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1 Introduced by [??]

2 Date:

3 Subject: Education, education funding; [redacted]

4 Statement of purpose of bill as introduced: This bill proposes to [redacted]

5 An act relating to [redacted]

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

7 * * * **Transition to Supervisory Districts** * * *

8 Sec. 1. TRANSITION TO SUPERVISORY DISTRICTS

9 (a) **Supervisory districts.** Except as provided in subsections (b) through
10 (e) of this section, on July 1, 2018, the school districts within each supervisory
11 union in the State shall merge and each supervisory union shall be a
12 supervisory district. Each supervisory district shall be responsible for the
13 education of all resident students in prekindergarten–grade 12 and shall assume
14 the responsibilities currently assigned by law to school districts and
15 supervisory unions.

16 (b) **Interstate school districts.** Subsection (a) of this section shall not
17 apply to interstate school districts.

18 (c) **Decision to retain current governance structure.** Subsection (a) of
19 this section shall not apply to a district that votes to retain its current
20 governance structure if:

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1 (1) after participating in a study committee formed pursuant to 16
2 V.S.A. chapter 11 (union school district formation), and completing the
3 analysis required by section 706b of that chapter, the school board of the
4 district determines that it would be inadvisable to change the district’s
5 governance structure;

6 (2) on or before July 1, 2017, at an annual or special meeting duly
7 warned for the purpose, the electorate of the district authorizes submission of
8 the school board’s determination to the State Board; and

9 (3) the State Board determines that it would be in the best interest of the
10 State, the students, the district, and the other districts in the supervisory union
11 if the district maintains its current governance structure.

12 (d) **Alternative governance proposal.** Subsection (a) of this section shall
13 not apply to two or more school districts that receive approval on or before
14 July 1, 2017 from both the State Board of Education and from the electorate of
15 the “necessary districts” to form a union school district pursuant to the
16 provisions of 16 V.S.A. chapter 11. The union school district may assume any
17 form approved by the State Board, including:

18 (1) a regional education district (RED) or any other district eligible to
19 receive RED incentives pursuant to 2010 Acts and Resolves No. 153, as
20 amended by 2012 Acts and Resolves No. 156;

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1 (2) a supervisory district that provides for the education of all resident
2 students in one or more grades by operating a school or schools and provides
3 for the education of all resident students in the remaining grades by paying
4 tuition; or

5 (3) a union school district that provides solely for the education of all
6 resident elementary students, all resident secondary school students, or all
7 resident students in some other configuration of grades.

8 **(e) Nonoperating school districts.**

9 (1) Subsection (a) of this section shall not apply to a school district that
10 does not operate a school and provides for the education of its resident
11 prekindergarten–grade 12 students by paying tuition (nonoperating school
12 district).

13 (2) Pursuant to its authority under 16 V.S.A. § 261 to “regroup the
14 supervisory unions of the State or create new supervisory unions,” the State
15 Board of Education shall regroup all nonoperating school districts in the State
16 into one or more nonoperating supervisory districts effective July 1, 2017.

17 (3) The State Board of Education shall determine whether it is in the
18 best interest of the State, the students, and the nonoperating supervisory district
19 or districts for the State Board to serve as the school board for purposes of
20 paying tuition and overseeing special education services, or whether those
21 functions are best provided through some other governance model.

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1 (f) On or before December 1, 2015, the Office of Legislative Council shall
2 provide to the House and Senate Committees on Education, the House
3 Committee on Ways and Means, and the Senate Committee on Finance
4 proposed statutory amendments necessary to accomplish the purpose of this
5 section and reflect the governance changes it requires.

6 ***[for EFFECTIVE DATE section]***

7 () Sec. 1 (transition to supervisory districts) shall take effect on July 1,
8 2015, and shall apply to fiscal year 2018 (academic year 2017–2018) and after.

9 ***** Publicly-Funded Tuition; Vermont Schools (H.38) *****

10 Sec. 2. 16 V.S.A. § 822(a) is amended to read:

11 (a) Each school district shall maintain one or more approved high schools
12 in which high school education is provided for its resident students unless:

13 (1) the electorate authorizes the school board to close an existing high
14 school and to provide for the high school education of its students by paying
15 tuition to a public high school, an approved independent high school, or an
16 independent school meeting school quality standards, to be selected by the
17 parents or guardians of the student, within ~~or outside~~ the State; or

18 (2) the school district is organized to provide only elementary education
19 for its students.

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1 Sec. 3. 16 V.S.A. § 828 is amended to read:

2 § 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

3 (a) A school district shall not pay the tuition of a student except to a public
4 school, an approved independent school, an independent school meeting school
5 quality standards, a tutorial program approved by the State Board, an approved
6 education program, ~~or an independent school in another state or country~~
7 ~~approved under the laws of that state or country, nor shall~~ located in Vermont,
8 **or an interstate school district.** The payment of tuition on behalf of a person
9 shall not be denied on account of age. Unless otherwise provided, a person
10 who is aggrieved by a decision of a school board relating to eligibility for
11 tuition payments, the amount of tuition payable, or the school he or she may
12 attend, may appeal to the State Board and its decision shall be final.

13 (b) Notwithstanding subsection (a) of this section, a school district may pay
14 tuition to a public or independent school in another state or country approved
15 under the laws of that state or country if by doing so the district is providing
16 for the education of:

17 (1) all resident students in one or more grades pursuant to subsection
18 827(e) or section 835 of this title;

19 (2) some or all of its career technical education students pursuant to
20 subsection 1531(c) of this title; or

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1 * * *

2 (7) “Eligible due to geographic necessity” means that the Secretary has
3 determined, on an annual basis, that the driving times, distances, and travel
4 routes are an obstacle to transporting students, consistent with the methodology
5 used by the Secretary in response to 2009 Acts and Resolves No. 153,
6 Sec. 21(1). A determination by the Secretary of whether a district is eligible
7 due to geographic necessity under this section shall be final.

8 * * *

9 (c) ***[repeal subsection (c) or leave in law?]*** Small schools financial
10 stability grant: In addition to a small schools support grant, an eligible school
11 district whose two-year average enrollment decreases by more than 10 percent
12 in any one year shall receive a small schools financial stability grant. However,
13 a decrease due to a reduction in the number of grades offered in a school or to
14 a change in policy regarding paying tuition for students shall not be considered
15 an enrollment decrease. The amount of the grant shall be determined by
16 multiplying 87 percent of the base education amount for the current fiscal year,
17 by the number of enrollment, to the nearest one-hundredth of a percent,
18 necessary to make the two-year average enrollment decrease only 10 percent.

19 (d) Funds for both grants shall be appropriated from the Education Fund
20 and shall be added to payments for the base education amount ~~or deducted~~
21 ~~from the amount owed to the Education Fund in the case of those districts that~~

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1 must pay into the Fund under section 4027 of this title. [**§ 4027(a), to which**
2 **this refers, was repealed in 2004]**

3 (e) [**repeal subsection (e) or leave in law?**] In the event that a school or
4 schools that have received a grant under this section merge in any year
5 following receipt of a grant, and the consolidated school is not eligible for a
6 grant under this section or the small school grant for the consolidated school is
7 less than the total amount of grant aid the schools would have received if they
8 had not combined, the consolidated school shall continue to receive a grant for
9 three years following consolidation. The amount of the annual grant shall be:

10 (1) in the first year following consolidation, an amount equal to the
11 amount received by the school or schools in the last year of eligibility;

12 (2) in the second year following consolidation, an amount equal to two-
13 thirds of the amount received in the previous year; and

14 (3) in the third year following consolidation, an amount equal to one-
15 third of the amount received in the first year following consolidation.

16 Sec. 5. SMALL SCHOOL SUPPORT; TRANSITION; REGIONAL
17 EDUCATION DISTRICT MERGER SUPPORT GRANT

18 (a) In fiscal year 20**17**, any district that was eligible for small school
19 support pursuant to 16 V.S.A. § 4015 in fiscal year 20**16** but is not “eligible
20 due to geographic necessity” for small school support in fiscal year 20**17** shall,

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1 upon application, receive small school support that is two-thirds of the amount
2 it received in fiscal year 2016.

3 (b) In fiscal year 2018, any district that was eligible for small school
4 support pursuant to 16 V.S.A. § 4015 in fiscal year 2016 but is not “eligible
5 due to geographic necessity” for small school support in fiscal year 2018 shall,
6 upon application, receive small school support that is one-third of the amount it
7 received in fiscal year 2016.

8 Sec. 6. 2010 Acts and Resolves No. 153, Sec. 4(d) is amended to read:

9 (d) Merger support grant. If the merging districts of a RED included at
10 least one “eligible school district,” as defined in 16 V.S.A. § 4015, that had
11 received a small school support grant under section 4015 in the fiscal year two
12 years prior to the first fiscal year of merger, then the RED shall ~~be eligible~~
13 continue to receive a merger support grant ~~in each of its first five fiscal years~~
14 annually in an amount equal to the small school support grant received by the
15 eligible school district in the fiscal year two years prior to the first fiscal year
16 of merger. If more than one merging district was an eligible school district,
17 then the merger support grant shall be in an amount equal to the total combined
18 small school support grants they received in the fiscal year two years prior to
19 the first fiscal year of merger. Payment of the grant under this section shall
20 continue annually until explicitly repealed by act of the General Assembly.

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1 *[for EFFECTIVE DATE section]*

2 () Secs. 4 and 5 (small school support) shall take effect on July 1, 2016,
3 and shall apply to grants made in fiscal year 2017 and after.

4 () Sec. 6 shall take effect on passage.

5 ***** Declining Enrollment; Equalized Pupils; 3.5 Percent Limit *****

6 Sec. 7. 16 V.S.A. § 4010(f) is amended to read:

7 (f) For purposes of the calculation under this section, a district's equalized
8 pupils shall in no case be less than 96 and one-half percent of the ~~district's~~
9 actual number of equalized pupils in the district in the previous year, prior to
10 making any adjustment under this subsection.

11 Sec. 8. DECLINING ENROLLMENT; TRANSITION

12 (a) As used in this section: ***[1st attempt; language may need adjustment]***

13 (1) "Actual Calculation" means a district's equalized pupils in any fiscal
14 year without making adjustments to the number pursuant to 16 V.S.A.
15 § 4010(f) (3.5 percent hold-harmless provision) in that or any prior fiscal year.

16 (2) "Actual Adjusted Calculation" means the Actual Calculation after it
17 has been adjusted by 16 V.S.A. § 4010(f) as amended by this act.

18 (3) "Difference" means the difference between:

19 (A) a district's equalized pupils in fiscal year 2016 after the Actual
20 Calculation has been adjusted by 16 V.S.A. § 4010(f) in that and any prior
21 years; and

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1 (B) the district’s Actual Adjusted Calculation in fiscal year 2017.

2 (b) If a district’s equalized pupils in fiscal year 2016 reflected an
3 adjustment pursuant to 16 V.S.A. § 4010(f), then the district’s equalized pupils
4 in fiscal year 2017 shall be the greater of:

5 (1) the district’s Actual Adjusted Calculation for fiscal year 2017; and

6 (2) the district’s Actual Adjusted Calculation for fiscal year 2017 plus
7 two thirds of the Difference.

8 (c) If a district’s equalized pupils in fiscal year 2016 reflected an
9 adjustment pursuant to 16 V.S.A. § 4010(f), then the district’s equalized pupils
10 in fiscal year 2018 shall be the greater of:

11 (1) the district’s Actual Adjusted Calculation for fiscal year 2018; and

12 (2) the district’s Actual Adjusted Calculation for fiscal year 2018 plus
13 one third of the Difference.

14 *[for EFFECTIVE DATE section]*

15 () Secs. 7 and 8 (declining enrollment) shall take effect on July 1, 2015;
16 provided that Sec. 7 shall apply to calculations under 16 V.S.A. § 4010 made
17 on or after that date.

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Sec. 10. 16 V.S.A. § 244 is amended to read:

§ 244. DUTIES OF PRINCIPALS

(a) The principal shall perform all duties specifically assigned by law or by the superintendent of the supervisory union of which the school district is a member, including the administration of policies adopted by the school board of the district or supervisory union [?]. The principal shall be answerable to the superintendent in the performance of his or her duties. In addition, a principal shall:

(1) nominate a candidate for employment by the school district-at the school in which the principal is employed if the vacant position requires a licensed employee; provided, if the school district board declines to hire a candidate, then the principal shall nominate a new candidate;

(2) select nonlicensed employees to be employed by the school district at the school in which the principal is employed; and

(3) dismiss licensed and nonlicensed employees of the school district employed at the school in which the principal is employed as necessary, subject to all procedural and other protections provided by contract, collective bargaining agreement, or provision of State and federal law.

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1 (b) Without the approval of the State Board, secondary school principals
2 shall not be charged with supervisory responsibility outside the secondary
3 school.

4 *[for EFFECTIVE DATE section]*

5 () Secs. 9 – 10 (superintendents; principals; responsibilities) shall take
6 effect on July 1, 2015.

7 * * * **Yield; Dollar Equivalent; Property Tax Adjustment Lag /**

8 **Withholding * * ***

9 Sec. 11. 32 V.S.A. § 5401(15) is added to read:

10 (15) “Dollar equivalent” means the amount of spending per equalized
11 pupil that would result if the homestead tax rate was \$1.00 per \$100.00 of
12 equalized education property value, the applicable percentage in subdivision
13 6066(a)(2) of this title was 2.0 percent, and the statutory reserves under
14 16 V.S.A. § 4026 and section 5402b of this title were maintained at five
15 percent.

16 Sec. 12. 32 V.S.A. § 5402 is amended to read:

17 § 5402. EDUCATION PROPERTY TAX LIABILITY

18 (a) A ~~Statewide~~ statewide education tax is imposed on all nonresidential
19 and homestead property at the following rates:

20 (1) The tax rate for nonresidential property shall be \$1.59 per \$100.00.

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1 ~~(2) If there is a projected balance in the Education Fund Budget~~
2 ~~Stabilization Reserve of less than the three and one half percent level required~~
3 ~~under 16 V.S.A. § 4026, the Commissioner shall recommend an increase, for~~
4 ~~the following fiscal year only, in the statewide education tax rates which will~~
5 ~~retain the projected Education Fund Budget Stabilization Reserve at no less~~
6 ~~than the three and one half percent minimum level authorized under 16 V.S.A.~~
7 ~~§ 4026, and raise at least 34 percent of projected education spending from the~~
8 ~~tax rate on nonresidential property.~~

9 ~~(3) In any year following a year in which the nonresidential rate~~
10 ~~produced an amount of revenues insufficient to support 34 percent of education~~
11 ~~fund spending in the previous fiscal year, the Commissioner shall determine~~
12 ~~and recommend an adjustment in the nonresidential rate sufficient to raise at~~
13 ~~least 34 percent of projected education spending from the tax rate on~~
14 ~~nonresidential property.~~

15 ~~(4) If in any year in which the nonresidential rate is less than the~~
16 ~~statewide average homestead rate, the Commissioner of Taxes shall determine~~
17 ~~the factors contributing to the deviation in the proportionality of the~~
18 ~~nonresidential and homestead rates and make a recommendation for adjusting~~
19 ~~statewide education tax rates accordingly.~~

20 (a) Annually, on or before December 1, the Commissioner of Taxes shall
21 recommend to the General Assembly, after consultation with the Agency of

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1 Education, the Secretary of Administration, and the Joint Fiscal Office, a dollar
2 equivalent for the following fiscal year. For the purpose this calculation, the
3 Commissioner shall assume the nonresidential base tax rate in 32 V.S.A.
4 § 5402(a)(1) bears the same proportional relationship to the homestead base
5 tax rate that it does in the current fiscal year. Annually, on or before the
6 following January 1, the Commission shall publicize to each district his or her
7 recommendation regarding the dollar equivalent for the following fiscal year.

8 ~~(b) If the Commissioner makes a recommendation to the General Assembly~~
9 ~~to adjust the education tax rates under section 5402 of this title, the~~
10 ~~Commissioner shall also recommend a proportional adjustment to the~~
11 ~~applicable percentage base for homestead income based adjustments under~~
12 ~~section 6066 of this title, but the applicable percentage base shall not be~~
13 ~~adjusted below 1.94 percent.~~

14 (c) [Repealed.]

15 Sec. 14. 32 V.S.A. § 5401(13) is amended to read:

16 (13) “District spending adjustment” means the greater of: one or a
17 fraction in which the numerator is the district’s education spending plus excess
18 spending, per equalized pupil, for the school year; and the denominator is the
19 ~~base education amount~~ “dollar equivalent” for the school year, as defined in
20 ~~16 V.S.A. § 4001~~ 32 V.S.A. § 5401. For a district that pays tuition to a public
21 school or an approved independent school, or both, for all of its resident

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1 students in any year and which has decided by a majority vote of its school
2 board to opt into this provision, the district spending adjustment shall be the
3 average of the district spending adjustment calculated under this subdivision
4 for the previous year and for the current year. Any district opting for a
5 two-year average under this subdivision may not opt out of such treatment, and
6 the averaging shall continue until the district no longer qualifies for such
7 treatment.

8 Sec. 15. 32V.S.A. § 6006 is amended to read:

9 § 6066. COMPUTATION OF ADJUSTMENT.

10 (a) An eligible claimant who owned the homestead on April 1 of the year in
11 which the claim is filed shall be entitled to an adjustment amount determined
12 as follows:

13 (1)(A) For a claimant with household income of \$90,000.00 or more:

14 (i) the statewide education tax rate, multiplied by the equalized
15 value of the housesite in the ~~taxable~~ claim year;

16 (ii) minus (if less) the sum of:

17 (I) the applicable percentage of household income for the
18 ~~taxable~~ claim year; plus

19 (II) the statewide education tax rate, multiplied by the equalized
20 value of the housesite in the ~~taxable~~ claim year in excess of \$200,000.00.

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1 (B) For a claimant with household income of less than \$90,000.00 but
2 more than \$47,000.00, the statewide education tax rate, multiplied by the
3 equalized value of the housesite in the ~~taxable~~ claim year, minus (if less) the
4 sum of:

5 (i) the applicable percentage of household income for the ~~taxable~~
6 claim year; plus

7 (ii) the statewide education tax rate, multiplied by the equalized
8 value of the housesite in the taxable year in excess of \$500,000.00.

9 (C) For a claimant whose household income does not exceed
10 \$47,000.00, the statewide education tax rate, multiplied by the equalized value
11 of the housesite in the ~~taxable~~ claim year, minus the lesser of:

12 (i) the sum of the applicable percentage of household income for
13 the ~~taxable~~ claim year plus the statewide education tax rate, multiplied by the
14 equalized value of the housesite in the ~~taxable~~ claim year in excess of
15 \$500,000.00; or

16 (ii) the statewide education tax rate, multiplied by the equalized
17 value of the housesite in the ~~taxable~~ claim year reduced by \$15,000.00.

18 (2) "Applicable percentage" in this section means two percent, multiplied
19 by the district spending adjustment under subdivision 5401(13) of this title for
20 the property tax year which begins in the claim year for the municipality in

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1 which the homestead residence is located; but in no event shall the applicable
2 percentage be less than two percent.

3 * * *

4 ***[NOTE: MAY REQUIRE LANGUAGE MOVING UP PROPERTY***

5 ***ASSESSMENT DATE FROM APRIL 15 TO AN EARLIER DATE]***

6 ***[for EFFECTIVE DATE section]***

7 () Secs. 11 through 15 (yield; dollar equivalent; property tax adjustment
8 lag; withholding) shall take effect on July 1, 2015, and apply to fiscal year
9 2017 and after.

10 * * * **Ballot Language; Per Pupil Spending** * * *

11 Sec. 16. 16 V.S.A. § 563 is amended to read:

12 § 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE ~~IF BUDGET~~
13 ~~EXCEEDS BENCHMARK AND DISTRICT SPENDING IS ABOVE~~
14 ~~AVERAGE~~

15 The school board of a school district, in addition to other duties and
16 authority specifically assigned by law:

17 * * *

18 (11)(A) Shall prepare and distribute annually a proposed budget for the
19 next school year according to such major categories as may from time to time
20 be prescribed by the Secretary.

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1 ~~(B) If the proposed budget contains education spending in excess of~~
2 ~~the Maximum Inflation Amount, and the district's education spending per~~
3 ~~equalized pupil in the fiscal year preceding the year for which the budget is~~
4 ~~proposed was in excess of the statewide average district education spending~~
5 ~~per equalized pupil in that same fiscal year, as determined by the Secretary,~~
6 ~~then in lieu of any other statutory or charter form of budget adoption or budget~~
7 ~~vote, the board shall present the budget to the voters by means of a divided~~
8 ~~question, in the form of vote provided in subdivision (ii) of this subdivision~~
9 ~~(11)(B):~~

10 ~~(i) "Maximum Inflation Amount" in this section means:~~

11 ~~(I) the statewide average district education spending per~~
12 ~~equalized pupil, as defined in subdivision 4001(6) of this title, in the fiscal year~~
13 ~~preceding the year for which the budget is proposed, as determined by the~~
14 ~~Secretary, multiplied by the New England Economic Project Cumulative Price~~
15 ~~Index percentage change, as of November 15 preceding distribution of the~~
16 ~~proposed budget, for state and local government purchases of goods and~~
17 ~~services for the fiscal year for which the budget is proposed, plus one~~
18 ~~percentage point; plus the district's education spending per equalized pupil in~~
19 ~~the fiscal year preceding the year for which the budget is proposed, as~~
20 ~~determined by the Secretary;~~

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1 ~~(H) multiplied by the higher of the following amounts as~~
2 ~~determined by the Secretary: (aa) the district's equalized pupil count in the~~
3 ~~fiscal year preceding the year for which the budget is proposed; or (bb) the~~
4 ~~district's equalized pupil count in the fiscal year for which the budget is~~
5 ~~proposed.~~

6 ~~(ii) The ballot shall be in the following form:~~

7 ~~"The total proposed budget of \$_____ is the amount determined~~
8 ~~by the school board to be necessary to support the school district's educational~~
9 ~~program. State law requires the vote on this budget to be divided because (i)~~
10 ~~the school district's spending per pupil last year was more than the statewide~~
11 ~~average and (ii) this year's proposed budget is greater than last year's budget~~
12 ~~adjusted for inflation.~~

13 ~~"Article #1 (School Budget):~~

14 ~~Part A. Shall the voters of the school district authorize the school~~
15 ~~board to expend \$ _____/t, which is a portion of the amount the school board~~
16 ~~has determined to be necessary?~~

17 ~~Part B. If Part A is approved by the voters, shall the voters of the~~
18 ~~school district also authorize the school board to expend \$ _____/t, which is~~
19 ~~the remainder of the amount the school board has determined to be necessary?"~~

20 (C) At a school district's annual or special meeting, the electorate
21 may vote to provide notice of availability of the school budget required by this

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1 subdivision to the electorate in lieu of distributing the budget. If the electorate
2 of the school district votes to provide notice of availability, it must specify how
3 notice of availability shall be given, and such notice of availability shall be
4 provided to the electorate at least 30 days before the district's annual meeting.
5 The proposed budget shall be prepared and distributed at least ten days before
6 a sum of money is voted on by the electorate. Any proposed budget shall show
7 the following information in a format prescribed by the Secretary:

8 (i) all revenues from all sources, and expenses, including as
9 separate items any assessment for a supervisory union of which it is a member
10 and any tuition to be paid to a career technical center; and including the report
11 required in subdivision 242(4)(D) of this title itemizing the component costs of
12 the supervisory union assessment;

13 (ii) the specific amount of any deficit incurred in the most recently
14 closed fiscal year and how the deficit was or will be remedied;

15 (iii) the anticipated homestead tax rate and the percentage of
16 household income used to determine income sensitivity in the district as a
17 result of passage of the budget including those portions of the tax rate
18 attributable to supervisory union assessments; and

19 (iv) the definition of "education spending," the number of pupils
20 and number of equalized pupils in the school district, and the district's

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1 education spending per equalized pupil in the proposed budget and in each of
2 the prior three years.

3 (D) The board shall present the budget to the voters by means of a
4 ballot in the following form:

5 “Article #1 (School Budget):

6 The total proposed budget of \$ _____ is the amount determined by
7 the school board to be necessary to support the school district’s educational
8 program. It is estimated that this proposed budget, if approved, will result in
9 education spending of \$ _____ per equalized pupil. This projected spending per
10 equalized pupil is _____ % higher/lower than spending for the current year.
11 Shall the voters of the school district approve the school board to expend
12 \$ _____, which is the amount the school board has determined to be
13 necessary for the ensuing fiscal year?”

14 Sec. 17. REPEAL

15 16 V.S.A. § 4001(6)(A) (divided voted; exceptions to education spending)
16 is repealed on July 1, 2015.

17 ***[for EFFECTIVE DATE section]***

18 () Secs. 16 and 17 (ballot language; per pupil spending) shall take effect
19 on July 1, 2015.

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1 *** Education Mandates; Moratorium **(H.44)** ***

2 Sec. 18. EDUCATION PROPERTY TAX RATE INCREASES;

3 MORATORIUM

4 (a) Notwithstanding 16 V.S.A. § 4028(d) and 2 V.S.A. § 502(b)(2), the
5 Joint Fiscal Office (JFO) shall prepare a fiscal note for any legislation
6 proposed during the 2015–2016 biennium that JFO believes may have the
7 effect of increasing the education property tax rate, regardless of whether the
8 proposed legislation includes a related appropriation or funding mechanism.
9 JFO shall complete the fiscal note no later than the date on which the
10 legislation is considered for a vote of a committee, the House, or the Senate,
11 whichever is earliest.

12 (b) If the fiscal note prepared under this section confirms that the proposed
13 legislation shall have the effect of increasing the education property tax rate,
14 then the proposed legislation as then-drafted shall be withdrawn from
15 consideration and shall not be voted upon by any committee, the House, or the
16 Senate, as applicable.

17 (c) This section shall not apply to legislation annually establishing the base
18 education amount pursuant to 16 V.S.A. chapter 133 or the tax rate pursuant to
19 32 V.S.A. § 5402.

20 (d) This section is repealed on July 1, 2016.

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1 *[for EFFECTIVE DATE section]*

2 () Sec. 18 (education mandates; moratorium) shall take effect on passage.

3 * * * **Special Education; Funding; Average Daily Membership** * * *

4 Sec. 19. SPECIAL EDUCATION; FUNDING; AVERAGE DAILY

5 MEMBERSHIP; STUDY AND PROPOSAL

6 *[the following is a placeholder for the general concept]*

7 On or before January 15, 2016, the Secretary of Education shall develop
8 and present to the House and Senate Committees on Education a proposal for
9 an alternative funding model for the provision of special education services in
10 Vermont. In developing the proposal, the Secretary shall

11 (1) consult with *[how to reference Mr. Giangreco and Ms. Ms. Kolbe]*
12 and other experts in the provision or funding of special education services;

13 (2) consider the report *[by the UMASS group]* of the use of
14 paraprofessionals to provide special education services as required by 2014
15 Acts and Resolves No. 95, Sec. 79a;

16 (3) consider ways in which some portion of State funds for special
17 education services could be provided to school districts or supervisory unions
18 based on average daily membership; and

19 (4) consider ways in which the proposal could also help to reduce
20 administrative responsibilities at the local level and increase flexibility in the
21 provision of services.

Not Yet Reviewed by Editors

1 ***[for EFFECTIVE DATE section]***

2 () Sec. 19 (special education funding; average daily membership) shall
3 take effect on passage.

4 ***** Effective Dates *****

5 Sec. __. EFFECTIVE DATES

6 ***[insert from body of draft as concepts are finalized]***

7 () This section (effective dates) shall take effect on passage.