

FISCAL NOTE

This bill contains a de-appropriation of (\$20,000,000) from the GENERAL FUND to the EDUCATION SAVINGS ACCOUNTS EXPENDITURE ACCOUNT and an appropriation of \$50,000,000 from the GENERAL FUND to the WYOMING FREEDOM SCHOLARSHIP PROGRAM ACCOUNT (WFSPA). This de-appropriation and appropriation are effective immediately.

	FY 2025	FY 2026	FY 2027	FY 2028
NON-ADMINISTRATIVE				
IMPACT				
Anticipated Revenue increase/(decrease)				
WFSPA	\$11,097,900	\$44,391,600	\$44,391,600	\$44,391,600
PUBLIC SCHOOL FOUNDATION PROGRAM ACCOUNT	(\$11,097,900)	(\$44,391,600)	(\$44,391,600)	(\$44,391,600)

Source of revenue increase/(decrease):

This bill, effective immediately, redirects 47.2 percent of federal mineral royalties (FMRs) that would be distributed to the Public School Foundation Program Account (SFP), under the \$200,000,000 distribution cap, to the WFSPA.

Assumptions:

The redirection of FMRs results in an estimated revenue decrease of \$11,097,900 in FY 2025, \$44,391,600 in FY 2026, \$44,391,600 in FY 2027, and \$44,391,600 in FY 2028 to the SFP and corresponding revenue increase to the WFSPA. The estimated revenue increase and decrease utilize the January 2025 Consensus Revenue Estimating Group's forecast for FMRs.

This bill directs the State Superintendent to determine at the end of each fiscal year the amount in the WFSPA in excess of \$30,000,000 and more than 150 percent of the amount required to fund all approved education savings accounts (ESA) for the applicable fiscal year, to be transferred by the State Treasurer to the SFP. It is estimated that at the end of FY 2025, the balance of the WFSPA will be \$61,097,900.

The Wyoming Department of Education indicates this bill creates an indeterminable expenditure increase in the form of ESA payments from the WFSPA. Current law provides for students whose household income is at or below 150 percent of the federal poverty level to receive \$6,000 per year. This bill removes the income eligibility requirements to receive an ESA, resulting in an unknown number of students that may receive an ESA and increased expenditures from the WFSPA. This bill also increases the annual ESA amount from \$6,000 to \$7,000 beginning school year 2025-26. Each school year thereafter, the ESA amount is automatically adjusted by the State Superintendent for the costs of inflation by the consumer price index (CPI) or its successor index of the United States Department of Labor, Bureau of Labor Statistics (BLS). According to the BLS, the CPI has risen at a 2.8-percent average annual rate over the past 10 years. The estimated ESA amounts in FY 2027 and FY 2028 would be \$7,196 and \$7,397, respectively, if increased 2.8 percent, annually.

The State Superintendent may withhold from ESAS, up to 5 percent annually in the first two years and up to 3 percent annually thereafter, for costs of administering the ESA Program.

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