

HEC Education Policy and Funding Proposals
(02/25/2015; DR15-1034; draft 5.1) – ***DRAFT!!***

HEC (draft 5.1)	Topic	HEC draft 5.1	Other Proposal(s) to Amend or Add Language	SEC / Gov (Draft 1.3; 2/10/15)	NOTES
Sec. 1	Policy Statement	yellow highlighting shows changes discussed by HEC including those incorporating parts of Rep Manwaring's document #306103.1		not included	
Secs. 2–5	Yield; Dollar Equivalent	(no changes from version 4.1)		not included	<i>HEC wants plain language description, including concept that the amendments won't directly impact the tax rate or an individual's tax bill (because both are still related to whatever amount the voters approve to spend), but it could impact a board's description of a proposed budget because an increased tax rate could not be attributed to decisions made in Montpelier</i>
Secs 6–7	FY16 Ed Property Tax Rates, Applicable Percentage, and Base Education Amount	NEW to 5.1			

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Secs. 8–9	Ballot Language – (1) equalized pupil (2) tech correction (divided vote)	(no changes from version 3.1)		not included	
Secs. 10–12	<p><u>Sec. 10:</u> Merger Support Grants – (1) permits REDs to keep grant as Merger Support Grant forever (current = 5 years) (2) merged district loses grant if closes school</p> <p><u>Sec. 11:</u> Merger Support Grant (Sec. 10) if dists created per Sec. 17(a)</p> <p><u>Sec. 12:</u> Small School Support Grants – <20 avg & meets H.191/Rep Manwaring criterion – effective FY2020</p>	new Sec. 11 and otherwise revised throughout		<u>SEC/Gov Secs. 2–3</u> repeal Small Schools Support Grants except for geographic necessity	

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Secs. 13, 13a, and 14	<p>Declining Enrollment / 3.5% Hold Harmless</p> <p><u>Sec. 13:</u> removes “tail” so 3.5% applied to non-inflated equalized pupils</p> <p><i>OR</i></p> <p><u>Sec. 13a:</u> as possible alternative to Sec. 13 (Rep Beck) –</p> <p>(1) equalized pupils never to be lower than highest of previous 2 years</p> <p>(2) repeal of current 3.5 % hold harmless (w/3 year transition period)</p> <p><u>Sec. 14:</u> 3 year transition period</p>	(inserts Rep Beck’s proposal into 5.1)		<p><u>SEC/Gov Secs. 4–6</u> repeal provision entirely</p> <p>3 year transition period</p>	

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Secs. 15–16	Tuition Payments to Schools Outside Vermont	clarified exception for community adjoining Vermont clarified language grandfathers currently enrolled students		not included	
Secs. 17	Ed Governance Structures encourages voluntary realignment into new ed systems meeting specified goals but aligned based on local needs / current structures; then Secretary develops plan to realign where needed / SBE amends & approves plan	new version of ratio language potential clarifying language from DRS		<u>SEC/Gov Sec 7</u> permits the SBE to add a petitioning district to an existing union school or PK–grade 12 district upon request of petitioning district after a process involving all districts and voters	
Sec. 18	if voluntary realignment per Sec. 17 meets goals then receives RED tax incentives	clarifying language added			

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Sec. 19	no refund of state aid on sale	(no changes from version 4.1)			
Secs. 20–21	Existing RED Incentives <u>Sec. 20</u> : incentives available if electorate approves by 7/1/17 (rather than only if fully implemented then) <u>Sec. 21</u> : corrects technical flaw in repeal date	(no changes from version 4.1)		not included	
Sec. 22	Financial Reporting & Accounting / Student Longitudinal Data Systems complete at State level by 7/1/17	(no changes from version 4.1)		not included	

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Sec. 23	Imposition of Contracts, Strikes, & Binding Interest Arbitration – analysis from AOE	(no changes from version 3.1)	<u>Rep Wright</u> (document #306089.1 AND #306140.1; draft 1.1; 2/22/15) – replaces Sec. 23 with alternative to H.76 & H.102	not included	<i>HEC's discussion included:</i> <i>(a) replacing study with H.76 (currently in House General)</i>
Sec. 24	Transition of Employees / VMERS	NEW to 5.1			
Sec. 25	Moratorium (1) JFO fiscal note for bills that may increase ed tax rate (2) no ed bills that increase ed tax rate	(no changes from version 3.1)		<u>SEC/Gov Sec. 1</u> (1) JFO fiscal note if ed bill may add cost (2) no ed bills that add duties or costs to districts / SUs	
Secs 26–29	Cap on Spending Growth	Identical to H.257 except where highlighted			
STUDIES					
Sec. A:	Special Ed Funding Model –based on ADM	(same as in 4.1)			
Sec. B:	Roles of Principals / Superintendents	(same as in 4.1)		<u>SEC/Gov Secs 8–9: hire/fire; health insurance</u>	

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Sec. C:	Property Tax Adjustment Lag	NEW to 5.1			
Sec. D:	authorizing different tax rates for categories of nonresidential property	(Rep Buxton)			
Sec. E:	contractual analysis of current tuitioning model	(Rep Manwaring)			
Sec. F:	Standardized Testing	(Rep Miller)			
Sec. G:	Adequacy as Ed Funding Model				
Secs H1– H3:	Joint Legislative Education Oversight Committee	(Rep Manwaring)			
not included				<u>SEC/Gov Sec. 10</u> amends § 165 – EQS & dist’s own continuous improvement plan; oversight & consequences	