Education-school finance cost-of-living adjustment. 15LSO-0375, 1.1

FISCAL NOTE

	FY 2016	FY 2017	FY 2018
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue(decrease)			
SCHOOL FOUNDATION FUND	($1,070,000)	($560,000)	($190,000)

	FY 2016	FY 2017	FY 2018
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
SCHOOL FOUNDATION FUND	$110,000	$120,000	$10,000

Source of revenue (decrease):

Decrease in recapture revenue from school districts to the School Foundation Program Account by amending the education resource block grant model regional cost adjustment;

Source of expenditure increase:

Increase in entitlement payments to school districts from the School Foundation Program Account by amending the education resource block grant model regional costs adjustment;

Assumptions:

A decrease in recapture revenues to the School Foundation Program Account and an increase in expenditures from the School Foundation Program are expected to occur as a result of the amendment to W.S. 21-13-309(m)(v)(C).

By amending the statute for the education resource block grant model regional cost adjustment, increases to a school district's Wyoming Cost of Living Index (WCLI) will be reflected sooner by using the average of the two most recent semi-annual indices rather than an average of the six most recent semi-annual indices.

The increases in the WCLIs will result in an increase to the education resource block grant model's guarantee amount for school districts that use the average of the two most recent semi-annual WCLIs as their regional cost adjustment, thus reducing revenue from recapture school districts and increasing expenditures to entitlement districts. Additionally, expenditure increases are estimated to occur to "off-model" categorical program grants, the supplemental summer school and extended day program under W.S. 21-13-334, and the instructional facilitator program under W.S. 21-13-335.

Expenditure increases in entitlement payments are estimated at $80,000 in FY16 and $100,000 in FY17. Expenditure increases in categorical grant payments are estimated at $30,000 in FY16, $20,000 in FY17 and $10,000 in FY18.

The estimates assume that the 2014 2nd quarter WCLI amounts remain constant through the 2nd quarter of 2016 and current education resource block grant model formulae and costs remain constant as under current law.

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