

HOUSE BILL NO. HB0030

School finance-increasing cash reserves.

Sponsored by: Joint Education Interim Committee

A BILL

for

1 AN ACT relating to school finance; implementing
2 modifications to the Wyoming education resource block grant
3 model; increasing the amount that can be computed for a
4 school district's operating balance and cash reserves;
5 prohibiting expenditures on capital construction during a
6 specified period; and providing for an effective date.

7

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

9

10 **Section 1.** W.S. 21-13-313(e) is amended to read:

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12 **21-13-313. Distribution of funds from foundation**
13 **account; property tax and cash reserve adjustment;**
14 **regulations.**

15

1 (e) Not later than January 31 of each fiscal year,
2 and except where a different percentage is otherwise
3 specified in this subsection, the department shall compute
4 the amount by which each district's operating balance and
5 cash reserves at the end of the preceding fiscal year
6 exceed fifteen percent (15%) of the total foundation
7 program amount computed under W.S. 21-13-309 for the
8 preceding fiscal year. In making this calculation, the
9 entire operating balance and cash reserves for each
10 district for the fiscal year ending June 30, 1997, as
11 computed by the department, shall be separately accounted
12 for and excluded, until it has been completely expended by
13 the district. Revenues from settlements of protested
14 amounts attributable to levies assessed under W.S.
15 21-13-102(a)(i)(A) and (ii)(A) and 21-13-201, regardless of
16 the assessment year, shall be accounted for and excluded
17 from the calculation under this subsection for a period of
18 not more than one (1) year following that fiscal year in
19 which the revenue was received by a district, as verified
20 in writing by the district and certified by the county
21 treasurer. Except as otherwise provided in 1997 Special
22 Session Laws, chapter 3, section 306(e), as amended, and
23 except as excluded under this subsection, that excess shall

1 be deemed to be a state revenue under W.S. 21-13-310(a) for
2 the purpose of determining distributions under W.S.
3 21-13-311 and amounts to be rebated under W.S. 21-13-102.
4 The department shall promulgate rules, including reporting
5 requirements and procedures for districts, to implement
6 this subsection. As used in this section, "operating
7 balance and cash reserves" means those financial resources
8 of the district which are not encumbered by the district
9 board of trustees for expenditure to meet an existing legal
10 obligation or otherwise restricted by law or regulation for
11 expenditure on specific educational programs. For purposes
12 of this subsection, any balance within a district's
13 separate account established under W.S. 21-15-109(e) for
14 major building and facility repair and replacement shall be
15 deemed restricted by law for expenditure as provided by
16 W.S. 21-15-109(e) and shall not be considered an operating
17 balance and cash reserve under this section. For the fiscal
18 year ending June 30, 2022 through the fiscal year ending
19 June 30, 2026, the department shall compute the amount by
20 which each district's operating balance and cash reserves
21 at the end of the preceding fiscal year exceed thirty
22 percent (30%) of the total foundation program amount
23 computed under W.S. 21-13-309 for the preceding fiscal

1 year. During this period, the amount of a district's
2 operating balance and cash reserves that may be increased
3 from fifteen percent (15%) to thirty percent (30%) of the
4 total foundation program amount computed under W.S.
5 21-13-309 for the preceding fiscal year shall be accounted
6 for and reported separately and shall not be transferred or
7 expended for purposes of capital construction. For purposes
8 of this subsection, "capital construction" does not include
9 major building and facility repair and replacement as
10 defined under W.S. 21-15-109(a)(iii).

11

12 **Section 2.** This act is effective immediately upon
13 completion of all acts necessary for a bill to become law
14 as provided by Article 4, Section 8 of the Wyoming
15 Constitution.

16

17

(END)