## WORKING DRAFT

HOUSE BILL NO. $\qquad$

School finance-regional cost adjustment.
Sponsored by: (s) Hdraft

A BILL
for

AN ACT relating to school finance; modifying the regional cost adjustment to the cost-based school finance funding model; requiring further study on the adjustment; providing an appropriation; and providing for an effective date.

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

Section 1. W.S. 21-13-309(o)(ii) is amended to read:

21-13-309. Determination of amount to be included in foundation program for each district.
(o) The revised model amount per ADM for each district computed under subsection (n) of this section shall be further adjusted for the following. Unless
otherwise specified in this subsection, the adjustments under this subsection shall be determined as specified in the education resource block grant model:
(ii) The amount, after the adjustment under paragraph (o)(i) of this subsection has been made, shall be further adjusted for regional cost ef living differences. For school year 2003-2004 only, the adjustment for regional cost of living differences shall be based upon the following:
(A) The adjustment shall be computed under subdivisions (o)(ii)(A)(I) and (II) of this section for each district and the larger computed adjustment shall be applied to the revised model amount per ADM for that district:
(I) The Wyoming cost-of-living index, as computed by the division of economic analysis, department of administration and informationi
(II) The parabolic cost-of-living adjustment based upon the Wyoming cost-of-living index and teacher salary data for school year 2002-2003.
(B) The version of the Wyoming cost-ofliving index used under this paragraph shall be the average of the six (6) consecutive semi-annual index reports completed by January 1 prior to the school year for which it is to be used.

## Section 2.

(a) Based upon study findings contained within the November 2002 report on the regional cost adjustment to the education resource block grant model, a copy of which is on file with the legislative service office, the division of economic analysis, department of administration and information, shall report to the joint education interim committee on final recommendations for an instrument to measure regional cost differences in Wyoming. Recommendations shall define a rigorous statistical adjustment that considers and accounts for salary demands in all regions of the state and shall minimize incentives for discretionary actions by school districts to impact adjustment estimations. The report shall be submitted to the joint education interim committee on or before November 1, 2003.
(b) Following receipt of the report required under subsection (a) of this section, the joint education interim committee shall submit recommendations and enabling legislation to the legislature which implement a regional cost adjustment to the education resource block grant model for school year 2004-2005 and each school year thereafter. Recommendations shall be submitted under this subsection in sufficient time for consideration by the legislature during the 2004 budget session.
(c) Twenty thousand dollars $(\$ 20,000.00)$ is appropriated from the general fund to the division of economic analysis, department of administration and information, to conduct the analysis and study necessary for development of recommendations under this section.

Section 3. This act is effective July 1, 2002.
(END)

