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H.235

Introduced by Representatives Sims of Craftsbury, Brady of Williston, Austin
of Colchester, Elder of Starksboro, and McCann of Montpelier

Referred to Committee on

Date:

Subject: Property tax; education spending; exclusion; salary increase

Statement of purpose of bill as introduced: This bill proposes to exclude from
a school district's education spending 75 percent of qualifying salary increases
for licensed teachers and other school employees if the school district qualifies
under one or both of the weighting categories of rurality or poverty and if the
school district pays licensed teachers and other school employees a minimum
salary of \$50,000.00 or a minimum hourly wage of \$20.00 per hour in one or
more years during fiscal years 2025–2027.

An act relating to an education spending exclusion for salary and wage
increases

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. EDUCATION SPENDING EXCLUSION; TEACHERS AND
OTHER SCHOOL EMPLOYEES; SALARY OR WAGE
INCREASE; FISCAL YEARS 2025–2027

1 (a) Notwithstanding 16 V.S.A. § 4001(6) or any provision of law to the
2 contrary, in fiscal years 2025–2027, a qualified school district’s education
3 spending shall be reduced by 75 percent of the aggregate salary increase of the
4 qualified school district in each fiscal year.

5 (b) As used in this section:

6 (1) “Aggregate salary increase” means the aggregate salary and wage
7 increase actually paid by the school district to licensed teachers and other
8 school employees in the fiscal year, to be calculated as follows:

9 (A) for each salaried licensed teacher and other school employee
10 whose fiscal year 2024 salary was less than \$50,000.00, subtracting the
11 teacher’s or employee’s fiscal year 2024 salary from \$50,000.00;

12 (B) for each licensed teacher and other school employee who is
13 employed on an hourly basis and whose fiscal year 2024 hourly wage was less
14 than \$20.00, subtracting the teacher’s or employee’s fiscal year 2024 hourly
15 wage from \$20.00 and multiplying the difference by the number of hours the
16 teacher or employee works or is contracted to work in the fiscal year; and

17 (C) adding together the amounts calculated in subdivisions (A) and
18 (B) of this subdivision 1 for every licensed teacher and other school employee
19 in the district.

20 (2) “Licensed teacher” means a teacher licensed under 16 V.S.A.
21 chapter 51.

1 (3) “Other school employee” means an individual employed by the
2 school district who is not a licensed teacher.

3 (4) “Qualified school district” means a school district as defined under
4 16 V.S.A. § 11(10) that, during one or more fiscal years in fiscal years 2025,
5 2026, and 2027:

6 (A) pays a minimum annual salary of \$50,000.00 to all licensed
7 teachers and other school employees who are employed by the district and
8 salaried;

9 (B) pays an hourly wage of at least \$20.00 per hour to all licensed
10 teachers and other school employees who are employed by the district on an
11 hourly basis; and

12 (C) under one or both of the following weighting categories:

13 (i) qualifies as having low population density as defined under
14 16 V.S.A. § 4010(b)(2); or

15 (ii) has 40 percent of pupils whose families are at or below 185
16 percent of the Federal Poverty Level as determined under 16 V.S.A.
17 § 4010(b)(1)(E).

18 (c) In the event a school district wishes to become a qualified school
19 district but is subject to a collective bargaining agreement for one or more
20 bargaining units that prevents it from paying all licensed teachers or other
21 school employees, as applicable, the annual salary or hourly wage required

1 pursuant to subdivision (b)(4) of this section, the school district shall negotiate
2 any necessary amendments to such a collective bargaining agreement with the
3 appropriate labor organization pursuant to the requirements of 16 V.S.A.
4 chapter 57 and 21 V.S.A. chapter 22, as applicable.

5 Sec. 2. EFFECTIVE DATE

6 This act shall take effect on passage.