

HOUSE BILL NO. HB0047

School finance.

Sponsored by: Joint Education Interim Committee

A BILL

for

1 AN ACT relating to school finance; modifying the school
2 reconfiguration requirements under the education resource
3 block grant funding model; clarifying and defining
4 requirements, expanding application as specified and
5 providing an exception; modifying the regional cost
6 adjustment to the education resource block grant model;
7 providing technical corrections; clarifying methodology for
8 computing model external cost adjustments; adjusting cost
9 of education study components as specified; phasing-in
10 financial impacts of modified regional cost adjustment;
11 providing appropriations; and providing for effective
12 dates.

13

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

15

1 **Section 1.** W.S. 21-9-101(d), 21-13-309(m)(v)(C), by
2 creating a new paragraph (vi) and (o) and 21-15-123(e) are
3 amended to read:

4

5 **21-9-101. Educational programs for schools;**
6 **standards; core of knowledge and skills; special needs**
7 **programs; class size requirements; cocurricular activities.**

8

9 (d) In addition to subsections (b) and (c) of this
10 section, each school district within this state shall
11 endeavor to maintain when practicable, in kindergarten
12 through grade three (3) within the district, an average
13 class size of no more than ~~twenty (20)~~ sixteen (16)
14 students per teacher, excluding children with disabilities
15 who spend more than fifty percent (50%) of their time
16 outside of regular classroom instruction.

17

18 **21-13-309. Determination of amount to be included in**
19 **foundation program for each district.**

20

21 (m) In determining the amount to be included in the
22 foundation program for each district, the state
23 superintendent shall:

24

1 (v) Based upon ADM computations and identified
2 school configurations within each district pursuant to
3 paragraph (iv) of this subsection, compute the foundation
4 program amount for each district as prescribed by the
5 education resource block grant model adopted by the Wyoming
6 legislature as defined under W.S. 21-13-101(a)(xiv), as
7 contained within the spreadsheets and accompanying reports
8 referenced under W.S. 21-13-101(a)(xvii), on file with the
9 secretary of state and maintained by the state
10 superintendent pursuant to W.S. 21-2-202(e). The following
11 criteria shall be used by the state superintendent in the
12 administration of the education resource block grant model:
13

14 (C) Salaries for all school and district
15 level staffing categories, including teachers, principals
16 and assistant principals, central office administrators,
17 secretarial and clerical staff, operations and maintenance
18 staff and aides and media technicians, shall be based upon
19 average statewide salary levels calibrated for school year
20 2005-2006 for each staffing category, adjusted under
21 subsection (o) of this section, including the experience,
22 education and responsibility level as appropriate and as
23 computed for each staffing category. The statewide average
24 for each staffing category shall be adjusted for each

1 district based upon the district experience, education and
2 responsibility level relative to the statewide average for
3 that category. District experience, education and
4 responsibility level by appropriate staffing category shall
5 be updated each year such that district adjustments reflect
6 the prior school year staffing information. The district
7 adjusted average salary for each staffing category shall be
8 further adjusted for regional cost differences as measured
9 by the ~~greater of the~~ hedonic wage index ~~or the Wyoming~~
10 ~~cost of living index computed by the division of economic~~
11 ~~analysis, department of administration and information,~~
12 with a minimum of one hundred (100) index value, as
13 prescribed by the education resource block grant model. For
14 purposes of the education resource block grant model, the
15 ~~version of the Wyoming cost of living index used by the~~
16 ~~division shall be based upon the unrecalibrated housing~~
17 ~~cost index weights unless otherwise determined by the~~
18 ~~legislature based upon recommendation of the joint~~
19 ~~education interim committee. In addition, the version of~~
20 ~~the Wyoming cost of living index applied under this~~
21 ~~subparagraph for any school year shall be the average of~~
22 ~~the six (6) consecutive semi annual index reports completed~~
23 ~~by January 1 of the immediately preceding school year~~
24 autoregressive random effects hedonic wage index shall be

1 used to compute the regional cost adjustment as defined by
2 the August 2011 hedonic wage index report on file with the
3 legislative service office and recommended by consultants
4 to the legislature, updated annually to reflect changes in
5 student demographic data, the Wyoming cost-of-living index
6 and the comparative wage index;

7
8 (vi) Except for charter schools established
9 under W.S. 21-3-301 through 21-3-314, any alteration of the
10 configuration of grades within a district, school or school
11 facility which differs from the configuration of grades
12 during the immediately preceding school year as reported
13 under paragraph (iv) of this subsection shall be considered
14 a reconfiguration and shall be documented by the district
15 and reported to the state superintendent and the director
16 of the school facilities department. Following review and
17 evaluation, the state superintendent and the director
18 shall, each acting independently, approve or deny the
19 reconfiguration for purposes of application to the
20 education resource block grant model and the determination
21 of school facility needs and remedies. The following shall
22 apply:

23

1 (A) Approval under this paragraph shall be
2 based upon the appropriate delivery of the required
3 educational program, the cost effectiveness of the proposed
4 grade reconfiguration for delivery of adequate educational
5 services to students with block grant resources, district
6 wide capacity of school educational facilities as defined
7 under W.S. 21-15-109(a)(ii) and any extraordinary
8 circumstances related to the safe and efficient delivery of
9 the education program to students;

10
11 (B) Approval under this paragraph shall be
12 required prior to receiving state funds for adding any new
13 school within a district;

14
15 (C) Effective for the school year
16 commencing after July 1, 2012, and each school year
17 thereafter, no reconfiguration of grades within any
18 district, school or facility shall differ from the previous
19 school year such that more than one (1) school is included
20 within any one (1) school facility to be reported under
21 paragraph (iv) of this subsection for purposes of
22 determining the foundation program amount for that
23 district;

24

1 (D) As used in this paragraph,
2 "configuration" means the approved combination of grades
3 served within a district, school or school facility as
4 reported for purposes of determining the foundation program
5 amount for that district under this section.

6
7 (o) To the extent specifically provided ~~within the~~
8 ~~school foundation program budget as enacted~~ by the
9 legislature, and between periods of model recalibration
10 required under subsection (t) of this section, the amount
11 computed for each district under subsection (m) of this
12 section shall be adjusted to provide for the effects of
13 inflation, excluding those amounts specified under
14 subparagraphs (m)(v)(E) and (F) of this section and the
15 assessment component contained in paragraph (b)(xxviii) of
16 "Attachment A" as referenced in W.S. 21-13-101(a)(xvii).
17 The adjustment under this subsection shall not be applied
18 until the expiration of the school year immediately
19 following the first school year of application of the
20 recalibrated model, and shall be adjusted on a cumulative
21 basis each school year thereafter and until the first
22 school year of application of a subsequent model
23 recalibration. Following analysis of information reported
24 under subsection (u) of this section, the joint

1 appropriations interim committee shall submit a
2 recommendation to the legislature and the governor not
3 later than November 1 of each applicable year on an
4 external cost adjustment for purposes of this subsection.

5

6 **21-15-123. School facilities department; creation;**
7 **control; director; duties and authority.**

8

9 (e) The director is the chief administrative officer
10 of the department with general supervision and control of
11 all activities, functions and employees of the department,
12 under the direction and supervision of the commission. He
13 shall devote his entire time to the performance and
14 supervision of the duties conferred on him by the
15 commission and by law. The director shall also review and
16 evaluate school district requests for the alteration of
17 grade configurations pursuant to W.S. 21-13-309(m)(vi), and
18 shall evaluate the request in the best financial and
19 educational interests of the state, taking into
20 consideration the most efficient and cost effective
21 approach in order to deliver quality educational services.

22

23 **Section 2.** W.S. 21-13-309(m)(iv)(C) is repealed.

24

1 under paragraph (b) (xxxiv) of this attachment.

2
3 (iv) "Energy category of model components"
4 includes the utility component resourced under paragraph
5 (b) (xxxv) of this attachment;

6
7 (v) "Nonprofessional labor category of model
8 components" includes aides, central office secretaries,
9 school secretaries, school clerical staff, maintenance
10 workers/groundskeepers and custodians resourced under
11 paragraph (b) (xxxvii) of this attachment;

12
13 (vi) "Professional labor category of model
14 components" includes teachers, principals, assistant
15 principals, superintendents, assistant superintendents,
16 business managers and library media technicians resourced
17 under paragraph (b) (xxxvii) of this attachment.

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

24
25 (xxii) Computers, equipment: ~~\$333.43/ADM-~~
26 \$291.90/ADM.

27
28 (xxxix) Regional cost adjustment: As computed
29 under W.S.
30 21-13-309(m) (v) (C), using the
31 autoregressive random effects
32 hedonic wage index as
33 computed in accordance with
34 the October 2011 hedonic wage
35 index report on file with the
36 legislative service office
37 and updated annually.

38
39 (xl) External cost adjustment: Applied to
40 four (4) major resource
41 categories of block grant
42 model components based upon
43 an analysis of: ~~appropriate~~
44 cost indices

45

1 (A) Market pressures for professional and
2 nonprofessional labor model components in accordance with
3 W.S. 21-13-309(u);
4

5 (B) The BLS Producer Price Index for
6 Commercial Electric Power weighted at 44.1% and the BLS
7 Producer Price Index for Natural Gas weighted at 55.9% for
8 energy model components; and
9

10 (C) The BLS Producer Price Index for Office
11 Supplies and Accessories for educational materials model
12 components.
13

14 **Section 4.** Notwithstanding W.S. 21-13-309(m)(vi) as
15 amended under section 1 of this act, any request for a
16 reconfiguration of grades within a school district
17 anticipating the construction of new educational buildings
18 that was approved by the state superintendent during the
19 school year ending prior to the effective date of this act,
20 and the request was also approved by the director of the
21 school facilities department as not adversely impacting the
22 cost effectiveness of the district's facility plan, shall
23 not be considered a reconfiguration for purposes of W.S.
24 21-13-309(m)(vi), as amended by section 1 of this act.
25

26 **Section 5.**
27

28 (a) The amount computed under W.S.
29 21-13-309(m)(v)(C), as amended by section 1 of this act,
30 for the adjustment of average salaries for regional cost

1 differences for each staffing category as used to determine
2 the foundation program amount of a district under W.S.
3 21-13-309(p), shall be compared to an amount computed for
4 that district as if the regional cost adjustment is
5 measured by the greater of the hedonic wage index as
6 computed under W.S. 21-13-309(m)(v)(C) in effect prior to
7 the enactment of section 1 of this act, or the Wyoming
8 cost-of-living index computed by the division of economic
9 analysis, department of administration and information,
10 using the version based upon the unrecalibrated housing
11 cost index weights, applied to the average of the six (6)
12 consecutive semi-annual index reports completed by January
13 1 of the immediately preceding year, with a minimum of one
14 hundred (100) index value. If the regional cost adjustment
15 computed under this subsection for any district is greater
16 than the amount of the adjustment computed under W.S.
17 21-13-309(m)(v)(C), as amended by section 1 of this act,
18 the district shall receive an amount in addition to the
19 amount computed under W.S. 21-13-309(m)(v)(C), as amended
20 by section 1 of this act, as follows:

21

22 (i) For school year 2012-2013, an amount equal
23 to one hundred percent (100%) of the difference between the

1 adjustment amount computed under this subsection and W.S.
2 21-13-309(m)(v)(C), as amended by section 1 of this act;

3

4 (ii) For school year 2013-2014, an amount equal
5 to seventy-five percent (75%) of the difference between the
6 adjustment amount computed under this subsection and W.S.
7 21-13-309(m)(v)(C), as amended by section 1 of this act;

8

9 (iii) For school year 2014-2015, an amount equal
10 to fifty percent (50%) of the difference between the
11 adjustment amount computed under this subsection and W.S.
12 21-13-309(m)(v)(C);

13

14 (iv) For school year 2015-2016, an amount equal
15 to twenty-five percent (25%) of the difference between the
16 adjustment amount computed under this subsection and W.S.
17 21-13-309(m)(v)(C).

18

19 **Section 6.**

20

21 (a) For school year 2012-2013, the model components
22 specified within the 2010 cost of education study, as
23 accepted by the legislature but prior to modification by
24 the legislature under 2011 Wyoming Session Laws, Chapter

1 185, Attachment "A"(b), shall be adjusted for the effects
2 of inflation in accordance with recommendations of the 2011
3 report on the external cost adjustment. The August 2011
4 report contains recommendations by consultants to the
5 legislature and is on file with the legislative service
6 office. Adjustments shall be as follows:

7

8 (i) For the educational materials category of
9 model components as defined by 2011 Wyoming Session Laws,
10 Chapter 185, Attachment "A"(a)(iii), as amended by section
11 2 of this act, two and eighteen hundredths percent (2.18%)
12 reflecting the annual change measured by the BLS Producer
13 Price Index for Office Supplies and Accessories;

14

15 (ii) For the energy category of model components
16 as defined by 2011 Wyoming Session Laws, Chapter 185,
17 Attachment "A"(a)(iv), as amended by section 2 of this act,
18 twenty-seven hundredths percent (0.27%) reflecting the
19 annual change measured by the BLS Producer Price Index for
20 Commercial Electric Power weighted at 44.1% and the BLS
21 Producer Price Index for Natural Gas weighted at 55.9%.

22

23 **Section 7.** For the period commencing upon the
24 effective date of this section and ending June 30, 2014,

1 unexpended, unobligated amounts appropriated to the
2 legislative service office under 2010 Wyoming Session Laws,
3 Chapter 39, Section 334(f)(ii), shall be available for
4 expenditure by the legislative service office.
5 Additionally and notwithstanding W.S. 9-2-1008, 9-2-1012(e)
6 and 9-4-207(a), any unexpended, unobligated monies
7 appropriated from the school foundation program account to
8 the attorney general under 2010 Wyoming Session Laws,
9 Chapter 39, Section 2, Section 015, for purposes of the
10 school finance litigation law office, shall not revert on
11 June 30, 2012 and shall be reappropriated for expenditure
12 by the legislative service office for the period beginning
13 July 1, 2012 and ending June 30, 2014. Expenditures of
14 amounts appropriated and reappropriated under this section
15 shall be for professional consulting expertise and other
16 support necessary for analysis and evaluation of the data
17 used within the education resource block grant funding
18 model monitoring process established under W.S.
19 21-13-309(u) and other reports for use by the joint
20 appropriations interim committee and the joint education
21 interim committee pertaining to model adjustment and
22 maintaining model integrity. Professional consulting
23 expertise may be retained by the legislative service office
24 only upon approval of the management council, and the

1 unexpended, unobligated amounts may be expended for
2 contractual agreements between the council and professional
3 consultants.

4

5 **Section 8.**

6

7 (a) Except as provided by subsection (b) of this
8 section, this act is effective July 1, 2012.

9

10 (b) Notwithstanding subsection (a) of this act, W.S.
11 21-9-101(d), as amended under section 1 of this act, 2011
12 Wyoming Session Laws, Chapter 185, Attachment "A"(b)(xxii),
13 as amended in section 3 of this act, and section 7 of this
14 act are effective immediately upon completion of all acts
15 necessary for a bill to become law as provided by Article
16 4, Section 8 of the Wyoming Constitution.

17

18

(END)