

H.361
House Conferees' Proposal 5/12/15

Timeline

7/1/15:

- *[Voluntary merger / realignment into Ed District or Alternative – discussion and planning and presentation to SBE and voters – ongoing]*
- *[Secretary reviews data, discussions, studies, activity and informs SBE – ongoing]*

12/31/15:

- Activity other than RED formation – eligibility expires for Act 153/156 incentives (reimbursement and grants) for other types of activity (moved from 7/1/17)
- SBE adopts performance measures and creates guidelines related to whether proposed governance changes meet stated goals

7/1/16:

- Accelerated Merger into Education District (Enhanced Incentives) – approval by electorate
- 3.5% calculation – “tail” removed (unless transitioning from former calculation method)
- Variable 2% cap – applies in FY17
- *[Voluntary merger / realignment into Ed District or Alternative – discussion and planning and presentation to SBE and voters – ongoing]*
- *[Secretary reviews data, discussions, studies, activity and informs SBE – ongoing]*

7/1/17:

- Accelerated Merger into Education District – if operational, then Enhanced Incentives:
 - tax rate reduction (10-8-6-4-2)
 - Merger Support Grants in perpetuity (unless close small school / bond)
 - lesser of \$150,000 or 5% of Base Ed Amount x ADM
 - don't repay State aid if sell a building
- REDS and the three variations – if operational (current law), then RED Incentives:
 - tax rate reduction (8-6-4-2)
 - Merger Support Grants in perpetuity (unless close small school / bond)
 - lesser of \$150,000 or 5% of Base Ed Amount x ADM
 - don't repay State aid if sell a building
 - multi-year budgets
 - (capital debt service if not paid State aid by 7/1/16 as promised)
- Declaration – Districts that have not been moving toward merger, that had a failed vote, or that otherwise don't anticipate moving toward preferred structure by 7/1/19:
 - self-evaluation
 - meetings with other districts
 - submit Declaration to Secretary / SBE regarding intent to retain structure or to work with other districts; demonstrate how meets and will continue to meet goals
- Variable 2% cap – applies in FY18

[7/1/17 continued ...]

- 5% Tax Increase – failure to follow law re: SU duties (FY18 is earliest it can apply)
- Statewide Data Systems – full implementation by State
- [Voluntary merger / realignment into Ed District or Alternative – discussion and planning and presentation to SBE and voters – ongoing]
- [Secretary reviews data, discussions, studies, activity and informs SBE – ongoing]

11/30/17:

- Voluntary Merger into Ed District – approval by electorate (if not Accelerated merger)
- [voluntary mergers – if operational, then don't repay State aid if sell a building]

4/1/18:

- Secretary's Proposed Plan
 - looks at State as it will probably be on 7/1/19
 - considers declarations submitted 7/1/17 by districts that aren't merging voluntarily
 - talks with districts; asks for more information; considers data collected from Accelerated Mergers
 - creates, publishes, and submits Proposal to SBE

7/1/18:

- 3.5% calculation – “tail” removed if transitioning from former calculation method
- Small School Guidelines – SBE publishes re: annual determinations in 7/1/19 and after

9/1/18:

- SBE publishes Final Plan (after testimony; additional data; etc.)

7/1/19:

- Integrated Education Systems (Ed Districts & Alternatives) exist throughout State
- Voluntarily Merger into Education District – if operational, then incentives:
 - RED tax rate reduction (8-6-4-2)
 - Merger Support Grants in perpetuity (unless close small school / bond)
- Small Schools Grants – unless paid in perpetuity as a Merger Incentive Grant, then:
 - available only to geographically isolated district that also meets other criteria
 - determine annually per guidelines SBE adopts on 7/1/18
- EQS Consequences – clarification of SBE's existing authority and new SBE authority for districts not moving toward meeting EQS