

**FISCAL NOTE**

|   | FY 2021     | FY 2022     | FY 2023     |
|---|-------------|-------------|-------------|
| <b>NON-ADMINISTRATIVE IMPACT</b>            |             |             |             |
| Anticipated Revenue increase/(decrease)     |             |             |             |
| SCHOOL FOUNDATION FUND                      | \$132,000   | \$132,000   | \$132,000   |
| SPECIAL REVENUE FUND (INNOVATIVE EDUCATION) | (\$132,000) | (\$132,000) | (\$132,000) |

|   | FY 2021     | FY 2022     | FY 2023     |
|---|-------------|-------------|-------------|
| <b>NON-ADMINISTRATIVE IMPACT</b>            |             |             |             |
| Anticipated Expenditure (decrease)          |             |             |             |
| SPECIAL REVENUE FUND (INNOVATIVE EDUCATION) |             | (\$80,000)  | (\$132,000) |
| LEGISLATIVE STAB. RES. ACCT.                | (\$132,000) | (\$132,000) | (\$132,000) |

Source of revenue increase and decrease and expenditure decrease:

This bill modifies the distribution of investment earnings from the Wyoming education trust fund to be deposited to the School Foundation Program Account (SFP) beginning FY 2021, resulting in a revenue increase to the SFP and a revenue decrease to the Innovative Education fund. The revenue increase to the SFP has a corresponding expenditure decrease to the Legislative Stabilization Reserve Account pursuant to W.S. 9-4-219(b). Further, the Department of Education anticipates an expenditure decrease to the Innovative Education fund as the investment earnings from the Wyoming education trust fund are deposited within the SFP.

Assumptions:

The Department of Education assumes the current balance within the Innovative Education fund will allow grants to be fully awarded in FY 2021 and partially awarded in FY 2022, resulting in an anticipated decrease in awards of \$80,000 in FY 2022 and \$132,000 in FY 2023.

The State Treasurer's Office projects yields in FY21 through FY23 to be around 2.64% for permanent funds. Yield is defined as the interest and dividend income from the investment. Over the long term, total returns for permanent funds are expected to be 3.0% plus inflation, according to the State's Investment Policy. Total return is defined as growth in the value of the investment, including both yield and realized & unrealized gains.

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