

FISCAL NOTE

	FY 2024	FY 2025	FY 2026
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue (decrease)			
SCHOOL FOUNDATION PROGRAM ACCOUNT	(\$200,000)		
	FY 2024	FY 2025	FY 2026
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
SCHOOL FOUNDATION PROGRAM ACCOUNT	\$660,000	\$440,000	\$220,000

Source of revenue decrease and expenditure increase:

This bill modifies the regional cost adjustment (RCA) within K-12 education resource block grant model (funding model). Under current law, the funding model's RCA is the greater of the 2005 Hedonic Wage Index or the Wyoming Cost-of-Living Index (WCLI), with a minimum of 100 (the statewide average) to ensure districts do not fall below the statewide average. The WCLI used in the funding model is the average of the six consecutive semi-annual index reports completed by January 1 of the immediately preceding school year (a three-year average). This bill amends the WCLI used as part of the RCA as the greater of the average of the six consecutive semi-annual index reports completed by January 1 of the immediately preceding school year or the semi-annual index report completed by January 1 of the immediately preceding school year.

The estimated absolute impact of the change in the RCA to the funding model's School Foundation Program guarantee amount is an increase of \$860,000 in FY 2024, \$440,000 in FY 2025, and \$220,000 in FY 2026. The decreased revenues to the School Foundation Program Account occur in the form of decreased recapture payments and increased expenditures from the School Foundation Program Account occur in the form of increased entitlement payments.

Assumptions:

The above estimates were determined through the use of forecast models utilized by the Legislative Service Office and are based on the most recent available data. It is also assumed that the WCLI, produced by the Department of Administration and Information's Economic and Analysis Division, for the second quarter of 2022, remains constant throughout the forecast period.

Prepared by: Matthew Willmarth, LSO Phone: 777-7881
 (Information provided by Trent Carroll and Leslie Zimmerschied, Department of Education, 777-7720)