

1 S.233

2 Representative Ram of Burlington moves that the House propose to the  
3 Senate that the Committee of Education’s report on Senate Bill No. 233  
4 entitled “An act relating to amending Act 46” be amended by striking out all  
5 after the enacting clause and inserting in lieu thereof the following:

6 Sec. 1. 2015 Acts and Resolves No. 46, Sec. 37 is amended to read:

7 Sec. 37. ALLOWABLE GROWTH IN EDUCATION SPENDING FOR  
8 ~~FISCAL YEARS 2017 AND 2018~~ YEAR 2017

9 (a) Notwithstanding any other provision of law, for ~~fiscal years 2017 and~~  
10 ~~2018~~ fiscal year 2017 only, “excess spending” under 32 V.S.A. § 5401(12)  
11 ~~means the per equalized pupil amount of the district’s education spending, as~~  
12 ~~defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a~~  
13 ~~Capital Construction Reserve Fund under 24 V.S.A. § 2804(b), that is in~~  
14 ~~excess of the district’s per equalized pupil amount of education spending in~~  
15 ~~the prior fiscal year, plus the district’s allowable growth.~~ shall be calculated as  
16 follows:

17 (1) For districts where the total amount of exclusions in 16 V.S.A.  
18 § 4001(6)(B) either stays the same or increases from the prior fiscal year to the  
19 current fiscal year, “excess spending” means the per-equalized-pupil amount of  
20 the district’s education spending, plus any amount required to be added from a  
21 Capital Construction Reserve Fund under 24 V.S.A. § 2804(b) that is in excess

1 of the district’s per-equalized-pupil amount of education spending in the prior  
2 fiscal year, plus the district’s allowable growth. As used in this subdivision,  
3 “education spending” means education spending as defined in 16 V.S.A.  
4 § 4001(6) after the exclusions in 16 V.S.A. § 4001(6)(B) are subtracted.

5 (2) For districts where the total amount of exclusions in 16 V.S.A.  
6 § 4001(6)(B) decreases from the prior fiscal year to the current fiscal year,  
7 “excess spending” means the per-equalized-pupil amount of the district’s  
8 education spending, plus any amount required to be added from a Capital  
9 Construction Reserve Fund under 24 V.S.A. § 2804(b) that is in excess of the  
10 district’s per-equalized-pupil amount of total education spending in the prior  
11 fiscal year, plus the district’s allowable growth. As used in this subdivision,  
12 “education spending” means education spending as defined in 16 V.S.A.  
13 § 4001(6) before the exclusions in 16 V.S.A. § 4001(6)(B) are subtracted.

14 (b) ~~For fiscal years 2017 and 2018~~ fiscal year 2017 only, the “allowable  
15 growth” for any individual school district is an amount equal to the actual  
16 amount of per-equalized-pupil education spending in the district in the prior  
17 fiscal year, multiplied by the district’s “allowable growth percentage.” A  
18 district’s “allowable growth percentage” means a percentage that results from  
19 the following equation: the highest per-equalized-pupil amount of the  
20 education spending in any district in the State in the prior fiscal year, divided  
21 by the actual amount of per-equalized-pupil education spending in the district

1 in the prior fiscal year, minus one, multiplied by five and one-half percent. For  
2 the purpose of the calculations made under this subsection, the term “education  
3 spending” refers to education spending as used to calculate excess spending  
4 under 16 V.S.A. § 4001(6), including all the adjustments under 16 V.S.A.  
5 § 4001(6)(B).

6 (c) Notwithstanding any other provision of law, for fiscal year 2017 only:

7 (1) The allowable growth percentage calculated in subsection (b) of this  
8 section shall be increased by adding 0.9 percentage points to the allowable  
9 growth percentage for each district.

10 (2) The education property tax spending adjustment under 32 V.S.A.  
11 § 5401(13)(A) and the education income tax spending adjustment under  
12 32 V.S.A. § 5401(13)(B) shall be calculated by using only 25 percent of the  
13 district’s excess spending.

14 Sec. 2. REPEALS

15 2015 Acts and Resolves No. 46, Secs. 37, 38, and 52(k) are repealed on  
16 July 1, 2017, and shall not apply to fiscal year 2018 or after.

17 Sec. 3. EFFECTIVE DATE

18 This act shall take effect on passage.