage of these issues.
- * the need to implement such financial schemes as industrial bonds and federal royalty sharing.

Following are four plans (GOALS) for action.

PROPERTY TAXATION

GOAL: To equalize property taxation between the private sector and corporations and to formulate guidelines for consistent evaluation.

Comments: There are 23 counties, 23 tax assessors, and just as many divergent evaluations. For instance, utilities and pipeline assessments are the same. It was also pointed out that the new law on sale price disclosure has too many loopholes.

LEADERS in this effort should be

state legislators

the Governor

county assessors

Comment: An Interim Review Committee is now at

work; however, no bill draft seems immi-

nent at the present time. The next

scheduled meeting is in September.

Major opposition to change will come from INDIVIDUAL

PROPERTY tax payers.

The TAXPAYER ASSOCIATION is the organization that could

provide an ultimate solution with no predictable

bias.

APPRAISAL EQUALIZATION is the first step to be taken. To accomplish this, there is the need for

state guidelines to come to a more accurate value appraisal.

,a "teeth" in the law to ensure enforcement.

need a constitutional amendment to change to another tax raising system.

A suggested structure might include

a Board of Equalization to carry out the process.

the Governor to make sure it functions and county assessors who keep appraisals up-to-date.

TAXATION

GOAL: To establish a more responsible taxation policy with a bonafide budget process that allows for a full discussion of legitimate needs and funding sources with a particular eye upon ear-marked funding and funds of consolidation.

Comments: Legitimate priorities may be set for ear-marked funds, but they may not be adjusted as needs change in the state. An open process would allow for the "market place" to determine the priorities.

LEADERS in this effort should come from the

legislative/executive branches of state government

private sector

lobbyists/decision makers

city-local officials/planning departments and

affected state agencies

PROPONENTS in this effort will be

key legislators

the Governor

key decision makers in the private sector

industrial leaders

enlightened taxpayers

OPPONENTS to this effort will be

entrenched ear-marked agencies which have access to funds already in place. This might include such agencies as Wyoming Association of Municipalities, University of Wyoming, Game and Fish, and Department of Highways.

UNINFORMED TAXPAYERS and VOTERS will be the NEUTRAL parties with no predictable bias.

The FIRST STEP is to contact key legislators key private sector leaders and the executive officer.

Planting the seed should occur before the next legislative budget session by discussing the ideas with key leaders to see what their REACTIONS are and what the PITFALLS are in that process.

Perhaps these discussions would relieve fears and open the way for more efficient mechanics of implementation, distribution of funds, and the phasing out of programs.

It would take TWO to FOUR YEARS to get this on the legislative agenda for serious discussion.

SUPPORT of this idea could be expected from

Industry

Taxpayer's Association

Chambers of Commerce

Development Associations

agriculture

enlightened taxpayers

railroad companies.

HINDRANCES most likely will come from present-day

SPENDERS of those funds.

The RESULTS of such a process will be

more accountability in terms of taxation

and a more efficient allocation process.

THE SITING ACT

GOAL: Amending the Wyoming Industrial Siting Act would enhance a corporate/business commitment to the state. Comments: The Siting Act was first initiated in a different atmosphere and different time. Wyoming has progressed significantly, and its future is such that the Act inhibits businesses as active participants in the state.

Corporate experience has found very complex laws and procedural mandates in effect when obtaining a permit and continued complications in monitoring the programs associated with overlapping and layering as a part of the bureaucracy itself. The governmental agencies' staffing for the paperwork and the implementation of the stipulations then affects the state's priority of spending.

Appropriate LEADERS in this change for the amendment are
AFFECTED industries who should take COHESIVE
action, but certainly SELECTIVE action for the
change. Those main industries involved would be
oil and gas,

coal and

power.

KEY legislative leaders should be at the forefront,
LABOR, which has a vested interest in the system,
and

the EXECUTIVE BRANCH of state government.

These groups have a vested interest in seeing that the process not be totally eliminated but examined for EFFICIENT CHANGE and streamlined to make a MORE WORKABLE, viable system for the state of Wyoming.

PARTICIPANTS who would logically support the effort are

the BUSINESS community, whose interest is at

the secondary level,

the FINANCIAL community,

local POLITICAL leaders, who have supported change

and are expected to continue support,

state THOUGHT leaders, who recognize the need

for change and who influence the decision-

making machinery and

CERTAIN state agencies, who even now realize that

the current condition is redundant from

the standpoint of having acceptable

jurisdiction and the technical

capacity to work on the problems and

who want to at least reduce the over-

lapping within the law and the admi-

nistration of it.

OPPOSITION will come from a combination

of environmental groups,

the staff of the Industrial Siting Council,

a MINORITY of the legislators, and potentially
some other state agencies who may feel a degree
of protection associated with the law.

The ULTIMATE SOLUTION must involve
the state legislature as the FINAL vehicle for
change, state thought leaders as participants and
possibly citizens, though it is not likely to be
an issue at this level.

STEPS which will move the process forward are
the DISCUSSION of the last two days, as a
starting point,
CONTINUED DISCUSSION in AFFECTED companies for
a period of time,
the GENERAL SESSION in CASPER on October 19th as
another forum for a broader more open
discussion of the need,
the PRESENTATION of the amendment in SOME COMMITTEES
and MORE DIALOGUE during the 1986 LEGISLATIVE
SESSION,
the FORMATION of an EDUCATIONAL INTERIM
PROGRAM for thought leaders and
work WITH some legislators and the executive
branch to have a changed POSITION for the
1987 LEGISLATURE.

ASSISTANCE can be expected from
the agricultural community,
the legal profession and
other professional groups.

MONETARY AND HUMAN RESOURCE support should come from
AFFECTED COMPANIES.

To assure SUCCESS, a THOROUGHLY CONVINCING presentation
for the needs of the amendment must be made. This
presentation should include

COSTLY duplication within state agencies,
SIGNIFICANT overlap in the federal government
area; LARGE administrative COSTS of the process,
EXCESSIVE time needed to obtain a permit,
REQUIRED staffing to administer complex, confusing
stipulations, and
BARRIERS for FUTURE businesses to engage in
the process.

Questions: Should the Act be repealed or amended?
Do companies keep a record of the complete and costly
process which might be used to support this need?

NETWORKING

GOAL: To establish a permanent mechanism for change that will improve the state wide climate for responsible development and meet the changing needs and priorities of the future of Wyoming.

Comments: LEADERS for this project should include ALL branches of state government – executive, legislative and judicial, REPRESENTATIVES of NON-RESIDENT corporate interests who have substantial economic stakes in the future of Wyoming, Wyoming ASSOCIATION-OF MUNICIPALITIES, Wyoming COUNTY COMMISSIONERS ASSOCIATION and RESIDENT corporate and SOCIAL interests.

OPPOSITION will arise from SOME elements of the legislature and legal fraternity and SOME local economic interests, environment/preservation organizations and trade unions.

A MAJORITY of the VOTING AGE population of Wyoming must ultimately be involved in the solution.

The PROCESS might include the following:

The FORMATION of a COMMISSION at the October
19th Casper meeting.

Convening TOWN HALL MEETINGS across the state which
are concluded by November 15th (1985).

Drafting a charter which would secure legislative
authority for the Commission and then

PRESENTING it to the legislature in January, 1986.

ASKING that EFFECTIVE DATE of the Commission be
June 1, 1986.

A SUGGESTED membership of the COMMISSION might be as follows:

6 (six) members appointed by the Governor *

4 (four) members appointed by the SPEAKER OF THE HOUSE and the PRESIDENT OF THE SENATE

2 (two) members appointed by WYOMING ASSOCIATION OF MUNICIPALITIES

2 (two) members appointed by COUNTY COMMISSIONERS ASSOCIATION

1 (one) member appointed by WYOMING C.I.O./A.F.L.

1 (one) member appointed by P.B.W.

1 (one) member appointed by WYOMING EDUCATIONAL GROUP

1 (one) member appointed by BAR ASSOCIATION.

* Four of these members would be executives of major corporations not headquartered in Wyoming, but who exert significant involvement within the state; one of the members would be from an organized conservation group within the state.

An EXAMPLE of what the COMMISSION might do follows: Draft
a charter to be presented to the governor and the
January 1986 legislature which would ask for the
approval of these branches of state government to
CONDUCT a study of the constitution
PRESENT a report of the FINDINGS and
FORMULATE a PLAN for beginning the process.

The COMMISSION would be permanent and studies would
continue with a formal report issued every two years.

MAJOR CURRENT or PAST POLITICAL leaders and NON-RESIDENT
corporations can enhance the process.

FUNDING and HUMAN RESOURCES for the process should be
available from

the legislature and
major corporations centered in and out of state.

Elements which will OBSTRUCT the process are:

Some narrow economic interest who fear change
or competition and

Some elements of the political spectrum which
have not yet been identified.

Question: Should the constitution be amended or revised?

This question arose because of fear which accompanies any changes of existing operational documents such as the constitution.

Suggestions made to improve the round table process:

Allow more time to prepare the presentation for Session IV.

Change the term out-of-state corporations to another more inclusive designation.

PARTICIPANTS
OUT-OF-STATE CORPORATE INTERESTS ROUNDTABLE
August 18-20, 1985

REED K. BITTER, Division Exploration Manager, Marathon Oil Company P. O. Box 120, Casper, WY 82602, (307) 235-2511

F. RICHARD (DICK) BROWN, Vic; President and Wyoming Region Manager, Pacific Power and Light Company
P. O. Box 720, Casper, WY 82602, (307) 235-0425

BILL BUDD, Executive Secretary, Wyoming Mining Association
P. O. Box 866, Cheyenne, WY 82003, (307) 635-0331

JIM DAILEY, Exploration Manager, Louisiana Land and Exploration 1560 Broadway, Suite 1200, Denver, CO 80202, (303) 830-2299

JOHN P. DEASEY, Assistant Vice President, Administration, Union Pacific System 1416 Dodge Street, Omaha, NE 68179, (402) 271-3343

JOHN M. FAUNCE, Executive Secretary, Wyoming State AFL-CIO 1904 Thomes, Cheyenne, WY 82001, (307) 635-2823

PAUL HENDERSON, Area Manager, Exxon Company, U.S.A. P. O. Box 1600, Midland, TX 79702, (915) 683-0211

ROBIN W. (ROB) HURLESS, Publisher, Casper Star-Tribune P. O. Box 80, Casper, WY 82602, (307) 266-0503

JOHN LOGAN, Chief, Industrial Development, Division of Industrial Development, Department of Economic Planning and Development Herschler Building, Cheyenne, WY 82001, (307) 777-7285

LOAL R. LORENZEN, Chairman, Sheridan County Commissioners P. O. Box 182, Big Horn, WY 82833, (307) 674-6722

ANNE MACKINNON, Assistant Managing Editor, Casper Star-Tribune P. O. Box 80, Casper, WY 82602, (307) 266-0594

ROBERT H. (TERRY) MARTIN, Special Consultant to Regional Vice President, Amoco Production Company
R. O. Box 2520, Casper, WY 82602, (307) 265-7211

JOHN P. MARTON, State Representative, Johnson County 166 Williams Avenue, Buffalo, WY 82834, (307) 684-7145

ERNEST J. (ERNIE) MECCA, Manager, Community Relations Wyoming, Rocky Mountain Energy P. O. Box 1427, Rock Springs, WY 82901, (307) 382-2810

J. R. (3R) MCPHERSON, Director, Public Affairs, NERCO Mining Company P. O. Box 4000, Sheridan, WY 82801, (307) 672-0451

TIM MONROE, District Manager, Bureau of Land Management 951 North Poplar Street, Casper, WY 82601, (307) 261-5101

Participants
Out—of-State Corporate Interests Roundtable August
18-20, 1985
Page 2

DONALD F. (DON) PARKER, Dean, College of Commerce and Industry, University of Wyoming
Box 3275, University Station, Laramie, WY 82071, (307) 766-4194

JIM PECK, President, Wyoming Financial Securities,
Inc. P. O. Box 3760, Casper, WY 82602, (307) 235-6200

ROBERT E. (BOB) QUICK, Public Affairs Manager, Chevron USA, Inc./Casper Division
P. O. Box 2619, Casper, WY 82602, (307) 235-1311

R. T. (RICK) ROBITAILLE, Executive Director, Petroleum Association of Wyoming
330 South Center, Suite 115, Casper, WY 82601, (307) 234-5333

WILBUR STEWART, Plant Manager, Louisiana Pacific Corporation
P. O. Box 787, Dubois, WY 82513, (307) 455-2244

MARTHA THOMAS
Ucross Route, Box 16, Clearmont, WY 82835, (307) 737-2343

ROB WALLACE, Partner, Glyn Energy
139 West 2nd Street, 112B, Casper, WY 82601, (307) 235-0740

WARNER WOOD, Wyoming Region Manager, Utah Power and Light
Company P. O. Box A, Evanston, WY 82930, (307) 789-2446

UCROSS FOUNDATION STAFF

RAYMOND PLANK, Chairman of the Board and CEO
Apache Corporation, 730 Second Avenue South, Minneapolis, MN 55402-2498,
(612) 347-8700

BOB THOMAS, President
Ucross Foundation, Ucross Route, Box 19, Clearmont, WY 82834, (307) 737-2291

HEATHER BURGESS, Director
Ucross Foundation, Ucross Route, Box 19, Clearmont, WY 82834, (307) 737-2291

PETE WILLIAMS, Director, Wyoming Futures Project
Ucross Foundation, 232 East 2nd Street, Suite 201, Casper, WY 82601, (307) 577-1772

VERNA KOHLS, Administrator
Ucross Foundation, Ucross Route, Box 19, Clearmont, WY 82835, (307) 737-2291