ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

H. 853

An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes

Amendment to be offered by Rep. Browning of Arlington to H. 853

By inserting a Sec. 9c to read as follows:

Sec. 9c. REPORT ON THE IMPACT OF H.353 OF 2013

(a) On or before November 15, 2016, the Joint Fiscal Office, with the assistance of the Office of Legislative Council and the Department of Taxes, shall issue a report analyzing the impact of H.353 of 2013, an act relating to eliminating tax expenditures. The report shall be delivered to the Senate Committees on Finance and on Education and the House Committees on Ways and Means and on Education.

(b) The report shall address:

- (1) how the removal of most tax expenditures as described in H.353 would affect base education property tax rates, including the amount by which they could be reduced;
- (2) how much the replacement programs to fulfill the policy goals of property tax expenditures that need to be replaced will cost the General Fund, considering the reduction in property tax rates and any pre-existing General Fund allocations to those programs;
- (3) how income tax rate brackets could be reduced in a way that would preserve progressivity and how to design a base credit to replace the policy goals of some of the special provisions eliminated;
 - (4) any transition issues created by the proposed changes; and
 - (5) any related issues identified by the Joint Fiscal Office.

Amendment to be offered by Rep. Browning of Arlington to H. 853

By inserting four new Secs. to be Secs. 10, 11, 12, and 13 with reader assistance to read as follows:

* * * Side-by-Side Mergers * * *

Sec. 10. 2012 Acts and Resolves No. 156, Sec. 15 is amended to read:

Sec. 15. TWO OR MORE MERGERS; REGIONAL EDUCATION DISTRICT INCENTIVES

(a) Notwithstanding Sec. 3(a)(1) of No. 153 of the Acts of the 2009 Adj. Sess. (2010) that requires a single regional education district ("RED") to have an average daily membership of at least 1,250 950 or result from the merger of at least four districts, or both, two or more new districts, referred to in this section as "side-by-side districts," shall be eligible jointly for the incentives provided in Sec. 4 of No. 153 if:

(1) either:

- (A) each new side-by-side district is newly formed by the merger of at least two existing districts; or
- (B) one side-by-side district is newly formed by the merger of at least three existing districts and the other side-by-side district is an existing district not formed as a result of a merger;
- (2) each new <u>side-by-side</u> district meets all criteria for RED formation other than the size criterion of Sec. 3(a)(1) of No. 153 <u>and otherwise as provided in this section;</u>
- (3) one of the new districts provides education in all elementary and secondary grades by operating one or more schools and the other new district or districts pay tuition for students in one or more grades;
- (4) each new newly formed side-by-side district has the same effective date of merger;
- (5)(4) the new side-by-side districts, when merged, are members of one supervisory union; and
- (6)(5) the new side-by-side districts jointly satisfy the size criterion of Sec. 3(a)(1) of No. 153 have an average daily membership of at least 950.
- (b) Each side-by-side district may operate schools for one or more grades, may pay tuition for one or more grades, or may operate schools for some grades and pay tuition for other grades.
- (c) The tax incentives provided in Sec. 4 of No. 153 shall not be available to a side-by-side district that was an existing district not formed as a result of a merger.
 - (b)(d) This section is repealed on July 1, 2017.

- Sec. 11. 2010 Acts and Resolves No. 153, Sec. 3(a)(1) is amended to read:
- (1) School districts, which may include one or more union school districts, may merge to form a union school district pursuant to $\underline{16 \text{ V.S.A.}}$ chapter 11 of Title 16 (a "Regional Education District" or "RED") that shall have an average daily membership of at least $\underline{1,250}$ $\underline{950}$ or result from the merger of at least four districts, or both.
 - * * * Reducing Average Daily Membership Requirements * * *
- Sec. 12. 2015 Acts and Resolves No. 46, Sec. 5 is amended to read:

Sec. 5. PREFERRED EDUCATION GOVERNANCE STRUCTURE:

ALTERNATIVE STRUCTURE

- (a) On or before July 1, 2019, the State shall provide educational opportunities through sustainable governance structures designed to meet the goals set forth in Sec. 2 of this act pursuant to one of the models described in this section.
- (b) Preferred structure: prekindergarten—grade 12 supervisory district (Education District). The preferred education governance structure in Vermont is a school district that:
- (1) is responsible for the education of all resident prekindergarten through grade 12 students;
 - (2) is its own supervisory district;
 - (3) has a minimum average daily membership of 900 600; and

* * *

(c) Alternative structure: supervisory union with member districts. An Education District as envisioned in subsection (b) of this section may not be possible or the best model to achieve Vermont's education goals in all regions of the State. In such situations, a supervisory union composed of multiple member districts, each with its separate school board, can meet the State's goals, particularly if:

* * *

- (4) the combined average daily membership of all member districts is not less than $\frac{1,100}{800}$.
- Sec. 13. 2015 Acts and Resolves No. 46, Sec. 6(a) is amended to read:
- (a) A newly formed school district shall receive the incentives set forth in subsection (b) of this section if it:

- (1) is formed by merging the governance structures of all member districts of a supervisory union into one unified union school district pursuant to the processes and requirements of 16 V.S.A. chapter 11, and also could include merger with a neighboring supervisory district;
- (2) obtains an affirmative vote of all "necessary" districts on or after July 1, 2015, and prior to July 1, 2016;
- (3) is responsible for the education of all resident prekindergarten through grade 12 students;
 - (4) is its own supervisory district;
- (5) has a minimum average daily membership of $900 \underline{600}$ in its first year of operation; and

* * *

and by renumbering the remaining section to be numerically correct

H. 876

An act relating to the transportation capital program and miscellaneous changes to transportation-related law

Amendment to be offered by Rep. Hooper of Montpelier to H. 876

In Sec. 7, in 23 V.S.A. § 3734(a)(4)(B), by adding a second sentence to read: "Railroad property" also does not include any real property owned or leased by a railroad carrier that is a roadbed, or that is located on either side of a roadbed, from which tracks are currently removed."

Amendment to be offered by Rep. Krebs of South Hero to H. 876

That the bill be amended in Sec. 35, 19 V.S.A. § 44, in subsection (b), by striking out subdivisions (5) and (6) in their entirety and inserting in lieu thereof the following:

- (5) a representative of the Vermont Association of Planning and Development Agencies;
 - (6) a representative of the Vermont League of Cities and Towns; and
- (7) a land surveyor licensed under 26 V.S.A. chapter 45 designated by the Vermont Society of Land Surveyors.

H. 877

An act relating to transportation funding