

SENATE FILE NO. SF0117

School finance amendments-3.

Sponsored by: Senator(s) Peterson, Bebout, Coe, Hicks,
Kinskey and Von Flatern and
Representative(s) Clem and Lone

A BILL

for

1 AN ACT relating to school finance; modifying the education
2 resource block grant model; modifying other provisions
3 relating to school finance; amending worker's compensation
4 provisions relating to school finance; providing for a hold
5 harmless provision; requiring reports and other
6 administrative action; providing an appropriation; and
7 providing for effective dates.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 21-3-110(a) by creating a new
12 paragraph (xxxvi), 21-13-309(m)(iv)(A), (v)(F), by creating
13 a new subparagraph (H) and by creating a new paragraph
14 (vii), 21-13-313(e), 21-13-320(f) and (j)(i), 21-13-321(d)

1 and 27-14-108(d) (xvi) and (f) by creating a new paragraph
2 (x) are amended to read:

3

4 **21-3-110. Duties of boards of trustees.**

5

6 (a) The board of trustees in each school district
7 shall:

8

9 (xxxvi) Participate in programs of the
10 department of workforce services necessary to receive
11 premium discounts for the state workers' compensation
12 program.

13

14 **21-13-309. Determination of amount to be included in**
15 **foundation program for each district.**

16

17 (m) In determining the amount to be included in the
18 foundation program for each district, the state
19 superintendent shall:

20

21 (iv) Based upon reports from each district on
22 schools operating within that district for the current
23 school year and on grade configurations contained within

1 each reported school during that school year, compute the
2 average daily membership (ADM) for each reported school and
3 each grade within each reported school in accordance with
4 identified grade configurations subject to the following:

5

6 (A) The average daily membership (ADM) for
7 each reported school shall be computed based upon the
8 ~~average of the school's ADM counts completed at the end of~~
9 ~~the three (3) immediately preceding school years or the~~
10 school's ADM for the previous school year; ~~whichever is~~
11 ~~greater;~~

12

13 (v) Based upon ADM computations and identified
14 school configurations within each district pursuant to
15 paragraph (iv) of this subsection, compute the foundation
16 program amount for each district as prescribed by the
17 education resource block grant model adopted by the Wyoming
18 legislature as defined under W.S. 21-13-101(a)(xiv), as
19 contained within the spreadsheets and accompanying reports
20 referenced under W.S. 21-13-101(a)(xvii). The following
21 criteria shall be used by the state superintendent in the
22 administration of the education resource block grant model:

23

1 (F) ~~Amounts provided within the model~~ An
2 amount for health insurance shall be calculated on a
3 reimbursement basis only for individuals actually employed
4 by the district and paid with funds received pursuant to
5 the foundation program amount under subsection (p) of this
6 section based upon:

7
8 (I) Prior year ~~statewide average~~
9 ~~district weighted~~ actual participation in district health
10 insurance plans; ~~as to the proportion of employee only,~~
11 ~~split contracts, employee plus spouse or children and~~
12 ~~family coverage;~~ and

13
14 (II) Not to exceed the annualized
15 state contribution rate as of January 1 of the preceding
16 school year, on behalf of each employee and official
17 enrolled in the state group health insurance plan, for
18 employee only, split contracts, employee plus spouse or
19 children and family coverage, as applied to the coverage of
20 each district employee participating in district health
21 insurance plans.

22

1 (H) An amount for retirement benefits shall
2 be calculated on a reimbursement basis only for individuals
3 actually employed by the district and paid with funds
4 received pursuant to the foundation program amount under
5 subsection (p) of this section based upon the number of
6 district employees and the prior year actual contributions
7 to the Wyoming retirement system. The amount per employee
8 shall not exceed the percentage of the employee's salary
9 paid by the employer under W.S. 9-3-412(c)(iii) for the
10 employee portion of the contribution plus an amount not to
11 exceed the percentage of the employee's salary paid by the
12 employee provided under W.S. 9-3-413 for the employer
13 portion of the contribution.

14
15 (vii) For purposes of determining the foundation
16 program amount for a district and not including any
17 alternative school authorized under W.S.
18 21-13-309(m)(v)(B), calculate any school facility that
19 contains more than one (1) school as if that school
20 facility contains only one (1) school, comprised of each of
21 the schools contained in that school facility.

22

1 **21-13-313. Distribution of funds from foundation**
2 **account; property tax and cash reserve adjustment;**
3 **regulations.**

4
5 (e) Not later than January 31 of each fiscal year,
6 the department shall compute the amount by which each
7 district's operating balance and cash reserves at the end
8 of the preceding fiscal year exceed fifteen percent (15%)
9 of the total foundation program amount computed under W.S.
10 21-13-309 for the preceding fiscal year. In making this
11 calculation, the entire operating balance and cash reserves
12 for each district for the fiscal year ending June 30, 1997,
13 as computed by the department, shall be separately
14 accounted for and excluded, until it has been completely
15 expended by the district. Revenues from settlements of
16 protested amounts attributable to levies assessed under
17 W.S. 21-13-102(a)(i)(A) and (ii)(A) and 21-13-201,
18 regardless of the assessment year, shall be accounted for
19 and excluded from the calculation under this subsection for
20 a period of not more than one (1) year following that
21 fiscal year in which the revenue was received by a
22 district, as verified in writing by the district and
23 certified by the county treasurer. Except as otherwise

1 provided in 1997 Special Session Laws, chapter 3, section
2 306(e), as amended, and except as excluded under this
3 subsection, that excess shall be deemed to be a state
4 revenue under W.S. 21-13-310(a) for the purpose of
5 determining distributions under W.S. 21-13-311 and amounts
6 to be rebated under W.S. 21-13-102. The department shall
7 promulgate rules, including reporting requirements and
8 procedures for districts, to implement this subsection. As
9 used in this section, "operating balance and cash reserves"
10 means those financial resources of the district which are
11 not encumbered by the district board of trustees for
12 expenditure to meet an existing legal obligation or
13 otherwise restricted by law or regulation for expenditure
14 on specific educational programs and shall include any
15 monies within a capital improvements reserve fund
16 established pursuant to W.S. 16-4-105(b) or special reserve
17 fund established pursuant to W.S. 21-13-504. For purposes
18 of this subsection, any balance within a district's
19 separate account established under W.S. 21-15-109(e) for
20 major building and facility repair and replacement shall be
21 deemed restricted by law for expenditure as provided by
22 W.S. 21-15-109(e) and shall not be considered an operating
23 balance and cash reserve under this section.

1

2 **21-13-320. Student transportation; amount within**
3 **school foundation program formula for transportation**
4 **maintenance and operations expenditures and school bus**
5 **purchases; district reporting requirements.**

6

7 (f) The department of education shall adopt necessary
8 rules and regulations to implement and enforce state
9 standards established under this section and to administer
10 this section. District expenditures computed under
11 subsection (b) of this section shall not include
12 expenditures for employee or employer contributions to the
13 Wyoming retirement system exceeding ~~five and fifty seven~~
14 ~~hundredths percent (5.57%) of any member employee's salary~~
15 the limitation provided in W.S. 21-13-309(m)(v)(H). In
16 addition, the department shall, in accordance with
17 procedures prescribed by department rule and regulation,
18 establish a base price for each school bus type or other
19 student transportation vehicle type for the applicable
20 fiscal period that complies with minimum state standards
21 for vehicle specifications and equipment. The department
22 shall also establish a process including competitive
23 bidding which guarantees the acquisition of school buses

1 and other student transportation vehicles approved for
2 reimbursement and complying with state minimum standards
3 and district fleet size restrictions at the established
4 base price for the applicable fiscal year. In addition and
5 for purposes of reimbursement under subsection (g) of this
6 section, the department shall in consultation with the
7 pupil transportation committee, establish a minimum,
8 average and optimal replacement schedule for each school
9 bus type or other student transportation vehicle type.
10 School districts shall notify the department of school bus
11 and other student transportation vehicle needs and
12 requirements for the appropriate fiscal year in the manner
13 and within the times prescribed by department rule and
14 regulation, and shall report expenditures, purchases and
15 lease arrangements for the applicable reporting period,
16 including vehicles replaced by purchases and leases, as
17 required by department rule and regulation. The department
18 shall annually review and conduct audits as necessary of
19 information submitted under this section. As authorized
20 under W.S. 21-13-307(b), the department may correct the
21 information reported by districts under this section as
22 necessary to fairly and accurately reflect the data type,
23 classification and format required to administer this

1 section in accordance with law and department rules and
2 regulations.

3

4 (j) Effective for the school year 2018-2019 and each
5 school year thereafter the amount computed under this
6 section shall be in accordance with the provisions of this
7 subsection. Each district shall receive:

8

9 (i) An amount equal to an average of the amounts
10 the district received for school years 2014-2015, 2015-2016
11 and 2016-2017 pursuant to paragraphs (i) and (ii) of
12 subsection (b) of this section not including amounts
13 received for employee health insurance; plus

14

15 **21-13-321. Special education; amount within**
16 **foundation program formula for special education programs**
17 **and services; district reporting requirements.**

18

19 (d) The department of education shall adopt necessary
20 rules and regulations to implement and administer this
21 section. Districts shall report special education program
22 expenditures for the applicable reporting period as
23 required by department rule and regulation. District

1 expenditures computed under subsection (b) of this section
2 shall not include expenditures for employee or employer
3 contributions to the Wyoming retirement system exceeding
4 ~~five and fifty-seven hundredths percent (5.57%) of any~~
5 ~~member employee's salary~~ the limitation provided in W.S.
6 21-13-309(m) (v) (H). The department shall annually review
7 and report to the joint education interim committee
8 regarding services provided to special education students
9 by school districts. The report shall evaluate the extent
10 to which services are being appropriately provided and
11 whether expenditures for services are reasonable in light
12 of charges by providers of similar services in Wyoming. In
13 addition, the department shall when necessary, conduct
14 audits of information submitted by districts under this
15 section and may, in accordance with W.S. 21-13-307(b),
16 correct the information reported by districts as necessary
17 to fairly and accurately reflect the data type,
18 classification and format required to administer this
19 section in accordance with law and department rule and
20 regulation.

21

22 **27-14-108. Extrahazardous industries, employments,**
23 **occupations; enumeration; definitions; optional coverage.**

1

2 (d) This act applies to governmental entities engaged
3 in an industrial classification listed under subsection (a)
4 of this section and to employees of governmental entities
5 engaged in or employed as the following:

6

7 (xvi) Public school educational assistants who
8 provide services to special education students while
9 working directly with special education students and
10 certified special education teachers and related services
11 providers as defined by 34 C.F.R. 300.18 and 300.156 and
12 W.S. 21-2-802 and 21-7-303 who provide services to eligible
13 students ~~with behavioral, emotional, cognitive, learning,~~
14 ~~physical or health disabilities that require educational~~
15 ~~services to be provided outside of the regular classroom~~
16 ~~because the use of supplementary aids and services cannot~~
17 ~~be achieved satisfactorily in the regular classroom~~ while
18 working directly with eligible students;

19

20 (f) As used in this section:

21

22 (x) "Eligible student" means a student with
23 behavioral, emotional, cognitive, learning, physical or

1 health disabilities who requires educational services to be
2 provided outside of the regular classroom because the use
3 of supplementary aids and services cannot be achieved
4 satisfactorily in the regular classroom.

5
6 **Section 2.** 2011 Wyoming Session Laws, Chapter 185,
7 Attachment "A" (b)(ii), (iii) and (xxxiii) is amended to
8 read:

9
10 ATTACHMENT "A"

11 ATTACHMENT "A" CONTAINS AN ENUMERATION OF
12 EDUCATION RESOURCE BLOCK GRANT MODEL COMPONENTS
13 SUMMARIZING AND EXECUTING RECOMMENDATIONS
14 CONTAINED IN THE 2010 COST OF EDUCATION STUDY AS
15 FOLLOWS:

16
17 (b) Notwithstanding components specified in
18 the 2010 cost of education study accepted by the
19 legislature, the Wyoming education resource block
20 grant model components and the resourcing for
21 those components, as enacted by the legislature,
22 shall be as follows:

23

1 (ii) Class size: 16 for grades
 2 Kindergarten
 3 through ~~5-3~~;
 4 17 for grades 4
 5 through 5 for
 6 school years
 7 2018-2019 through
 8 2020-2021 and 18
 9 for school year
 10 2021-2022 and each
 11 school year
 12 thereafter;
 13 ~~21—~~For grades 6
 14 through 12, 22 for
 15 school year
 16 2018-2019, 23 for
 17 school years
 18 2019-2020 and
 19 2020-2021 and 24
 20 for school year
 21 2021-2022 and each
 22 school year
 23 thereafter.

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(iii) Core teachers: Elementary school
 ADM divided by ~~16~~
class size as
provided by
paragraph (b) (ii)
of this Attachment
A;

Middle school ADM
 divided by ~~21~~class
size as provided by
paragraph (b) (ii)
of this Attachment
A;

High school ADM
 divided by ~~21~~class
size as provided by
paragraph (b) (ii)
of this Attachment
A.

(xxxiii) Maintenance and operations:
 Based on ADM, gross

1 square footage,
2 number of buildings
3 and classrooms, and
4 age of buildings
5 ~~and site acreage~~
6 for custodians, and
7 maintenance
8 workers, and
9 ~~groundskeepers,~~
10 computed in
11 accordance with the
12 2010 cost of
13 education study.
14 Any building
15 without allowable
16 gross square
17 footage for
18 purposes of major
19 maintenance
20 computations under
21 W.S. 21-15-109
22 shall use the
23 actual educational

1 gross square
 2 footage as approved
 3 by the school
 4 facilities
 5 commission.
 6 Groundskeeper FTE
 7 computations for
 8 elementary, middle
 9 and high schools
 10 shall be computed
 11 in accordance with
 12 the 2010 cost of
 13 education study,
 14 subject to the
 15 following. The site
 16 acreage shall be
 17 based upon the
 18 lesser of the
 19 actual site acreage
 20 on which the
 21 facility is
 22 situated as defined
 23 by department rule

1 and regulation, or
2 the school facility
3 guidelines and site
4 acreages
5 established by the
6 school facilities
7 commission under
8 W.S. 21-15-114.
9 Acreages acquired
10 on or prior to July
11 1, 1997, and
12 acreages acquired
13 after July 1, 1997
14 through an exchange
15 with another
16 governmental entity
17 if the acreages
18 involved in the
19 exchange were
20 originally acquired
21 by the district and
22 the governmental
23 entity on or prior

1 to July 1, 1997,
 2 shall not be
 3 subject to
 4 groundskeeper FTE
 5 computation
 6 limitations, except
 7 as follows.
 8 Groundskeeper FTE
 9 computations for
 10 district level
 11 sites shall be
 12 equal to 10% of the
 13 groundskeeper FTEs
 14 for elementary,
 15 middle and high
 16 schools.

17
 18 **Section 3.** 2011 Wyoming Session Laws, Chapter 185,
 19 ATTACHMENT "A" (b)(xxviii), as amended by 2017 Wyoming
 20 Session Laws, Chapter 205, ATTACHMENT "A" (b)(xxviii) is
 21 repealed.

22

1 **Section 4.** For school year 2018-2019 and each school
2 year thereafter through the next recalibration of the
3 education resource block grant model pursuant to W.S.
4 21-13-309(t), the foundation program amount computed under
5 W.S. 21-13-309(p) for a school district with fewer than two
6 hundred forty-three (243) ADM, less amounts reimbursed
7 under W.S. 21-13-309(m)(v)(E) and amounts reimbursed for
8 health insurance and retirement, shall not be less than one
9 hundred percent (100%) of the foundation program amount
10 available to that school district during the 2017-2018
11 school year, as computed under W.S. 21-13-309(p) prior to
12 the addition of reimbursement amounts for that school year.
13 A school district is not entitled to additional funding
14 under this section if, but for a decrease in ADM as
15 compared with the 2017-2018 school year, that school
16 district would not have a foundation program amount that is
17 less than one hundred percent (100%) of the school year
18 2017-2018 foundation program amount. To the extent
19 necessary to implement this section, this section shall
20 supersede W.S. 21-13-309(p).

21

22 **Section 5.** Fifteen million dollars (\$15,000,000.00)
23 is appropriated from the school foundation program account

1 to the department of education. In school year 2018-2019,
2 the department shall distribute ten million dollars
3 (\$10,000,000.00) of this appropriation to the school
4 districts of the state in proportion to their school
5 foundation guarantee. In school year 2019-2020, the
6 department shall disperse five million dollars
7 (\$5,000,000.00) of this appropriation to the school
8 districts of the state in proportion to their school
9 foundation guarantee. Notwithstanding any other provision
10 of law, this appropriation shall not be transferred or
11 expended for any other purpose and any unexpended,
12 unobligated funds remaining from this appropriation shall
13 revert to the school foundation program account on June 30,
14 2020. No school district that is held harmless under
15 section 4 of this act for a school year shall receive
16 additional funding under this section for that school year.

17

18 **Section 6.**

19

20 (a) The department of education shall review state
21 statutes relating to special education and school district
22 transportation and its rules relating to special education
23 and transportation for any possible fiscal efficiencies. On

1 or before June 1, 2018, the department of education shall
2 report its initial findings and recommendations to the
3 joint education interim committee. On or before September
4 1, 2018, the department shall report its final findings and
5 recommendations to the joint education interim committee.
6 The department shall use the recommendations of the
7 legislature's 2017 recalibration consultant to guide its
8 review.

9

10 (b) On or before January 1, 2019, the state
11 superintendent of public instruction shall establish
12 statewide guidelines for adequate special education
13 staffing levels as required by W.S. 21-2-202(a)(xxiii). The
14 statewide special education staffing guidelines shall be
15 made effective for the 2019-2020 school year.

16

17 **Section 7.**

18

19 (a) Except as provided in subsection (b) of this
20 section, this act is effective July 1, 2018.

21

1 (b) Section 6 of this act is effective immediately
2 upon completion of all acts necessary for a bill to become
3 law as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

5

6

(END)