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H.770

Introduced by Representative Wright of Burlington

Referred to Committee on

Date:

Subject: Education; State funding; municipalities

Statement of purpose of bill as introduced: This bill proposes to expand the authority of a municipality to fund education expenses.

An act relating to municipal funding for education expenses

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

Sec. 1. 16 V.S.A. § 4029 is amended to read:

§ 4029. USE OF FUNDS FOR EDUCATION

(a) Funds received by a school district may be used only for legitimate items of current education expense and shall not be used for municipal services.

(b) ~~Funds received by a~~ A municipality, other than a school district, may ~~not be used~~ only use nontax municipal revenues to fund directly or indirectly ~~for legitimate items of current~~ education expenses.

(c) If the Secretary determines that a school district has spent funds paid under section 4028 of this title for an item that is not a legitimate item of current education expense, the treasurer of the municipality shall, within

1 90 days, remit the amount of the expenditure to the Education Fund. The
2 treasurer shall use funds raised pursuant to 17 V.S.A. § 2664, 20 V.S.A.
3 § 2601, or 24 V.S.A. § 1309 for this purpose. If the Secretary determines that
4 a municipality other than a school district has spent ~~funds for~~ municipal tax
5 revenues to fund an item that is a legitimate item of current education expense,
6 the treasurer of the municipality shall transfer the amount of the expenditure
7 from the local education fund to the municipal fund.

8 (d) The legislative body of a school district or other municipality may
9 appeal a decision of the Secretary under this section to the State Board, which
10 shall hear the appeal de novo in the manner provided by 3 V.S.A. chapter 25
11 for the hearing of contested cases. A legislative body of a school district or
12 other municipality may appeal a decision of the State Board to the Superior
13 Court of the district in which the municipality is located. The Superior Court
14 shall hear the matter de novo in the manner provided by Rule 74 of the
15 Vermont Rules of Civil Procedure. An appeal from the decision of the
16 Superior Court shall be to the Supreme Court under the Vermont Rules of
17 Appellate Procedure.

18 (e) ~~For the purposes of~~ As used in this section, notwithstanding any
19 provision of municipal law to the contrary, “legitimate items of current
20 educational expense” may include reasonable payments to a municipality for

1 services performed on behalf of a school district by its corresponding town or
2 city clerk, the town or city treasurer, or the town or city auditors.

3 (f) Annually, on a form prescribed by the Secretary, each school district
4 shall report for the previous school year the amount it paid to or received from
5 its corresponding municipality or municipal officials, including any payments
6 made pursuant to subsection (e) of this section, and any property or in-kind
7 services it donated to or received from its corresponding municipality.

8 Sec. 2. EFFECTIVE DATE

9 This act shall take effect on July 1, 2016.