

FISCAL NOTE

This bill contains appropriations totaling \$880,000 from the GENERAL FUND to the Wyoming Department of Education (WDE).

This bill contains an appropriation of \$40,000,000 from the GENERAL FUND to the EDUCATION SAVINGS ACCOUNTS EXPENDITURE ACCOUNT created by this bill.

This bill contains an authorization of two (2) full-time positions.

DETAIL OF APPROPRIATION

Agency #: 206 Agency Name: Department of Education
 Unit: N/A

| EXPENDITURE BY SERIES AND YEAR | FY 2024 | FY 2025 | FY 2026 |
|---------------------------------------|----------------|----------------|----------------|
| 0100 Personnel/Benefit Costs | \$0 | \$240,000 | \$240,000 |
| 0900 Contractual Services Costs | \$0 | \$200,000 | \$200,000 |
| Total Expenditure Per Year: | \$0 | \$440,000 | \$440,000 |
| Grand Total Expenditure: | \$880,000 | | |
| Total Appropriated to Agency: | \$880,000 | | |
| Total Appropriated by Fund: | | | |
| GENERAL FUND | \$880,000 | | |

Description of Appropriations:

This bill creates the Wyoming Education Savings Accounts Act (Act) that is administered by the WDE. The WDE is authorized two (2) full-time employees to administer the Act and anticipates expending \$240,000 each fiscal year (FY) of the FY 2025-2026 biennium for these positions' salaries and benefits. The State Superintendent of Public Instruction is authorized to allocate funds from the Education Savings Accounts Expenditure Account to pay for qualifying education expenses for each education savings account (ESA) student to education service providers. The WDE anticipates expending \$200,000 each fiscal year in the FY 2025-2026 biennium in contractual services costs to a third-party to assist the WDE in administering each ESA.

Subject to the availability of funds within the Education Savings Accounts Expenditure Account, a child who is a Wyoming resident and who's household income is at or below 250 percent of the federal poverty level is eligible to receive an ESA equal to \$5,000 per year, subject to: (i) the child is not less than three-years of age as of August 1 of the year in which an application is made and has not yet attained the age to attend public school in Wyoming (early childhood education ESA); or (ii) has not graduated from high school, received a high school equivalency certification or completed the equivalent of high school through a home-based educational program and is eligible to attend public school in Wyoming (K-12 education ESA).

Beginning FY 2026, an ESA can be authorized to eligible students, with 30 percent of the ESAs to be awarded for early childhood education ESAs and 70 percent of the ESAs to be awarded for K-12 education ESAs. Of the \$40,000,000 within the Education

Savings Accounts Expenditure Account, \$12,000,000 (30 percent) would be eligible to be awarded for early childhood education ESAs or a maximum of 2,400 ESAs in FY 2026, and \$28,000,000 (70 percent) would be eligible to be awarded for K-12 education ESAs or a maximum of 5,600 ESAs in FY 2026. The WDE anticipates expending \$12,000,000 on 2,400 early childhood education ESAs and \$13,975,000 in FY 2026 on 2,795 K-12 education ESAs based on the assumptions detailed below.

Assumptions:

The 2023 federal poverty guidelines for the 48 contiguous states and the District of Columbia, published by the United States Department of Health and Human Services, are detailed below with a column indicating the 250 percent eligibility requirement in this bill. The poverty guidelines for FY 2026 would be determined using the most recent federal poverty guidelines.

2023 Federal Poverty Guidelines.

| Persons in Family/ Household | Poverty Guideline | 250 Percent of Poverty Guideline |
|---------------------------------|-------------------|-------------------------------------|
| 1 | \$14,580 | \$36,450 |
| 2 | \$19,720 | \$49,300 |
| 3 | \$24,860 | \$62,150 |
| 4 | \$30,000 | \$75,000 |
| 5 | \$35,140 | \$87,850 |
| 6 | \$40,280 | \$100,700 |
| 7 | \$45,420 | \$113,550 |
| 8 | \$50,560 | \$126,400 |

The WDE indicates the estimated number eligible students for early childhood ESAs may be approximately 3,400 based on public testimony and the number of eligible students for K-12 education ESAs may be approximately 2,795 based on limited publicly available data. The WDE does not know the exact number of K-12 education ESA students that would qualify at the required poverty level, but publicly available data suggests 43 percent of children would be below the 250 percent poverty level and there are approximately 6,500 K-12 education aged students not attending public school.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Education

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