

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. _____

School finance-local resources.

Sponsored by: Hdraft

A BILL

for

1 AN ACT relating to school finance; diverting certain
2 revenues available for the public schools directly to the
3 public school foundation program account for distribution
4 to districts through the foundation program; modifying
5 scheduled foundation program payments to school districts
6 to enhance cash flow needs; repealing statutory provisions
7 pertaining to maximum recapture; authorizing foundation
8 account deposits in time deposit, open account program;
9 modifying related provisions as necessary and modifying
10 provisions governing treatment of tuition payments;
11 providing for school year 2011-2012 transition as
12 specified; and providing for an effective date.

13

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

1

2 **Section 1.** W.S. 8-1-109, 9-4-401(a), 9-4-503,
3 21-2-202(e), 21-4-501(a), (b)(intro), (i), (c) and (d),
4 21-4-505(b), 21-13-102(a)(intro), 21-13-201(b), 21-13-207,
5 21-13-303(b), 21-13-304, 21-13-306 by creating a new
6 subsection (d), 21-13-310(a)(intro) and (ix), 21-13-313(b),
7 (c) and (e), 21-13-331(c) and 39-13-111(a)(i)(C), (ii)(A)
8 and (iii) are amended to read:

9

10 **8-1-109. Payment of fines and penalties.**

11

12 Unless otherwise specifically provided by law, all civil or
13 administrative fines or penalties collected under the
14 Wyoming statutes shall be paid over to the state treasurer
15 to be credited to the public school ~~fund of the county in~~
16 ~~which the violation for which the fine or penalty was~~
17 ~~imposed occurred~~ foundation program account created under
18 W.S. 21-13-306.

19

20 **9-4-401. Distribution of funds.**

21

22 (a) All funds received by the state of Wyoming, as
23 its distributive share of the amounts collected by the

1 United States government under the provisions of the act of
2 congress of June 28, 1934 (48 Stat. 1269), known as the
3 Taylor Grazing Act, and any act amendatory thereof, shall
4 be deposited with the state treasurer. Upon receipt the
5 state treasurer shall, for those amounts received from
6 grazing fees, distribute the money to the several counties
7 of the state as provided by subsection (b) of this section,
8 and for those amounts received from leased or sold public
9 lands and on behalf of those school districts in which the
10 public lands are located, deposit the amounts received in
11 the public school foundation program account. The state
12 treasurer shall ascertain from the proper United States
13 officers having the records of receipt from leased or sold
14 public lands the amount of receipts from the sources in
15 this state for each year for which money is received by the
16 state. A separate ~~account~~ accounting shall be kept of the
17 sum received from sale or lease rentals from public lands.
18 ~~which sum shall be segregated by the state treasurer and~~
19 ~~paid to the county in which the leased or sold public land~~
20 ~~is located. If any leased or sold land lies in more than~~
21 ~~one (1) county of the state, each county shall receive a~~
22 ~~proportional amount of the revenue as the area of the~~
23 ~~leased or sold public land included within the boundary of~~

1 ~~the county bears to the total area of the leased or sold~~
2 ~~public land.~~

3

4 **9-4-503. Money from federal forest reserves;**
5 **distribution among counties and between school foundation**
6 **account and county roads.**

7

8 (a) Upon making the apportionment provided for in
9 W.S. 9-4-501 through ~~9-4-504~~ 9-4-503, the state treasurer
10 shall subtract five percent (5%) of the total amount
11 apportioned to each county and certify the remaining amount
12 to the state auditor as the amounts due to ~~the counties,~~
13 ~~whereupon the state auditor shall issue a warrant payable~~
14 that county from the monies received pursuant to W.S.
15 9-4-501.7

16

17 (b) The amount retained by the state treasurer from
18 each county's apportionment under subsection (a) of this
19 section shall be deposited into the public school
20 foundation program account.

21

22 (c) Upon certification of county apportionments
23 following amounts subtracted under subsection (a) of this

1 section, the state auditor shall issue a warrant payable
2 from monies received under W.S. 9-4-501 in favor of the
3 county treasurer ~~of the counties included in the~~
4 ~~distribution~~ for the amount to which the county is entitled
5 and remit the ~~warrants~~ warrant to the county ~~treasurers~~
6 treasurer. Upon receipt, the county treasurer shall deposit
7 the amount into the road fund of that county.

8
9 **21-2-202. Duties of the state superintendent.**

10
11 (e) In addition to paragraph (a)(i) of this section,
12 the state superintendent shall promulgate rules and
13 regulations governing the administration of the Wyoming
14 education resource block grant model adopted by the Wyoming
15 legislature as defined under W.S. 21-13-309, and governing
16 the operation of the model in determining school district
17 foundation program payments in accordance with chapter 13,
18 article 3 of this title and other applicable law. Copies
19 of the block grant model spreadsheets as administered under
20 department rule and regulation shall be provided to school
21 districts by the state superintendent for district use in
22 district budgeting and in complying with mandatory
23 financial reporting requirements imposed under W.S.

1 21-13-307(b) and by other provisions of law. Following
2 adoption of any recalibration of or modification to the
3 block grant model by the Wyoming legislature, and prior to
4 computing the foundation program amount for each school
5 district under W.S. 21-13-309(p) and determining the amount
6 to be distributed to a district under W.S. 21-13-311, ~~or~~
7 ~~recaptured from a district subject to W.S. 21-13-102(b),~~
8 the state superintendent shall certify to the legislature
9 that the block grant model as enacted by the legislature is
10 properly incorporated into the administration of the model
11 for the appropriate school year of model application.
12 Technical corrections to model spreadsheets necessary for
13 model administration between any session of the legislature
14 shall be implemented by the state superintendent, shall be
15 in accordance with procedures specified by rule and
16 regulation filed with the secretary of state and shall be
17 reported to the legislature together with the associated
18 fiscal and technical impact of the correction. As used in
19 this subsection, "technical corrections to model
20 spreadsheets" means corrections necessary to ensure model
21 operation and current school year district payments are in
22 accordance with law and the model is properly computing
23 school foundation program payments to school districts as

1 required by law. Notwithstanding W.S. 16-3-114(c), no
2 judicial review of rules promulgated and adopted under this
3 subsection shall hold unlawful or set aside action of the
4 state superintendent in promulgating or adopting rules
5 unless the rules are by clear and convincing evidence,
6 shown to exceed statutory authority.

7

8 **21-4-501. High school attendance for children**
9 **resident of districts which maintain no high school; out-**
10 **of-state placements.**

11

12 (a) Subject to approval by the state board of
13 education, any district which does not maintain a high
14 school shall pay tuition, in addition to transportation or
15 maintenance, for any child resident therein who has
16 successfully completed the course offered therein and
17 desires to attend high school, at any public school within
18 ~~or subject to the approval of the state board of education,~~
19 ~~without~~ outside the state, which the district board may
20 designate in the best interest, welfare and convenience of
21 the child. Application for attendance at a high school
22 outside the state shall be filed by the nonunified district
23 board with the state department of education. If the

1 nonunified district provides evidence that the amount of
2 tuition assessed by the out-of-state district for the out-
3 of-state placement shall not exceed one hundred twenty-five
4 percent (125%) of the actual per pupil cost as determined
5 under subsection (c) of this section, state board approval
6 shall be waived under this subsection. If a resident child
7 of a nonunified district attends any public high school
8 within the state, the nonunified district shall not pay
9 tuition to the admitting district for his attendance.

10
11 (b) The board of trustees of any school district
12 within the state which maintains a high school shall admit,
13 ~~upon payment of tuition,~~ pupils of districts which do not
14 maintain a high school. ~~;~~ ~~provided that nothing in~~ This
15 section shall ~~be construed to~~ not require a district to
16 admit nonresident pupils, ~~when~~ if to do so would overcrowd
17 the facilities of the admitting district or in any way work
18 a definite hardship upon the educational program offered by
19 the admitting district. The admitting district shall:

20
21 (i) Not assess tuition payments upon the
22 nonunified district but shall include any pupil admitted
23 under this section among its average daily membership (ADM)

1 for purposes of computing the foundation program under W.S.
2 21-13-309; and

3

4 (c) ~~The amount of tuition assessed under this section~~
5 For purposes of this article, the per pupil cost shall be
6 determined by dividing the total operating cost of the
7 district for the previous year, ~~plus the cost of bond~~
8 ~~redemption and interest for the previous year,~~ by the total
9 of the district's average daily membership for the previous
10 year.

11

12 (d) Subject to state board approval if an out-of-
13 state placement as required under subsection (a) of this
14 section, nonunified school districts shall not include any
15 student placed under this section among its average daily
16 membership (ADM) but shall be reimbursed from the school
17 foundation program account for tuition paid under
18 subsection (a) of this section as if the district's total
19 foundation program amount for that year as computed under
20 W.S. 21-13-309(p) was increased by the amount of the
21 tuition paid during the preceding year.

22

1 **21-4-505. Agreements for pupils attending school in**
2 **another state; admission of out-of-state pupils.**

3
4 (b) Any school district within the state may enter
5 into agreements to admit pupils from out of state at the
6 rate of tuition ~~at least as high as~~ equal to the actual per
7 pupil cost of the Wyoming district computed as provided in
8 W.S. 21-4-501(c). The admitting district shall:

9
10 (i) ~~If it requires payment of~~ Set tuition at
11 ~~least as high as provided~~ the amount computed under W.S.
12 21-4-501(c), and include the admitted out of state pupil
13 within its average daily membership (ADM) for purposes of
14 computing its foundation program amount under W.S.
15 21-13-309; and

16
17 (ii) ~~Account separately for the portion of~~
18 Report the tuition received pursuant to this subsection
19 ~~which is related to school buildings and facilities, as~~
20 ~~determined by the district and reported to the state~~
21 ~~department, and deposit that portion in its debt service~~
22 ~~account. The remainder shall be reported~~ as revenues for
23 purposes of W.S. 21-13-310(a)(ix).

1

2 **21-13-102. Maximum rate of school district tax;**
3 **disposition of tax revenues.**

4

5 (a) School district taxes levied under this section
6 shall be deposited into the public school foundation
7 program account created under W.S. 21-13-306 for
8 distribution to all school districts within the state to
9 ensure revenues are available to each school district in a
10 uniform and sufficient amount to enable compliance with the
11 uniform standards for educational programs provided under
12 W.S. 21-9-101 and 21-9-102 and to secure state board
13 accreditation of educational programs under W.S.
14 21-2-304(a)(ii). Except as otherwise provided by law, the
15 maximum rate of school district tax that may be levied for
16 all school purposes, exclusive of bond interest and
17 redemption, for any school district in any school year on
18 each dollar of assessed valuation within the school
19 district is as follows:

20

21 **21-13-201. Levy, collection and distribution of 6**
22 **mill school tax.**

23

1 (b) ~~On or before September 1 of each year, the state~~
2 ~~department of education shall notify the treasurer of each~~
3 ~~county of the percentage proportion to be allocated from~~
4 ~~the countywide six (6) mill school levy to each school~~
5 ~~district in his respective county. The computation of the~~
6 ~~distribution of the countywide six (6) mill levy shall be~~
7 ~~made by the department of education on the basis of the~~
8 ~~average daily membership (ADM) for the previous year. This~~
9 ~~number, for each district, shall be converted into a~~
10 ~~percentage of the total average daily membership (ADM) for~~
11 ~~all school districts within the county. The county~~
12 treasurer shall ~~distribute~~ transfer the revenue arising
13 from the countywide six (6) mill levy ~~among the school~~
14 ~~districts of the county according to the percentage~~
15 ~~computed above and pursuant to W.S. 21-13-207~~ to the state
16 treasurer for deposit into the public school foundation
17 program account created under W.S. 21-13-306.

18

19 **21-13-207. County school fund; distribution of funds**
20 **by county treasurer.**

21

22 (a) On the second Monday of each month, the county
23 treasurer shall ~~apportion~~ distribute all monies in the

1 county treasury belonging to the county school fund,
2 including all interest earned thereon, ~~and including fines~~
3 ~~and forfeitures, among the various school districts of the~~
4 ~~county in the same percentages as provided by W.S.~~
5 ~~21-13-201(b) and shall immediately pay the amount to each~~
6 ~~school district.~~ as follows:

7
8 (i) Revenues from any taxes imposed by and
9 collected for any school district under W.S. 18-9-201,
10 21-12-103, 21-13-503, 21-20-109, 21-20-110 and revenues
11 from any taxes levied for the payment of school district
12 bonded indebtedness, to the appropriate school district;

13
14 (ii) All remaining revenues to the state
15 treasurer for deposit into the public school foundation
16 program account created under W.S. 21-13-306.

17
18 **21-13-303. Levy of state tax; disposition of funds;**
19 **reduction of mill levy.**

20
21 (b) The funds that may accrue under this section
22 shall be placed in ~~a separate~~ the public school foundation
23 program account created under W.S. 21-13-306. Balances in

1 the account, if any, shall not lapse or be transferred to
2 any other fund or account.

3

4 **21-13-304. State treasurer to keep separate account.**

5

6 The state treasurer shall keep a separate account created
7 under W.S. 21-13-306 and except as otherwise provided by
8 law, all monies appropriated for school purposes shall be
9 kept in such account.

10

11 **21-13-306. Foundation program account established;**
12 **disposition of monies.**

13

14 (d) The state treasurer may, subject to fiscal
15 constraints necessary to properly maintain the fiscal
16 integrity of the public school foundation program account,
17 place monies deposited into the foundation account under
18 subsection (a) of this section into time deposit, open
19 account deposits authorized under W.S. 9-4-809 through
20 9-4-812 and 9-4-817. The state treasurer shall place
21 interest earnings on time deposit, open account deposits
22 paid under W.S. 9-4-811 into the public school foundation
23 program account.

1

2 **21-13-310. Annual computation of district revenues.**

3

4 (a) To ensure revenues available to each district are
5 uniformly sufficient to enable compliance with the uniform
6 standards for educational programs prescribed under W.S.
7 21-9-101 and 21-9-102 and to secure state board
8 accreditation of educational programs under W.S.
9 21-2-304(a)(ii), the revenues specified under this
10 subsection shall be ~~deemed state revenues~~ added to other
11 revenues deposited within the public school foundation
12 program account for the benefit of public schools and shall
13 be considered in determining the amount to be distributed
14 to each district under W.S. 21-13-311. A district shall
15 make an annual computation of the following revenues:

16

17 (ix) The amount of tuition paid to the district
18 during the previous school year, ~~including any amount~~
19 ~~charged~~ under W.S. ~~21-4-501~~ 21-4-505(b) and any amount
20 assessed in excess of the costs incurred for adult
21 education programs, summer school programs, programs
22 provided under an agreement for cooperative educational
23 programs under W.S. 21-20-101 through 21-20-111 and any

1 amount assessed for programs and services for children with
2 disabilities, but excluding any tuition assessed by a
3 district for the provision of distance education programs
4 to participating nonresident students pursuant to W.S.
5 21-13-330;

6

7 **21-13-313. Distribution of funds from foundation**
8 **account; cash reserve adjustment; regulations; time**
9 **deposit, open account interest distributions.**

10

11 (b) The state superintendent shall determine on or
12 before ~~August~~July 15 of each year the tentative allotment
13 of foundation funds to which each district is entitled
14 under this article. In making this determination, the state
15 superintendent may, if current fiscal information required
16 by law to compute the tentative allotment is not available
17 for any district by ~~August~~July 1 of that year, use fiscal
18 information available to the state superintendent from the
19 foundation program computations of the previous school year
20 for that district. The previous year's fiscal information
21 shall be adjusted to reflect current fiscal changes and
22 other information known by or available to the state
23 superintendent. Upon receiving actual fiscal information

1 from a district, the state superintendent shall accordingly
2 adjust future foundation program determinations for that
3 district such that foundation program payments
4 appropriately reflect current fiscal information for the
5 applicable school year.

6
7 (c) ~~One third (1/3)~~ Twenty-five percent (25%) of each
8 district's entitlement shall be paid to the district on
9 ~~August~~ or before July 15 of each year. Subject to any
10 adjustment under subsections (d) and (e) of this section,
11 on or about the fifteenth day of ~~October and February~~ each
12 month commencing August 15 for ten (10) successive months,
13 the balance of the entitlements shall be distributed in
14 equal payments. If, ~~after March 1 and before April 1,~~ the
15 state superintendent determines that the entitlement paid
16 to a district ~~for that~~ during any school year is not
17 accurate, the state superintendent shall make additional
18 payments to or ~~require~~ withhold the amount from future
19 payments ~~from~~ to that district as necessary to correct the
20 inaccuracy as soon as practicable. Except as provided under
21 W.S. 21-2-202(e), after ~~March 31~~ June 15 of any school
22 year, the state superintendent shall not adjust any
23 district's entitlement or fiscal information used to

1 compute a district's entitlement for that school year, and
2 the entitlement or fiscal information shall only be
3 adjusted thereafter in accordance with audit review
4 pursuant to W.S. 9-1-513.

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

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

22

23 **21-13-331. Cooperative services incentive.**

1

2 (c) On or before July 15 of the succeeding fiscal
3 year, districts shall report information necessary to
4 compute any additional payments resulting from combined
5 service agreements under subsection (a) or (b) of this
6 section ~~at the same time they report actual revenue~~
7 ~~collections for the purpose of reconciliation under W.S.~~
8 ~~21-13-313(d)~~ implemented during the prior fiscal year. Not
9 later than October 15 of each year, school districts shall
10 be paid from the school foundation program any payments for
11 which the district is eligible under this section. None of
12 the additional incentive payments under this section shall
13 be counted for the purpose of computing a district's
14 entitlement to revenues for any school year.

15

16 **39-13-111. Distribution.**

17

18 (a) The following shall apply to the distribution of
19 tax collections:

20

21 (i) The county treasurer shall keep accurate
22 records of taxes collected for each governmental entity for
23 which a tax levy is made pursuant to W.S. 39-13-104(k) and

1 shall pay the taxes collected to the treasurer of each
2 governmental unit or settle accounts with the county
3 commissioners as hereafter provided:

4

5 (C) To school districts as provided by W.S.
6 ~~21-13-207~~ 21-13-207(a)(i) and to the public school
7 foundation program account as provided by W.S. 21-13-102
8 and 21-13-201;

9

10 (ii) Upon sale of property for the nonpayment of
11 taxes, the proceeds thereof shall be distributed as
12 follows:

13

14 (A) The portion attributable to school
15 district levies is payable to the public school foundation
16 program account on behalf of the proper school district;

17

18 (iii) The county treasurer shall credit all
19 taxes collected from rail car companies to a separate
20 account and after the regular state, county and school
21 district levies are made, distribute them in the same
22 manner property taxes are distributed. ~~To determine the~~
23 ~~entitlement to the state, county and school districts the~~

1 ~~county treasurer shall apportion the taxes to the various~~
2 ~~school districts through which the rail cars may have~~
3 ~~operated on the ratio that main track mileage in each~~
4 ~~school district bears to the total main track mileage~~
5 ~~within the county.~~

6
7 **Section 2.** W.S. 9-4-402, 9-4-504, 21-4-501(b)(ii),
8 21-13-102(b), (e) and (g), 21-13-206, 21-13-310(a)(i),
9 (ii), (v) through (viii), (xii), (xiii), (c) and (d),
10 21-13-312(a)(ii), 21-13-313(d) and (g) and 2006 Wyoming
11 Session Laws, Chapter 37, Section 6(b) are repealed.

12

13 **Section 3.**

14

15 (a) For purposes of transitioning to the computation
16 of payments to school districts from the public school
17 foundation program account as enacted under sections 1 and
18 2 of this act, computation of school year 2011-2012 school
19 district foundation program amounts shall be in accordance
20 with this subsection. Notwithstanding W.S. 21-13-310(a) as
21 amended by sections 1 and 2 of this act, and effective only
22 for school year 2011-2012 school foundation program account
23 distributions to school districts, revenues received by

1 each school district originating during fiscal year
2 2010-2011 collections from sources specified under W.S.
3 21-13-310(a)(v), (vi), (vii), (viii), (xii) and (xiii), as
4 effective prior to July 1, 2011, shall in addition to
5 revenues specified under W.S. 21-13-310(a)(ix), (xiv) and
6 (xv) and for purposes of W.S. 21-13-311(a), be included in
7 the sum of that district's revenues to be subtracted from
8 its total foundation program amount computed under W.S.
9 21-13-309.

10

11 (b) In addition to subsection (a) of this section and
12 notwithstanding section 2 of this act, any revenue received
13 by a district from levies imposed under W.S.
14 21-13-102(a)(i)(A) and (ii)(B) and 21-13-201, regardless of
15 the assessment year, and that revenue is reported by the
16 district to the department of education on or before August
17 15, 2011, as being less than or greater than the revenues
18 estimated under W.S. 21-13-310(a)(i) and (ii) for purposes
19 of school year 2010-2011 foundation program computations:

20

21 (i) By October 15, 2011, the 2011-2012 school
22 foundation program amount computed under W.S. 21-13-309 for

1 that district shall be increased by the difference if
2 collections are reported as less than estimates; or

3

4 (ii) The 2011-2012 school foundation program
5 amount computed under W.S. 21-13-309 for that district
6 shall be reduced by the difference if collections are
7 reported as greater than estimates.

8

9 **Section 4.** This act is effective July 1, 2011.

10

11

(END)