

## HOUSE BILL NO. HB0154

School finance-school district reserves.

Sponsored by: Representative(s) Sommers and Senator(s) Kost

A BILL

for

1 AN ACT relating to school finance; increasing the amount  
2 that can be computed for a school district's operating  
3 balance and cash reserves as specified; prohibiting  
4 expenditures on capital construction during a specified  
5 period; and providing for an effective date.

6

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

8

9 **Section 1.** W.S. 21-13-313(e) is amended to read:

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11 **21-13-313. Distribution of funds from foundation**  
12 **account; property tax and cash reserve adjustment;**  
13 **regulations.**

14

15 (e) Not later than January 31 of each fiscal year,

16 and except where a different percentage is otherwise

1 specified in this subsection, the department shall compute  
2 the amount by which each district's operating balance and  
3 cash reserves at the end of the preceding fiscal year  
4 exceed fifteen percent (15%) of the total foundation  
5 program amount computed under W.S. 21-13-309 for the  
6 preceding fiscal year. In making this calculation, the  
7 entire operating balance and cash reserves for each  
8 district for the fiscal year ending June 30, 1997, as  
9 computed by the department, shall be separately accounted  
10 for and excluded, until it has been completely expended by  
11 the district. Revenues from settlements of protested  
12 amounts attributable to levies assessed under W.S.  
13 21-13-102(a)(i)(A) and (ii)(A) and 21-13-201, regardless of  
14 the assessment year, shall be accounted for and excluded  
15 from the calculation under this subsection for a period of  
16 not more than one (1) year following that fiscal year in  
17 which the revenue was received by a district, as verified  
18 in writing by the district and certified by the county  
19 treasurer. Except as otherwise provided in 1997 Special  
20 Session Laws, chapter 3, section 306(e), as amended, and  
21 except as excluded under this subsection, that excess shall  
22 be deemed to be a state revenue under W.S. 21-13-310(a) for  
23 the purpose of determining distributions under W.S.

1 21-13-311 and amounts to be rebated under W.S. 21-13-102.  
2 The department shall promulgate rules, including reporting  
3 requirements and procedures for districts, to implement  
4 this subsection. As used in this section, "operating  
5 balance and cash reserves" means those financial resources  
6 of the district which are not encumbered by the district  
7 board of trustees for expenditure to meet an existing legal  
8 obligation or otherwise restricted by law or regulation for  
9 expenditure on specific educational programs. For purposes  
10 of this subsection, any balance within a district's  
11 separate account established under W.S. 21-15-109(e) for  
12 major building and facility repair and replacement shall be  
13 deemed restricted by law for expenditure as provided by  
14 W.S. 21-15-109(e) and shall not be considered an operating  
15 balance and cash reserve under this section. For the fiscal  
16 year ending June 30, 2021 through the fiscal year ending  
17 June 30, 2025, the operating balance and cash reserves  
18 shall be subject to the following:

19

20 (i) For the fiscal year ending June 30, 2021  
21 through the fiscal year ending June 30, 2023, the  
22 department shall compute the amount by which each  
23 district's operating balance and cash reserves at the end

1 of the preceding fiscal year exceed twenty-five percent  
2 (25%) of the total foundation program amount computed under  
3 W.S. 21-13-309 for the preceding fiscal year. During this  
4 period, no amount of a district's general fund or operating  
5 balance and cash reserves shall be transferred or expended  
6 for purposes of capital construction;

7  
8 (ii) For the fiscal year ending June 30, 2024  
9 through the fiscal year ending June 30, 2025, the  
10 department shall compute the amount by which each  
11 district's operating balance and cash reserves at the end  
12 of the preceding fiscal year exceed twenty percent (20%) of  
13 the total foundation program amount computed under W.S.  
14 21-13-309 for the preceding fiscal year.

15

16 **Section 2.** This act is effective July 1, 2021.

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18

(END)