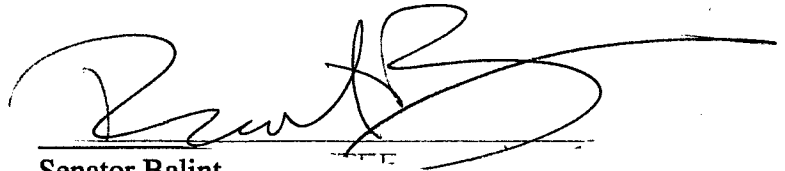


To the Honorable Senate:

The Committee on Institutions to which was referred House Bill No. H. 529 entitled: "An act relating to State aid for school construction repayment obligations"

respectfully report that it has considered the same and recommend that the bill ought to pass in concurrence.

(Committee vote: 5-0-0)

A handwritten signature in black ink, appearing to read "Balint", with a long horizontal flourish extending to the right.

**Senator Balint
FOR THE COMMITTEE**

ORIGINAL

BILL AS PASSED BY THE HOUSE
2016

H.529
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1

H.529

2

Introduced by Representatives LaLonde of South Burlington, Dakin of

3

Colchester, Head of South Burlington, Pugh of South

4

Burlington, and Townsend of South Burlington

5

Referred to Committee on

6

Date:

7

Subject: Education; State aid; school construction

8

Statement of purpose of bill as introduced: This bill proposes to amend 2015

9

Acts and Resolves No. 46 to expand the exemption for the refund upon sale

10

obligation for school districts that received State aid for school construction if

11

the funds will be used to renovate an existing school building or construct a

12

new school building in the district.

13

An act relating to State aid for school construction repayment obligations

14

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

15

~~Sec. 1. 2015 Acts and Resolves No. 46, Sec. 13 is amended to read:~~

16

~~Sec. 13. REFUND UPON SALE OF SCHOOL BUILDINGS~~

17

~~REQUIREMENT: NEW SCHOOL DISTRICTS; JOINT~~

18

~~CONTRACT SCHOOLS; SCHOOL BUILDING~~

19

~~CONSOLIDATION~~

1 ~~(a) Notwithstanding 16 V.S.A. § 3448(b), the refund upon sale requirement~~

2 shall not apply to:

3 (1) a union school district created under 16 V.S.A. chapter 11 that
4 becomes operational on or after July 1, 2015; and

5 (2) two or more districts that, on or after July 1, 2015, enter into a
6 contract pursuant to 16 V.S.A. chapter 11, subchapter 1 to operate a school
7 jointly; and

8 (3) a school district that consolidates two or more school buildings to
9 serve the educational needs of students in a more cost-effective and
10 educationally appropriate manner if the sale amount is used to renovate an
11 existing school building or construct a new school building in the district.

12 (b) As used in subsection (a) of this section, a union school district
13 established under 16 V.S.A. chapter 11 includes a school district voluntarily
14 created pursuant to the provisions of this act, or a regional education district or
15 any other district eligible to receive incentives pursuant to 2010 Acts and
16 Resolves No. 153, as amended by 2012 Acts and Resolves No. 156 and 2013
17 Acts and Resolves No. 56.

18 (c) This section is repealed on July 1, ~~2017~~ 2018.

19 Sec. 2. EFFECTIVE DATE

20 ~~This act shall take effect on July 1, 2016.~~

Sec. 1. 16 V.S.A. § 3448 is amended to read:

§ 3448. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION

PROJECTS; RENEWABLE ENERGY

(a) Construction aid.

(1) Preliminary application for construction aid. A district or independent school eligible for assistance under section 3447 of this title, that intends to construct or purchase a new school, or make extensive additions or alterations to its existing school, and desires to avail itself of State school construction aid, shall submit a written preliminary application to the Secretary. A preliminary application shall include information required by the State Board by rule and shall specify the need for and purpose of the project.

* * *

~~(b) Refund upon sale. Upon the sale by a district of any item, building, or unit that may be relocated, for which State construction aid was awarded under this title, the district shall refund to the State a percentage of the sale price equal to the percentage of construction aid received. In no event shall the sum refunded be in excess of the amount of the original State aid received for the purchase of the item, building, or unit. All refunds shall be deposited with the State Treasurer and used for school construction aid awards. [Repealed.]~~

~~(c) Repayment as a condition of general aid. No school district shall receive any State general aid unless the school district complies with subsection (b) of this section. [Repealed.]~~

* * *

Sec. 2. 2015 Acts and Resolves No. 46, Sec. 13 is amended to read:

Sec. 13. ~~REFUND UPON SALE OF SCHOOL BUILDINGS~~

~~REQUIREMENT; NEW SCHOOL DISTRICTS; JOINT~~

~~CONTRACT SCHOOLS~~

~~(a) Notwithstanding 16 V.S.A. § 3448(b), the refund upon sale requirement shall not apply to:~~

~~(1) a union school district created under 16 V.S.A. chapter 11 that becomes operational on or after July 1, 2015; and~~

~~(2) two or more districts that, on or after July 1, 2015, enter into a contract pursuant to 16 V.S.A. chapter 11, subchapter 1 to operate a school jointly.~~

~~(b) As used in subsection (a) of this section, a union school district established under 16 V.S.A. chapter 11 includes a school district voluntarily created pursuant to the provisions of this act, or a regional education district or any other district eligible to receive incentives pursuant to 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156 and 2013 Acts and Resolves No. 56.~~

~~(c) This section is repealed on July 1, 2017. [Repealed.]~~

Sec. 3. 16 V.S.A. § 3448 is amended to read:

§ 3448. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION

PROJECTS; RENEWABLE ENERGY

(a) Construction aid.

(1) Preliminary application for construction aid. A district or independent school eligible for assistance under section 3447 of this title, that intends to construct or purchase a new school, or make extensive additions or alterations to its existing school, and desires to avail itself of State school construction aid, shall submit a written preliminary application to the Secretary. A preliminary application shall include information required by the State Board by rule and shall specify the need for and purpose of the project.

* * *

(b) Refund upon sale. Upon the sale by a district of any item, building, or unit that may be relocated, for which State construction aid was awarded under this title, the district shall refund to the State a percentage of the sale price equal to the percentage of construction aid received. In no event shall the sum refunded be in excess of the amount of the original State aid received for the purchase of the item, building, or unit. All refunds shall be deposited with the State Treasurer and used for school construction aid awards.

(c) Repayment as a condition of general aid. No school district shall receive any State general aid unless the school district complies with subsection (b) of this section.

* * *

Sec. 4. EFFECTIVE DATES

(a) This section and Secs. 1–2 of this act shall take effect on July 1, 2016.

(b) Sec. 3 of this act shall take effect on July 1, 2020.