

## SENATE PROPOSAL OF AMENDMENT

### H. 538

An act relating to making miscellaneous amendments to education funding laws

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Excess Spending (Sec. 1 applies to budgets in fiscal years 2015 and 2016; Sec. 2 applies in fiscal year 2017 and after) \* \* \*

Sec. 1. 32 V.S.A. § 5401(12) is amended to read:

(12) "Excess spending" means:

(A) the per-equalized-pupil amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b);

(B) in excess of ~~425~~ 123 percent of the statewide average district education spending per equalized pupil in the prior fiscal year, as determined by the ~~commissioner of education~~ Secretary of Education on or before November 15 of each year based on the passed budgets to date.

Sec. 2. 32 V.S.A. § 5401(12) is amended to read:

(12) "Excess spending" means:

(A) the per-equalized-pupil amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b);

(B) in excess of ~~423~~ 121 percent of the statewide average district education spending per equalized pupil in the prior fiscal year, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date.

\* \* \* Tuition Overcharges and Undercharges \* \* \*

Sec. 3. 16 V.S.A. § 836 is amended to read:

#### § 836. TUITION OVERCHARGE OR UNDERCHARGE

(a) Annually, on or before November 1, the ~~commissioner~~ Secretary shall inform each ~~school board of a receiving public school, each board of trustees of a receiving approved independent school for which the commissioner has calculated a net cost per pupil,~~ receiving school district and each sending school district in Vermont of the calculated net cost per elementary or secondary pupil in the receiving schools. Each ~~school board or board of trustees of a receiving school~~ receiving district shall then determine whether it overcharged or undercharged any sending district for tuition charges and shall

notify the district by December 15 of the same year of the amount due or the amount to be refunded or credited.

(b) If the sending district has paid tuition charges in excess of three percent of the calculated net cost per elementary or secondary pupil and is not sending enough students to the receiving ~~school~~ district to use the overcharge funds as credit against tuition, the ~~school board or board of trustees of the receiving school~~ receiving district shall refund the overcharge money by July 31. ~~However, interest;~~ provided, however, that the refund shall be in the amount that exceeded a three percent overcharge. Interest owed the sending district on overcharge monies shall begin to accrue on December 1, at the rate of one-half percent per month.

(c) If the receiving district has undercharged tuition in an amount three percent or more than the calculated net cost per elementary or secondary pupil, the ~~school board or the board of trustees of the sending school~~ sending district shall pay the ~~amount of the undercharge~~ receiving district an amount equal to the amount of the undercharge that is between three percent and ten percent of the net cost per pupil. If payment is not made by July 31 of the year following the year in which the undercharge was determined, interest owed the ~~sending~~ receiving district on ~~overcharge moneys~~ undercharge monies shall begin to accrue on August 1, at the rate of one percent per month.

\* \* \* Renters; Study \* \* \*

#### Sec. 4. RENTERS; STUDY

The Joint Fiscal Office shall report to the General Assembly on how the State can provide assistance to renters. The report shall review issues with the current renter rebate program and examine other ways to provide assistance to renters with high rents and low incomes. The report shall be due on or before January 15, 2014 and shall include specific findings and recommendations. The Joint Fiscal Office shall have the assistance of the Department of Taxes and the Office of Legislative Council.

\* \* \* Student-to-Staff Ratios \* \* \*

#### Sec. 5. STUDENT-TO-STAFF RATIOS

(a) The Secretary of Education shall collect data necessary to inform development of a comprehensive plan to establish minimum student-to-staff ratios, student-to-administrator ratios, student-to-classroom teacher ratios, and student-to-teacher ratios in public elementary and secondary schools and supervisory unions in a manner that promotes educational opportunities and outcomes for students in Vermont.

(b) As used in this section:

(1) “Teacher” includes any person licensed to be employable as a teacher who is employed as a teacher and is providing direct instruction to students in one or more elementary or secondary grades.

(2) “Administrator” includes any person employed as a superintendent, assistant superintendent, principal, assistant principal, special education director, essential early education director, or Title I coordinator.

(3) “Staff” includes all paid personnel employed by a school district or supervisory union, but shall exclude:

(A) central services business office personnel;

(B) operations and maintenance personnel;

(C) transportation personnel;

(D) food service personnel; and

(E) enterprise or community service operations personnel.

(c) At a minimum, the Secretary’s data shall be sufficient to inform development of a comprehensive plan that might include:

(1) mandatory minimum ratios at the district or the school level, which may include variations by grade, school size, and other factors such as the unique needs of students from economically deprived backgrounds and students who are English language learners;

(2) mandatory minimum ratios at the supervisory union level;

(3) incentives for compliance; and

(4) implementation dates that would require mandatory staffing ratios beginning in school year 2015–2016 with tax penalties for noncompliance beginning in school year 2016–2017.

(d) On or before January 15, 2014, the Secretary shall present the data to the House and Senate Committees on Appropriations and on Education, the House Committee on Ways and Means, and the Senate Committee on Finance.

\* \* \* Effective Dates \* \* \*

## Sec. 6. EFFECTIVE DATES

(a) Sec. 1 (excess spending; 123 percent) of this act shall take effect on July 1, 2014 and shall apply to education budgets for fiscal years 2015 and 2016.

(b) Sec. 2 (excess spending; 121 percent) of this act shall take effect on July 1, 2016 and shall apply to education budgets for fiscal year 2017 and after.

(c) Sec. 3 (tuition overcharges and undercharges) of this act shall take effect on July 1, 2013 and shall apply to tuition charged for the 2013–2014 academic year and after.

(d) This section and Secs. 4 (renter study) and 5 (student-to-staff ratio data) of this act shall take effect on passage.