

ENROLLED ACT NO. 125, HOUSE OF REPRESENTATIVES

SIXTY-FIFTH LEGISLATURE OF THE STATE OF WYOMING
2019 GENERAL SESSION

AN ACT relating to school finance; modifying provisions of the state's public school funding system; amending provisions regarding state lands mineral royalties and related bonding provisions; creating an account; amending reimbursement provisions for transportation services within the education resource block grant model; repealing conflicting provisions; requiring rulemaking; providing applicability; and providing for effective dates.

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

Section 1. W.S. 9-4-224 is created to read:

9-4-224. School lands mineral royalties account.

The school lands mineral royalties account is created. Funds within the account shall only be expended upon legislative appropriation. All funds within the account shall be invested by the state treasurer as authorized by law and all investment earnings from the account shall be credited to the school lands mineral royalties account.

Section 2. W.S. 9-4-203(a)(xiii) and 21-13-320(b)(intro), (f), (g)(intro), (ii), (iii)(intro), (v)(A), (B), by creating a new paragraph (vi), (h)(ii) and (m) are amended to read:

9-4-203. Definitions.

(a) As used in this act:

(xiii) "This act" means W.S. 9-4-201 through ~~9-4-220~~ 9-4-224.

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21-13-320. Student transportation; amount within school foundation program formula for transportation maintenance and operations expenditures and school bus purchases; district reporting requirements.

(b) There shall be an amount computed for each school district equal to ~~the assigned percentage of~~ the base price amount for bus purchase and lease payment expenditures made by the district during the previous school year pursuant to subsection (g) of this section, ~~one hundred percent (100%) of the amount actually expended by the district during the previous school year under subsection (c) of this section~~ and for the amount actually expended by the district during the previous school year for:

(f) The department of education shall adopt necessary rules and regulations to implement and enforce state standards established under this section and to administer this section. District expenditures computed under subsection (b) of this section shall not include expenditures for employee contributions to the Wyoming retirement system exceeding five and fifty-seven hundredths percent (5.57%) of any member employee's salary. In addition, the department shall, in accordance with procedures prescribed by department rule and regulation, establish a base price for each school bus type or other student transportation vehicle type for the applicable fiscal period that complies with minimum state standards for vehicle specifications and equipment. The department shall also establish a process including competitive bidding which guarantees the acquisition of school buses and other student transportation vehicles approved for reimbursement and complying with state minimum standards and district fleet size restrictions at the established base price for the applicable fiscal year. ~~In addition and for purposes of reimbursement under subsection~~

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~~(g) of this section, the department shall in consultation with the pupil transportation committee, establish a minimum, average and optimal replacement schedule for each school bus type or other student transportation vehicle type~~ Department rules shall establish appropriate restrictions on how and under which conditions a school district may procure a school bus or other student transportation vehicle, either through purchase or lease, to ensure that the procurement method used is the most cost effective. School districts shall notify the department of school bus and other student transportation vehicle needs and requirements for the appropriate fiscal year in the manner and within the times prescribed by department rule and regulation, and shall report expenditures, purchases and lease arrangements for the applicable reporting period, including vehicles replaced by purchases and leases, as required by department rule and regulation. The department shall annually review and conduct audits as necessary of information submitted under this section. As authorized under W.S. 21-13-307(b), the department may correct the information reported by districts under this section as necessary to fairly and accurately reflect the data type, classification and format required to administer this section in accordance with law and department rules and regulations.

(g) In addition to subsection (b) of this section and for ~~buses purchased or leased on or after July 1, 2002,~~ purchases and leases conducted in a manner consistent with department rules, the transportation adjustment for each district under this section shall include an amount computed under this subsection for the purchase or lease of school buses and other vehicles used primarily for the transportation of students to and from school and to and from school activities. Computations of amounts reimbursed under this subsection shall be based upon the base price established

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by the department under subsection (f) of this section for the student transportation vehicle type. Amounts included within the adjustment under this subsection shall be subject to the following:

(ii) The number of buses and other student transportation vehicles comprising a district's fleet shall comply with fleet size standards established by rule of the department, in accordance with paragraph (c)(ii) of this section, unless otherwise waived by the department for the provision of safe and efficient student transportation services which shall be established to ensure safe and efficient student transportation;

(iii) In consultation with the pupil transportation committee, the department shall by rule establish a replacement schedule established by the department under subsection (f) of this section for the bus or other student transportation vehicle being replaced by the authorized purchase or lease shall be assigned the following percentages for purposes of computing the adjustment amount under paragraph (g)(v) of this section: for buses and other student transportation vehicles. The replacement schedule shall establish replacement cycles for mileage and age not less than the applicable national averages for replacement of school buses and other student transportation vehicles;

(v) The adjustment for the purchase or lease of buses and other student transportation vehicles authorized under this subsection shall be equal to:

(A) One-fifth (1/5) of the base price established under subsection (f) of this section for each purchased school bus or other purchased student transportation vehicle for which reimbursement is authorized

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and which is made by the district during the preceding five (5) years ~~i, multiplied by the percentage assigned to the bus or other vehicle being replaced by the purchase as provided under paragraph (g)(iii) of this section. For purposes of this subparagraph, any purchase made during the period beginning April 1, 2002, and ending June 30, 2002, shall not be included;~~

(B) The base price established under subsection (f) of this section for lease payments for each school bus or other student transportation vehicle for which reimbursement is authorized and which is made by the district during the prior school year, ~~multiplied by the percentage assigned to the bus or other vehicle being replaced by the leased vehicle as provided by paragraph (g)(iii) of this section,~~ plus the annual interest charges imposed under the lease arrangement. ~~For purposes of this subparagraph, any lease arrangement entered into during the period commencing April 1, 2002, and ending June 30, 2002, shall not be included.~~

(vi) Amounts included within the adjustment for purchases or leases that are fully or partially paid for or rebated under the Diesel Emissions Reduction Act, 42 U.S.C. § 16131 et seq., or other similar program, shall be made in accordance with department rule and regulation.

(h) As used in this section:

(ii) "Pupil transportation committee" means an advisory committee comprised of school district business managers, student transportation program managers and employees, district superintendents and other district personnel organized by the state department of education to assist the department in developing and maintaining state

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standards for vehicle specifications and equipment, vehicle fleet regulations and vehicle replacement schedules. ~~including the establishment of minimum, average and optimal replacement schedules, as required under this section.~~

(m) No district shall purchase or lease a school bus ~~on or after March 15, 2017~~ unless it first applies demonstrates to the department and the department determines that ~~an emergency exists necessitating the purchase or lease of the bus, except that, beginning July 1, 2018, a district may~~ the school district has in good faith attempted to purchase or lease a bus that will be fully or partially paid for or rebated under the Diesel Emissions Reduction Act, 42 U.S.C. 16131 et seq., or other similar program. ~~as confirmed by a letter of assurance from the state or federal government. No district shall enter into a new lease for a school bus on or after July 1, 2018.~~

Section 3. W.S. 9-4-305(b), 21-15-108(a) and (d)(vii) and 21-15-111(a)(i) are amended to read:

9-4-305. Disposition of state land revenue.

(b) Proceeds from the sale of state lands, mineral royalties and any money designated by the Wyoming constitution or Wyoming statutes as collected shall be transmitted to the state treasurer and credited to the proper accounts within the permanent land fund. ~~except as provided~~ As authorized by article 7, section 2 of the Wyoming constitution, thirty-three and one-third percent (33 1/3%) of the mineral royalties received from the lease of any school lands ~~but not to exceed eight million dollars (\$8,000,000.00) during any one (1) year except as provided in this section for fiscal years 2019 and 2020,~~ shall be deposited into the ~~public school capital construction account. For fiscal years~~

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~~2019 and 2020, up to the amount allowed by article 7, section 2 of the Wyoming constitution shall be deposited into the public school capital construction account under this section~~ school lands mineral royalties account. To the extent constitutionally permissible and notwithstanding any other provision of law, at the end of every fiscal year, the state treasurer shall transfer to the corpus of each account within the permanent land fund, except the common school account, from the income earned on the corresponding account within the permanent land fund, to the extent available, an amount as provided by this subsection. In determining the amount to be withheld, the state treasurer shall calculate the fiscal year beginning balance and ignore any appropriations made from the account within that fiscal year. For the fiscal year 2000, he shall transfer an amount equal to five percent (5%) of the inflation rate for the previous twelve (12) month period as determined by the department of administration and information multiplied by the beginning balance of each permanent land fund account, except the common school account. At the end of each succeeding fiscal year, the state treasurer shall increase the amount to be multiplied by that year's inflation rate by five percent (5%) until such time as the multiplier reaches one hundred percent (100%) of the inflation rate, and then multiply that amount by the beginning balance of each permanent land fund account, except the common school account.

21-15-108. Revenue bonds for grants and loans; refunding revenue bonds.

(a) Before distribution to the ~~public school capital construction account~~ school lands mineral royalties account under W.S. 9-4-305(b), sufficient revenues for the purposes of this section shall be deducted therefrom and credited to a bond repayment account pursuant to the terms of the

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resolution, indenture or other appropriate proceeding authorizing the issuance of revenue bonds under this section. The revenues deducted shall be used as provided by this section. The balance of the revenues shall be credited to the ~~public school capital construction account~~ school lands mineral royalties account as provided under W.S. 9-4-305(b). After available revenues under W.S. 9-4-305(b) have been used, revenues under W.S. 21-13-301 shall also be credited, as necessary, to the bond repayment account and shall be used as provided by this section.

(d) Any bonds issued under this section shall:

(vii) Be additionally secured by a reserve fund created from revenues deposited within the ~~capital construction account~~ school lands mineral royalties account under W.S. 9-4-305(b) or from the proceeds of the bonds, or both, in an amount determined by the commission but not to exceed an amount equal to ten percent (10%) of the revenue bonds outstanding.

21-15-111. Definitions.

(a) As used in this act, unless the context requires otherwise:

(i) "Capital construction account" or "school capital construction account" means the account into which revenues are deposited pursuant to W.S. ~~9-4-305(b) and~~ 9-4-601(a)(vii), (b)(i) and (iv), into which the proceeds from any revenue bonds are credited under W.S. 21-15-108, and into which any other funds are appropriated to the account for purposes of this act. Funds within the account shall be expended only for purposes of and in the manner prescribed by this act;

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Section 4. W.S. 21-13-320(c), (g)(iii)(A) through (C), (iv), (j) and (k) is repealed.

Section 5.

(a) On or before July 1, 2019, the department of education shall promulgate necessary rules to implement W.S. 21-13-320, as amended by this act.

(b) Amendments made to W.S. 21-13-320, as contained in this act, shall apply prospectively. School district purchases and leases of school buses and other student transportation vehicles made or entered into before July 1, 2019 shall be governed by W.S. 21-13-320 as it existed at the time the school district purchased or leased the applicable school bus or other student transportation vehicle.

Section 6.

(a) Except as provided in subsections (b) and (c) of this section, this act is effective July 1, 2019.

(b) Subsection 5(a) of this act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

ORIGINAL HOUSE
BILL NO. HB0308

ENGROSSED

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(c) Section 3 of this act is effective July 1, 2020.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk