

HEC Education Policy and Funding Proposals
(02/24/2015; DR15-1034; draft 4.1) – **DRAFT!!**

HEC (draft 4.1)	Topic	HEC draft 4.1	Other Proposal(s) to Amend or Add Language	SEC / Gov (Draft 1.3; 2/10/15)	NOTES
Sec. 1 (pages 1-2)	Policy Statement	yellow highlighting shows changes discussed by HEC references to “improved student performance” from § 165 (EQS)	<u>Rep Manwaring</u> (document #306103.1; draft 1.1; 2/22/15) – amends language throughout Sec. 1	not included	
Secs. 2–6 (pages 2–9)	(1) Yield (2) Property Tax Adjustment Lag	yellow highlighted language in Sec. 4 shows new description proposed by P Griffin / M Perrault to HEC <u>Note:</u> there is still a question on page 8 about moving the property tax assessment date from April 1 to an earlier date (other yellow to be explained by P Griffin / M Perrault)	<u>Rep Buxton</u> (document #306105.1; draft 1.1; 2/22/15) – adds study re: authorizing different tax rates for categories of nonresidential property as new Sec. 4a <u>Rep Manwaring</u> (document #306116.1; draft 1.1; 2/22/15) adds annual JFO analysis of equity of opportunities in relation to yield model as new Sec. 6a	not included	<u>Yield:</u> <i>(a) HEC tentatively approved</i> <i>(b) 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> <u>Lag:</u> <i>more testimony??</i>
Secs. 7–8 (pages 9–13)	Ballot Language – (1) equalized pupil (2) tech correction (divided vote)	(no changes from version 3.1)		not included	<i>HEC tentatively approved</i>

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Secs. 9–11 (pages 13–17)	<p>Small School Support Grants</p> <p><u>Sec. 9:</u> limits small school support to districts with average class size of <20 & where it is geographically necessary</p> <p><u>Sec. 10:</u> 3 year transition period</p> <p><u>Sec. 11:</u> permits merging districts to keep grant as Merger Support Grant forever (increases current 5 year RED provision)</p> <p>merged district loses grant if closes school</p>	(no changes from version 3.1)	Rep <u>Manwaring</u> (document #306176.1; draft 1.1; 2/24/15) – replace Secs. 9 and 10 (and 11?) with H.191 with additional criterion	<p>SEC/Gov Secs. <u>2–3</u> are the same as HEC</p> <p><i>except</i> that the Merger Support Grants (HEC Sec. 11) are not extended beyond the current 5 years</p>	<p><i>HEC's discussion included:</i></p> <p>(a) <i>also permitting grants where not “eligible due to geographic necessity” if the district demonstrates that it is meeting EQS</i></p> <p>(b) <i>awarding small schools grants on a competitive basis – see H.191 for an example of a possible approach (see Other Proposals to the left)</i></p> <p>(c) <i>removing sections</i></p>

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Secs. 12–13 (pages 17–18)	Declining Enrollment / 3.5% Hold Harmless Sec. 12: removes “tail” so 3.5% applied to non-inflated equalized pupils Sec. 13: 3 year transition period	(no changes from version 3.1)	Rep Beck (document #306107.2; draft 1.1; 2/22/15) – replaces Secs. 12–13 with: * repeal of current 3.5 % hold harmless (w/3 year transition period) * equalized pupils never to be lower than highest of previous 2 years	SEC/Gov Secs. 4–6 repeal provision entirely 3 year transition period	HEC’s discussion included: (a) replacing 3.5% with the better of equalized pupils in 2 prior years (Rep Beck proposal to left) (b) removing Secs 12–13
Sec. 14 (pages 18–19)	Special Ed Funding Proposal – alternative model – based on ADM ?	(no changes from version 3.1)		not included	HEC tentatively approved
Secs. 15–16 (pages 20–22)	Tuition Payments to Schools Outside Vermont	added exception for community adjoining Vermont grandfathers currently enrolled students	Rep Manwaring (document #306124.1; draft 1.1; 2/22/15) – new Sec 16a requiring contractual analysis of current tuitioning model	not included	HEC’s discussion included: (a) removing Secs 15–16 (b) addressing this in another bill HEC wants more data and testimony

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Secs. 17, 17a, & 17b (pages 22– 31)	<p>Ed Governance Structures</p> <p><u>Sec. 17:</u> 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</p> <p><u>Sec. 17a:</u> if voluntary realignment meets goals then receives RED tax incentives</p> <p><u>Sec. 17b:</u> no refund of state aid on sale</p>	<p>replace “excellent” with “effective” ??</p> <p>add ratios as goal</p>		<p><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</p>	

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Sec. 18 (page 32)	Transition of Employees / VMERS				<i>(not yet fully drafted - continuing to work on language)</i>
Secs. 19–20 (pages 32– 33)	Existing Incentives <u>Sec. 19:</u> incentives available if electorate approves by 7/1/17 (rather than only if fully implemented then) <u>Sec. 20:</u> corrects technical flaw in repeal date	clarifies that RED incentives are available if electorate’s vote is <i>final</i> by that date		not included	<i>HEC tentatively approved</i>
Sec. 21 (pages 33– 34)	Financial Reporting & Accounting / Student Longitudinal Data Systems complete at State level by 7/1/17	deletes requirement in draft 3.1 for school district compliance		not included	<i>HEC tentatively approved</i>
Sec. 22 (page 34)	Study: Roles of Superintendents and Principals	(no changes from version 3.1)		<u>SEC/Gov Secs</u> <u>8–9:</u> hire/fire; health insurance	

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Sec. 23 (page 35)	Study: Imposition of Contracts, Strikes, & Binding Interest Arbitration	(no changes from version 3.1)	Rep Wright (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> (a) replacing study with H.76 (currently in House General)
Sec. 24 (pages 35– 36)	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	
not included				<u>SEC/Gov Sec. 10</u> amends § 165 meeting moving toward EQS & dist's own continuous improvement plan; oversight & consequences	
					OTHER DISCUSSIONS: H.257 – Caps (Rep Olsen)