

H.889

An act relating to setting the statewide education tax base rates and base education amount for fiscal year 2015 and making several changes to Vermont's education financing laws
Senate Committee on Finance amendment -- Draft 1.1

Sec. 1. Rates, Applicable Percentage

For fiscal year 2015, sets the homestead tax rate at \$**X.XX**, the nonresidential rate at \$**X.XX**, and the applicable percentage for income sensitivity at **X.XX**.

Sec. 2. Base Education Amount

For fiscal year 2015, sets the base education amount at \$**X,XXX**.

[Rates in Sec. 1 and Sec. 2 not to exceed Commissioner's recommendations and to use as little one-time money as possible.]

Sec. 3. Form of School Budget Vote

Requires school budgets to be voted in a form that provides information related to the calculation of homestead property tax rates.

Sec. 4. Average Daily Membership

Alters the way average daily membership is calculated by eliminating a provision that increased the counting of pupils for fast-growing schools.

Secs. 5 and 6. Small School Support

Starting in fiscal year 2019, eliminates the small school grants over three years, except for qualifying schools where the grants are geographically necessary.

Sec. 7. Occupancy of a Homestead

Changes the rules for occupying a homestead to require that an individual be domiciled in a homestead for at least 183 days out of the year, but no longer requires that the owner occupy the dwelling on April 1.

Secs. 8 and 9. Excess Spending Anchor

Creates an anchor that ties excess spending increases to inflation from fiscal year 2014 to the present, as opposed to current law which ties the increase to the previous year's spending.

Secs. 10 and 11. Municipalities Hosting Electrical Generating Plants

Phases out over three years the current statewide education property tax rate reduction for Vernon.

Secs. 12 and 13. Renter Rebate

Sec. 12 reduces the percentage of rent that counts as “allocable rent” from 21 percent to 19 percent. Has the effect of lowering renter rebate awards by lowering the amount of rent that will exceed the percentage floor set in statute.

Sec. 13 requires the Vermont Housing Council, with the assistance of the Department of Taxes and the Agency of Commerce and Community Development, to propose programs that provide benefits to renters in Vermont in lieu of the renter rebate program.

Sec. 14. Thetford

Provides a payment of \$113,125.00 to the school district in Thetford to compensate for an error in calculating its FY2014 excess spending penalty.

Sec. 15. Education Analyst

Creates a new position at the Agency of Education for an Education Analyst to provide tools and indicators to be used by education decision makers at the State and local levels.

Sec. 16. Business Manager Handbook

The Agency of Education shall hire a contractor to create a business manager handbook that includes a common chart of accounts.

Sec. 17. Appropriation

Appropriates up to \$482,500.00 from the Supplemental Property Tax Relief Fund to the Agency of Education for the efforts in Secs. 22a and 22b.

Sec. 18. Effective Dates