

Journal of the House

Wednesday, March 21, 2018

At one o'clock in the afternoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by a quartet of former and current members of Counterpoint.

Senate Bill Referred

S. 111

Senate bill, entitled

An act relating to privatization contracts

Was read and referred to the committee on Government Operations.

Senate Bill Referred

S. 272

Senate bill, entitled

An act relating to miscellaneous changes to laws related to motor vehicles

Was read and referred to the committee on Transportation.

Senate Bill Referred

S. 287

Senate bill, entitled

An act relating to aquatic nuisance control

Was read and referred to the committee on Natural Resources, Fish, and Wildlife.

Bill Referred to Committee on Appropriations

H. 923

House bill, entitled

An act relating to capital construction and State bonding budget adjustment

Appearing on the Calendar, carrying an appropriation, under rule 35(a), was referred to the committee on Appropriations.

House Resolution Referred to Committee**H.R. 20**

House resolution, entitled

House resolution opposing the proposed NewVistas development project in the rural areas of the towns of Royalton, Sharon, Strafford, and Tunbridge

Offered by: Representatives Briglin of Thetford, Ainsworth of Royalton, Buckholz of Hartford, Christie of Hartford, Conquest of Newbury, Copeland-Hanzas of Bradford, Frenier of Chelsea, Graham of Williamstown, Haas of Rochester, Hooper of Randolph, Jickling of Randolph, Lucke of Hartford, and Masland of Thetford

Whereas, the NewVistas Foundation, a Utah nonprofit corporation, and its founder, David R. Hall, have proposed a long-term plan to construct a 2.88-square-mile, up to 20,000 resident, mixed-used industrial, commercial, and residential development in rural areas of the towns of Royalton, Sharon, Strafford, and Tunbridge, and

Whereas, Sharon, Strafford, and Tunbridge were founded in 1761 and Royalton in 1769, and each includes many historic homes, barns, and other structures characteristic of classic Vermont villages, and

Whereas, these towns have compact village centers surrounded by rural areas that include productive agricultural lands and forestlands, and

Whereas, many landowners in these communities have enrolled in the Vermont Current Use Program in order to manage their lands on a long-term basis for productive agricultural and silvicultural uses, and

Whereas, many landowners in the four communities, working in cooperation with the Upper Valley Land Trust, the Vermont Land Trust, and other organizations, have conserved thousands of acres of farms and forest to preserve productive lands and maintain the scenic beauty of the area, and

Whereas, at their town meetings in March 2017, the voters of these towns overwhelmingly supported resolutions expressing opposition to the NewVistas development, and

Whereas, a primary Vermont land use goal, codified at 24 V.S.A. § 4302(c)(1), is “To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside,” and

Whereas, David Hall is the sole member of the Vermont registered limited liability company, WINDSORANGE L.L.C. that has purchased over 1,500 acres of land in the four towns and unsettled the local real estate market, and

Whereas, the NewVistas project would destroy the traditional and compact settlement pattern in the four towns, convert large amounts of productive agricultural lands and forestland into development, undermine the historic character of these towns, degrade the area's natural resources, and reduce game and wildlife populations, and

Whereas, similarly, David Hall's related interests have acquired scores of homes in the Pleasant View Neighborhood in Provo, Utah, with the goal of demolishing the existing neighborhood and constructing a mixed-use industrial, commercial, and residential development similar to the development proposed in Vermont, and

Whereas, these threatened Utah homeowners, as well as locally elected officials there, have expressed opposition to the proposed development because it would be inconsistent with the existing settlement pattern and the character of the neighborhood, and

Whereas, various organizations, including the Alliance for Vermont Communities and Building A Local Economy, are working with citizens in the four towns to develop and implement an economically vibrant and environmentally resilient vision for the future of the area, and

Whereas, the Vermont NewVistas development project would be inconsistent with the adopted town plan in each of the four involved municipalities, now therefore be it

Resolved by the House of Representatives:

That this legislative body expresses its opposition to the proposed Vermont NewVistas development project, and be it further

Resolved: That this legislative body urges David Hall and the NewVistas Foundation to abandon the NewVistas development and to manage the lands for which they are responsible in accordance with Vermont's land use goals, and be it further

Resolved: That this legislative body urges the State of Vermont to ensure that the NewVistas Foundation operates in accordance with the laws of this State, and be it further

Resolved: That the Clerk of the House be directed to send a copy of this resolution to David R. Hall, to the NewVistas Foundation, to Governor Philip Scott, to Attorney General T.J. Donovan, to Utah Governor Gary Hebert, and to Utah Attorney General Sean Reyes.

Which was read and referred to the committee on Natural Resources, Fish, and Wildlife.

Joint Resolution Adopted in Concurrence**J.R.S. 52**

By Senator Ashe,

J.R.S. 52. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 23, 2018, it be to meet again no later than Tuesday, March 27, 2018.

Was taken up, read and adopted in concurrence.

Remarks Journalized

On motion of **Rep. Cupoli of Rutland City**, the following remarks by **Rep. Chesnut-Tangerman of Middletown Springs** were ordered printed in the Journal:

“Madam Speaker:

Madam Speaker, we just heard the reading of a resolution honoring the life and work of Robert DeCormier of Belmont.

His long and illustrious career has seen many musical highlights, including his work and friendships with Pete Seeger, Harry Belafonte, and Peter, Paul, and Mary, among many, many others. But it was the passion underlying his work that made Robert so special.

For him, music is the language that transcends speech; it doesn't matter what tongue the words are in; and his groups recorded in many languages - it is the act of singing together that creates a community from an assemblage of strangers, and creates harmony, both aural and spiritual. For Robert the concert wasn't over until the audience had sung.

As a composer, arranger, singer, and instrumentalist Robert Decormier dedicated his life to making music with other people, as a communion of sorts, as a bridge, and as his personal commitment to waging peace. As an individual he also had that rare talent of making whoever his attention was focused on feel like the only person in the room. Always, he made you feel special.

The resolution touched on the highlights, but I would like to note that with his creation of the Vermont Symphony Orchestra Chorus, professional vocal music came of age in Vermont.

And with his creation of Counterpoint, a select ensemble drawn from the ranks of the VSO Chorus, vocal music reached a new level in the state.

The Devotional we heard this morning was Robert DeCormier's arrangement

of a Pete Seeger song, To My Old Brown Earth, and was performed by three of the founding members of Counterpoint, and one current member of the group.

This evening Counterpoint, under the direction of Nathaniel Lew will be performing in this room for Farmers Night. I expect there will be an announcement about that later.

But now I would like to introduce to the body some very special people. The Devotional today was performed by soprano Claire Hungerford, baritone Eric Brooks, tenor Cameron Steinmetz, and alto Melissa Chesnut-Tangerman (full disclosure, we may have met before).

They are joined here today by Robert's wife, musical and life partner; the singer, actor, and writer Louise DeCormier. They are in the Senate seats. Please give them a warm welcome."

**Committee Bill; Second Reading;
Bill Amended; Third Reading Ordered**

H. 897

Rep. Sharpe of Bristol spoke for the committee on Education.

House bill entitled

An act relating to enhancing the effectiveness, availability, and equity of services provided to students who require additional support

Rep. Juskiewicz of Cambridge for the committee on Appropriations recommended that the bill ought to pass when amended as follows:

First: In Sec. 1, Findings, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read:

(f) The General Assembly finds that:

(1) students who require additional support would be better served if supervisory unions adopted the best practices recommended in the Delivery of Services Report;

(2) the State's current reimbursement model of funding special education serves as an impediment to adopting these best practices, largely due to the constraint on the use of funds and the misalignment with the policy priorities of serving students who require additional support across the general and special education service-delivery systems;

(3) the census-based model of funding for students who require additional support would enable supervisory unions to adopt the best practices recommended in the Delivery of Services Report, largely due to the flexibility

in how the funds could be used by supervisory unions and the alignment with the policy priorities; and

(4) the census-based model of funding will result, over time, in cost containment for special education services, which will be realized through lower property tax rates or the ability for localities to use funds for other educational purposes.

Second: In Sec. 4, 16 V.S.A. chapter 101, by striking out in 16 V.S.A. § 2967 in its entirety and inserting in lieu thereof a new § 2967 to read:

§ 2967. AID PROJECTION; ~~STATE SHARE~~

(a) On or before December 15, the Secretary shall publish an estimate, by supervisory union and its member districts ~~to the extent they anticipate of their anticipated reimbursable special education expenditures under this chapter, of the amount of State assistance necessary to fully fund sections 2961 through 2963 of this title in for~~ the ensuing school year.

(b) ~~The total expenditures made by the State in any fiscal year pursuant to this chapter shall be 60 percent of the statewide total special education expenditures of funds that are not derived from federal sources. Special~~ As used in this section, special education expenditures shall include:

(1) ~~costs eligible for grants and reimbursements under sections 2961 through 2963a~~ section 2962 of this title;

(2) costs for services for persons who are visually impaired and persons who are deaf and hard of hearing;

(3) costs for the interdisciplinary team program;

(4) costs for regional specialists in multiple disabilities;

(5) funds expended for training and programs to meet the needs of students with emotional or behavioral problems under subsection 2969(c) of this title; and

(6) funds expended for training under subsection 2969(d) of this title.

Third: In Sec. 9, Census-based Funding Advisory Group, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read:

(c) Powers and duties. The Advisory Group shall:

(1) advise the State Board of Education on the development of proposed rules to implement this act prior to the submission of the proposed rules to the Interagency Committee on Administrative Rules;

(2) advise the Agency of Education and supervisory unions on the

implementation of this act;

(3) recommend to the General Assembly any statutory changes it determines are necessary or advisable to meet the goals of this act; and

(4) consider the State’s special education maintenance of fiscal support requirements under federal law and supervisory unions’ maintenance of effort requirements under federal law and recommend to the General Assembly and the Agency of Education options that may allow State and local special education spending in a manner that complies with these requirements while containing costs.

Fourth: In Sec. 9, Census-based Funding Advisory Group, by striking out subsection (h) in its entirety and inserting in lieu thereof a new subsection (h) to read:

(h) Appropriation. Notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the sum of \$6,400.00 is appropriated for fiscal year 2018 from the Education Fund to the Agency of Education to provide funding for the purposes set forth in this section.

Fifth: In Sec. 11, Education Weighting Report, in subsection (c), by striking out “February 15, 2019” and inserting in lieu thereof “March 15, 2019”

Sixth: In Sec. 11, Education Weighting Report, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read:

(e) Notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the sum of \$300,000.00 is appropriated for fiscal year 2018 from the Education Fund to the Agency of Education to provide funding for the purposes set forth in this section. The Agency of Education shall contract with a contractor with expertise in Vermont’s education funding system to assist the Agency in producing the study required by this section. Any application of funds for the purpose of administrative overhead shall be capped at ten percent of the total sum allocated pursuant to this subsection.

Seventh: By striking out Sec. 12, Consulting services on the delivery of special education services, and its reader assistance, in their entirety and inserting in lieu thereof a new Sec. 12 with reader assistance, to read:

* * * Training and Technical Assistance on the Delivery of Special
Education Services * * *

Sec. 12. TRAINING AND TECHNICAL ASSISTANCE ON THE
DELIVERY OF SPECIAL EDUCATION SERVICES

(a) The Agency of Education shall, for the 2018-2019, 2019-2020, and

2020-2021 school years, assist supervisory unions to expand and improve their delivery of services to students who require additional supports in accordance with the report entitled "Expanding and Strengthening Best-Practice Supports for Students who Struggle" delivered to the Agency of Education in November 2017 from the District Management Group. This assistance shall include the training of teachers and staff and technical assistance.

(b) The sum of \$200,000.00 is appropriated from federal funds that are available under the Individuals with Disabilities Education Act for fiscal year 2019 to the Agency of Education, which the Agency shall administer in accordance with this section. The Agency shall include in its budget request to the General Assembly for each of fiscal years 2020 and 2021 the amount of \$200,000.00 from federal funds that are available under the Individuals with Disabilities Education Act for administration in accordance with this section.

(c) The Agency of Education shall present to the General Assembly on or before December 15 in 2019, 2020, and 2021 a report describing what changes supervisory unions have made to expand and improve their delivery of services to students who require additional supports and describing the associated delivery challenges. The Agency shall share each report with all supervisory unions.

Rep. Donovan of Burlington, for the committee on Ways and Means, recommended the bill ought to pass when amended as recommended by the committee on Appropriations, and when further amended as follows:

First: In Sec. 9, Census-based Funding Advisory Group, by striking out subsection (h) in its entirety and inserting in lieu thereof a new subsection (h) to read:

(h) Appropriation. The sum of \$6,400.00 is appropriated for fiscal year 2018 from the General Fund to the Agency of Education to provide funding for the purposes set forth in this section.

Second: By striking the reader assistance preceding Sec. 10 in its entirety and inserting in lieu thereof a new reader assistance to read:

* * * Report on Methods to Further the Quality and Equity of Educational Outcomes for Students * * *

Third: By striking out Sec. 11 in its entirety and inserting in lieu thereof a new Sec. 11 to read:

Sec. 11. REPORT ON METHODS TO FURTHER THE QUALITY AND EQUITY OF EDUCATIONAL OUTCOMES FOR STUDENTS

(a) The Agency of Education, in consultation with the Secretary of Human Services, the Vermont Superintendents Association, the Vermont School

Boards Association, and the Vermont-National Education Association, shall consider and make recommendations on the following:

(1) Methods, other than the use of per pupil weighting factors, that would further the quality and equity of educational outcomes for students.

(2) The criteria used for determining weighted long-term membership of a school district under 16 V.S.A. § 4010, including each of the following:

(A) The current weighting factors and any supporting evidence or basis in the historical record for these factors.

(B) The relationship between each of the current weighting factors and the quality and equity of educational outcomes for students.

(C) Whether any of the weighting factors, including the weighting factors for students from economically deprived backgrounds and for students for whom English is not the primary language, should be modified, and if so, how the weighting factors should be modified and if the modification would further the quality and equity of educational outcomes for students.

(D) Whether to add any weighting factors, including a school district population density factor and a factor for students who attend regional career technical education centers, and if so, why the weighting factor should be added and if the weighting factor would further the quality and equity of educational outcomes for students. In considering whether to recommend the addition of a school district population density factor, the Agency of Education shall consider the practices of other states, information from the National Conference of State Legislatures, and research conducted by higher education institutions working on identifying rural or urban education financing factors.

(3) The criteria to be applied by the State Board of Education in its rulemaking process for increasing the amount of educational support grants paid by the State to supervisory unions in order to provide additional financial support to supervisory unions with relatively high costs due to the number of students who require additional support or the nature of the services required. The criteria shall include the qualification requirements for the adjustment and the manner in which the adjustment should be applied. In making this recommendation, the Agency of Education shall consider the report entitled "Study of Vermont State Funding for Special Education" issued in December 2017 by the University of Vermont Department of Education and Social Services.

(b) On or before March 15, 2019, the Agency of Education shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with its findings and any recommendations.

(c) The Agency of Education shall have the technical assistance of the Joint Fiscal Office and the Office of Legislative Council.

(d) Notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the sum of \$300,000.00 is appropriated for fiscal year 2018 from the Education Fund to the Agency of Education to provide funding for the purposes set forth in this section. The Agency of Education shall contract with a contractor with expertise in Vermont's education funding system to assist the Agency in producing the study required by this section. Any application of funds for the purpose of administrative overhead shall be capped at ten percent of the total sum allocated pursuant to this subsection.

Having appeared on the Calendar one day for notice, was taken up, read the second time, and the report of the committee on Ways and Means was agreed to. Thereupon the report of the committee on Appropriations, as amended, was agreed to.

Pending the question, Shall the bill be read a third time? **Rep. Sibilias of Dover** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time? was decided in the affirmative. Yeas, 144. Nays, 0.

Those who voted in the affirmative are:

Ancel of Calais	Gardner of Richmond	Noyes of Wolcott
Bancroft of Westford	Giambatista of Essex	Ode of Burlington
Bartholomew of Hartland	Gonzalez of Winooski	O'Sullivan of Burlington
Baser of Bristol	Grad of Moretown	Pajala of Londonderry
Batchelor of Derby	Graham of Williamstown	Parent of St. Albans Town
Beck of St. Johnsbury	Haas of Rochester	Partridge of Windham
Belaski of Windsor	Harrison of Chittenden	Pearce of Richford
Beyor of Highgate	Head of South Burlington	Poirier of Barre City
Bissonnette of Winooski	Hebert of Vernon	Potter of Clarendon
Bock of Chester	Helm of Fair Haven	Pugh of South Burlington
Botzow of Pownal	Higley of Lowell	Quimby of Concord
Brennan of Colchester	Hill of Wolcott	Rachelson of Burlington
Briglin of Thetford	Hooper of Montpelier	Read of Fayston
Browning of Arlington	Hooper of Randolph	Rosenquist of Georgia
Brumsted of Shelburne	Houghton of Essex	Savage of Swanton
Buckholz of Hartford	Howard of Rutland City	Scheu of Middlebury
Burditt of West Rutland	Jessup of Middlesex	Scheuermann of Stowe
Burke of Brattleboro	Jickling of Randolph	Sharpe of Bristol
Canfield of Fair Haven	Joseph of North Hero	Shaw of Pittsford
Carr of Brandon	Juskiewicz of Cambridge	Sheldon of Middlebury
Chesnut-Tangerman of Middletown Springs	Keefe of Manchester	Sibilias of Dover *
Christensen of Weathersfield	Keenan of St. Albans City	Smith of Derby
Christie of Hartford	Kimball of Woodstock	Smith of New Haven
	Krowinski of Burlington	Squirrell of Underhill

Cina of Burlington	LaClair of Barre Town	Stevens of Waterbury
Colburn of Burlington	Lalonde of South Burlington	Strong of Albany
Conlon of Cornwall	Lanpher of Vergennes	Stuart of Brattleboro
Connor of Fairfield	Lawrence of Lyndon	Sullivan of Dorset
Conquest of Newbury	Lefebvre of Newark	Sullivan of Burlington
Copeland-Hanzas of Bradford	Lewis of Berlin	Taylor of Colchester
Corcoran of Bennington	Lippert of Hinesburg	Till of Jericho
Cupoli of Rutland City	Long of Newfane	Toleno of Brattleboro
Dakin of Colchester	Lucke of Hartford	Toll of Danville
Deen of Westminster	Macaig of Williston	Townsend of South Burlington
Devereux of Mount Holly	Marcotte of Coventry	Trieber of Rockingham
Dickinson of St. Albans Town	Martel of Waterford	Troiano of Stannard
Donahue of Northfield	Masland of Thetford	Van Wyck of Ferrisburgh
Donovan of Burlington	Mattos of Milton	Viens of Newport City
Dunn of Essex	McCormack of Burlington	Walz of Barre City
Emmons of Springfield	McCoy of Poultney	Webb of Shelburne
Fagan of Rutland City	McCullough of Williston	Weed of Enosburgh
Feltus of Lyndon	McFaun of Barre Town	Willhoit of St. Johnsbury
Fields of Bennington	Miller of Shaftsbury	Wood of Waterbury
Forguites of Springfield	Morris of Bennington	Wright of Burlington
Frenier of Chelsea	Morrissey of Bennington	Yacovone of Morristown
Gage of Rutland City	Mrowicki of Putney	Yantachka of Charlotte
Gamache of Swanton	Murphy of Fairfax	Young of Glover
Gannon of Wilmington	Myers of Essex	
	Nolan of Morristown	
	Norris of Shoreham	

Those who voted in the negative are: none

Those members absent with leave of the House and not voting are:

Ainsworth of Royalton	Kitzmillier of Montpelier	Turner of Milton
Condon of Colchester	Terenzini of Rutland Town	

Rep. Sibilia of Dover explained her vote as follows:

“Madam Speaker:

Vermont’s demographic and economic challenges are also being felt in our school districts, and perhaps most profoundly in our rural and poor districts.

I and many other members of this body are deeply grateful that our House Education Committee remained committed to the completion of the good work this body, the Senate and the Administration agreed to last year. Studying the accuracy of current weights and the possibility of new student weights for students in low population density districts remains critical work that must be completed in order to ensure equity for our students.

I’m a long term planner in my regular work. When we are trying to solve a problem, if we don’t have up to date data, an accurate accounting of the situation on the ground, and an understanding of our partners, we will conduct

a study to make sure we are able to move forward as surely and efficiently as possible. Studies have increasingly been frowned upon in this building, and perhaps we do ask for too many. Having said that, the information we will glean from this study is long overdue, and our students have been waiting a long time for it. Let's get it done."

Recess

At three o'clock and one minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At three o'clock and thirty-two minutes in the afternoon, the Speaker called the House to order.

Third Reading; Bill Passed

H. 404

House bill, entitled

An act relating to Medicaid reimbursement for long-acting reversible contraceptives

Was taken up, read the third time and passed.

Third Reading; Bill Passed

H. 429

House bill, entitled

An act relating to establishment of a communication facilitator program

Was taken up, read the third time and passed.

Third Reading; Bill Passed

H. 560

House bill, entitled

An act relating to household products containing hazardous substances

Was taken up and read the third time.

Pending the question, Shall the bill pass? **Rep. Savage of Swanton** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 89. Nays, 54.

Those who voted in the affirmative are:

Ancel of Calais

Bartholomew of Hartland

Belaski of Windsor

Forguites of Springfield

Gannon of Wilmington

Gardner of Richmond

Ode of Burlington

O'Sullivan of Burlington

Partridge of Windham

Bissonnette of Winooski	Gonzalez of Winooski	Potter of Clarendon
Bock of Chester	Grad of Moretown	Pugh of South Burlington
Botzow of Pownal	Haas of Rochester	Rachelson of Burlington
Briglin of Thetford	Head of South Burlington	Scheu of Middlebury
Browning of Arlington	Hill of Wolcott	Sharpe of Bristol
Brumsted of Shelburne	Hooper of Montpelier	Sheldon of Middlebury
Buckholz of Hartford	Hooper of Randolph	Sibilia of Dover
Burke of Brattleboro	Houghton of Essex	Squirrell of Underhill
Carr of Brandon	Howard of Rutland City	Stevens of Waterbury
Chesnut-Tangerman of Middletown Springs	Jessup of Middlesex	Stuart of Brattleboro
Christensen of Weathersfield	Jickling of Randolph	Sullivan of Dorset
Christie of Hartford	Joseph of North Hero	Sullivan of Burlington
Cina of Burlington	Keenan of St. Albans City	Taylor of Colchester
Colburn of Burlington	Kimbell of Woodstock	Till of Jericho
Conlon of Cornwall	Krowinski of Burlington	Toleno of Brattleboro
Connor of Fairfield	Lalonde of South Burlington	Toll of Danville
Conquest of Newbury	Lanpher of Vergennes	Townsend of South Burlington
Copeland-Hanzas of Bradford	Lippert of Hinesburg	Trieber of Rockingham
Corcoran of Bennington	Long of Newfane	Troiano of Stannard
Dakin of Colchester	Lucke of Hartford	Walz of Barre City
Deen of Westminster	Macaig of Williston	Webb of Shelburne
Donahue of Northfield	Masland of Thetford	Weed of Enosburgh
Donovan of Burlington	McCormack of Burlington	Wood of Waterbury
Dunn of Essex	McCullough of Williston	Yacovone of Morristown
Emmons of Springfield	Miller of Shaftsbury	Yantachka of Charlotte
Fields of Bennington	Morris of Bennington	Young of Glover
	Mrowicki of Putney	
	Noyes of Wolcott	

Those who voted in the negative are:

Bancroft of Westford	Hebert of Vernon	Pajala of Londonderry
Baser of Bristol	Helm of Fair Haven	Parent of St. Albans Town
Batchelor of Derby	Higley of Lowell	Pearce of Richford
Beck of St. Johnsbury	Juskiewicz of Cambridge	Poirier of Barre City
Beyor of Highgate	Keefe of Manchester	Quimby of Concord
Brennan of Colchester	LaClair of Barre Town	Read of Fayston
Burditt of West Rutland	Lawrence of Lyndon	Rosenquist of Georgia
Canfield of Fair Haven	Lefebvre of Newark	Savage of Swanton
Cupoli of Rutland City	Lewis of Berlin	Scheuermann of Stowe
Devereux of Mount Holly	Marcotte of Coventry	Shaw of Pittsford
Dickinson of St. Albans Town	Martel of Waterford	Smith of Derby
Fagan of Rutland City	Mattos of Milton	Smith of New Haven
Feltus of Lyndon	McCoy of Poultney	Strong of Albany
Frenier of Chelsea	McFaun of Barre Town	Van Wyck of Ferrisburgh
Gage of Rutland City	Morrissey of Bennington	Viens of Newport City
Gamache of Swanton	Murphy of Fairfax	Willhoit of St. Johnsbury
Graham of Williamstown	Myers of Essex	Wright of Burlington
Harrison of Chittenden	Nolan of Morristown	
	Norris of Shoreham	

Those members absent with leave of the House and not voting are:

Ainsworth of Royalton
Condon of Colchester

Giambatista of Essex
Kitzmiller of Montpelier

Terenzini of Rutland Town
Turner of Milton

Third Reading; Bill Passed

H. 777

House bill, entitled

An act relating to the Clean Water State Revolving Loan Fund

Was taken up, read the third time and passed.

Third Reading; Bill Passed

H. 780

House bill, entitled

An act relating to the inspection of amusement rides

Was taken up, read the third time and passed.

Third Reading; Bill Passed

H. 785

House bill, entitled

An act relating to housing and affordability

Was taken up, read the third time and passed.

Third Reading; Bill Passed

H. 913

House bill, entitled

An act relating to boards and commissions

Was taken up, read the third time and passed.

Bill Amended; Read Third Time; Bill Passed

H. 917

House bill, entitled

An act relating to the Transportation Program and miscellaneous changes to transportation-related law

Was taken up and pending third reading of the bill, **Rep. Nolan of Morristown** moved to amend the bill as follows:

By adding a new section to be Sec. 21a and a reader assistance thereto to read as follows:

* * * All-terrain Vehicles; Enforcement * * *

Sec. 21a. 23 V.S.A. § 3507 is amended to read:

§ 3507. ENFORCEMENT; PENALTIES AND REVOCATION OF REGISTRATION

* * *

(c) Law enforcement officers may conduct safety inspections on all-terrain vehicles stopped for other all-terrain vehicle law violations on the VASA Trail System. Safety inspections may also be conducted in a designated area by law enforcement officials. A designated area shall be warned solely by blue lights either on a stationary all-terrain vehicle parked on a trail or on a cruiser parked at a roadside trail crossing.

Which was agreed to. Thereupon, the bill was read the third time and passed.

Bill Amended; Read Third Time; Bill Passed

H. 920

House bill, entitled

An act relating to the authority of the Agency of Digital Services

Was taken up and pending third reading of the bill, **Rep. Carr of Brandon** moved to amend the bill as follows:

In Sec. 5, 3 V.S.A. chapter 56, in § 3301, in subdivision (a)(4), after “submit”, by striking out the word “biannually” and by inserting in lieu thereof “biennially”; and in subdivision (a)(9), after “government”, by striking out the word “within” and by inserting in lieu thereof the phrase “in collaboration with”

Which was agreed to. Thereupon, the bill was read the third time and passed.

Third Reading; Bill Passed

H. 921

House bill, entitled

An act relating to nursing home oversight

Was taken up, read the third time and passed.

Third Reading; Bill Passed**S. 169**

House bill, entitled

An act relating to nonresident clergy authorized to solemnize marriages

Was taken up, read the third time and passed in concurrence.

Third Reading; Bill Passed in Concurrence**S. 291**

House bill, entitled

An act relating to the annual town meeting of the unified towns and gores of Essex County and to the appraisers and supervisors of all unorganized towns and gores

Was taken up, read the third time and passed in concurrence.

Committee Bill; Second Reading; Third Reading Ordered**H. 922**

Rep. Young of Glover spoke for the committee on Ways and Means.

House bill entitled

An act relating to making numerous revenue changes

Having appeared on the Calendar one day for notice, was taken up, read the second time and third reading ordered.

**Committee Bill; Second Reading;
Bill Amended; Third Reading Ordered****H. 899**

Rep. Gannon of Wilmington spoke for the committee on Government Operations.

House bill entitled

An act relating to fees for records filed in town offices and a town fee report and request

Rep. Browning of Arlington for the committee on Ways and Means recommended that the bill ought to pass when amended as follows:

By striking out Sec. 1 in its entirety and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. § 1671 is amended to read:

§ 1671. TOWN CLERK FEES RELATED TO RECORDS; RESERVEFUND

(a) For the purposes of this section, a “page” is defined as a single side of a leaf of paper on which is printed, written, or otherwise placed information to be recorded or filed. The maximum covered area on a page shall be 7 1/2 inches by 14 inches. All letters shall be at least one-sixteenth inch in height or in at least eight point type. Unless otherwise provided by law, the fees to town clerks shall be as follows:

(1) For recording a trust mortgage deed as provided in 24 V.S.A. § 1155, ~~\$10.00 per page;~~ \$25.00 for the first page, of which \$10.00 shall be reserved and deposited in the town’s Restoration Reserve Fund, and \$8.00 for each additional page.

(2) For filing or recording a copy of a complaint to foreclose a mortgage as provided in 12 V.S.A. § 4523(b), ~~\$10.00 per page;~~ \$25.00 for the first page, of which \$10.00 shall be reserved and deposited in the town’s Restoration Reserve Fund, and \$8.00 for each additional page.

(3) For examination of records by town clerk, a fee of \$5.00 per hour may be charged but not more than \$25.00 for each examination on any one calendar day;

(4) For examination of records by others, a fee of \$2.00 per hour may be charged;

(5) ~~Town clerks may require fees for all filing, recording, and copying to be paid in advance; [Repealed.]~~

(6)(A) ~~For~~ Except as provided in subdivisions (B) and (C) of this subdivision (6), for the recording or filing, or both, of any document that is to become a matter of public record in the town clerk’s office, or for any certified copy of such document, a fee of \$10.00 per page shall be charged; except that for \$25.00 for the first page, of which \$10.00 shall be reserved and deposited in the town’s Restoration Reserve Fund, and \$8.00 for each additional page shall be charged.

(B) For the recording or filing, or both, of a property transfer return, a flat fee of \$10.00 \$25.00 shall be charged; of which \$10.00 shall be reserved and deposited in the town’s Restoration Reserve Fund.

(C) For the recording or filing, or both, of documents issued by a municipal officer, employee, or entity, including land use permits, certificates of compliance or occupancy, and notices of violation, a flat fee of \$15.00 shall be charged.

(7) For uncertified copies of records and documents on file, or recorded, a fee of \$1.00 per page shall be charged, with a minimum fee of \$2.00; however, copies of minutes of municipal meetings or meetings of local boards and commissions, copies of grand lists and checklists and copies of any public records that any agency of that political subdivision has deposited with the clerk shall be available to the public at actual cost;

(8) For survey plats filed in accordance with 27 V.S.A. chapter 17, a fee of ~~\$15.00 per 11 inch by 17 inch sheet, \$15.00 per 18 inch by 24 inch sheet, and \$15.00 per 24 inch by 36 inch~~ \$25.00 per sheet shall be charged, of which \$5.00 per sheet shall be reserved and deposited in the town's Restoration Reserve Fund.

(b)(1) A schedule of all fees shall be posted in the town clerk's office.

(2) A town clerk may return any record presented for filing or recording if the record is not accompanied by the correct fee.

(3) A town clerk may require fees for all filing, recording, and copying to be paid in advance.

(c)(1) The legislative body ~~may create~~ shall maintain a Restoration Reserve Fund of no less than \$0.50 per page and no more than \$1.00 per page from recording into which shall be deposited:

(A) fees established under reserved for the Fund pursuant to subdivisions (a)(1) and, (a)(2), (a)(6), and (a)(8) of this section;

(B) any additional fees collected under this section that the legislative body may approve for deposit into the Fund; and

(C) any other municipal revenues approved for deposit into the Fund.

(2)(A) The Monies in the Restoration Reserve Fund shall be used solely for restoration, preservation, and conservation of municipal records. Permitted uses of Fund monies may include:

(i) the purchase of hardware or software related to carrying out these activities in a manner that is consistent with legal requirements; and

(ii) the acquisition or maintenance of safes or vaults as required under 24 V.S.A. § 1178.

(B) If a municipality has previously established the Fund, no additional action will be required.

(d) A legislative body ~~may establish or abolish a Restoration Reserve Fund only by affirmative vote at a legally warned meeting of the legislative body.~~ Nothing in this section shall preclude the legislative body of a municipality

~~from committing funds to a approving for deposit into the Restoration Reserve Fund monies collected under this section that are in addition to those funds in monies reserved to the Fund under subsection (c) of this section.~~

Having appeared on the Calendar one day for notice, was taken up, read the second time, the report of the committee on Ways and Means agreed to and third reading ordered.

Read Third Time; Bill Passed

H. 911

House bill, entitled

An act relating to changes in Vermont's personal income tax and education financing system

Was taken up and pending third reading of the bill, **Rep. Chesnut-Tangerman of Middletown Springs** moved to amend the bill as follows:

First: In Sec. 8, 16 V.S.A. § 4025 (education fund), in subsection (b), first, subdivision (1), by striking out “; however, no payments from the Education Fund shall be used” and inserting in lieu thereof “and”, and then by removing the ellipses after subdivision (3), and inserting in lieu thereof:

(4) ~~To make payments to the Vermont Teachers' Retirement Fund for the normal contribution in accordance with subsection 1944(c) of this title. [Repealed.]~~

Second: By striking out Secs. 15 and 16 (yield, applicable percentage and nonresidential rate for fiscal year 2019) and the accompanying reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Yields and Nonresidential Rate for Fiscal Year 2019 * * *

Sec. 15. PROPERTY DOLLAR EQUIVALENT YIELD AND INCOME

DOLLAR EQUIVALENT YIELD FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$11,002.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$13,497.00.

Sec. 16. NONRESIDENTIAL PROPERTY TAX RATE FOR FISCAL YEAR 2019

Notwithstanding any other provision of law, for fiscal year 2019 only, the nonresidential education property tax imposed under 32 V.S.A. § 5402(a)(2) shall be \$1.591 per \$100.00.

Third: By striking out Sec. 20 (teachers' normal retirement) and the accompanying reader assistance heading in their entirety and inserting in lieu thereof the following:

Sec. 20. [Deleted.]

Fourth: In Sec. 22 (effective dates), by striking out subsections (e) and (f) in their entirety and inserting in lieu thereof the following:

(e) Secs. 8–9 (general fund and education fund) and 15–16 (yield and nonresidential rate for fiscal year 2019) shall take effect on July 1, 2018 and apply to fiscal year 2019 and after.

(f) Secs. 10–14, 17–19, and 21 (education financing changes) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after; except that:

(1) for fiscal year 2020 only, the base spending amount under 32 V.S.A. § 5401(17) shall be 92 percent of what it would otherwise be calculated to be;

(2) for fiscal year 2021 only, the base spending amount under 32 V.S.A. § 5401(17) shall be 96 percent of what it would otherwise be calculated to be.

Thereupon, **Rep. Chesnut-Tangerman of Middletown Springs** asked and was granted leave of the House to withdraw his amendment.

Pending third reading of the bill, **Rep. Scheuermann of Stowe** moved to amend the bill as follows:

First: By striking out Secs. 7–19 and 21–22 (education financing changes and effective dates) in their entirety, and any associated reader assistance headings, and inserting in lieu thereof the following:

* * * Education Financing Changes * * *

* * * Income Taxes * * *

Sec. 7. 32 V.S.A. § 5822a is added to read:

§ 5822a. SCHOOL INCOME TAX

(a) In addition to the income tax assessed under section 5822 of this title, there shall be imposed a school income tax on individual resident taxpayers based on the federally adjusted gross income for each taxpayer.

(1) For every individual filing status, except for married individuals filing separately and individuals filing single returns, the tax shall be imposed at the following rates:

(A) if the federally adjusted gross income of the taxpayer is \$35,000.00 or less, the tax rate shall be zero percent;

(B) if the federally adjusted gross income of the taxpayer is over

\$35,000.00 but less than \$47,000.00, the tax rate shall be 0.40 percent;

(C) if the federally adjusted gross income of the taxpayer is \$47,000.00 or greater but less than \$125,000.00, the tax shall be \$48.00 plus 1.10 percent of the amount of federally adjusted gross income that is over \$47,000.00;

(D) if the federally adjusted gross income of the taxpayer is \$125,000.00 or greater, the tax shall be \$906.00 plus 1.25 percent of the amount of federally adjusted gross income that is over \$125,000.00; however,

(E) the tax shall not apply to any adjusted gross income of the taxpayer that exceeds \$4,000,000.00.

(2) For married individuals filing separately, the tax shall be imposed at the same rates under subdivisions (1)(A)–(D), but the income amounts for each bracket shall be one-half the amounts in subdivisions (1)(A)–(D).

(3) For individuals filing single returns, the tax shall be imposed at the following rates:

(A) if the federally adjusted gross income of the taxpayer is \$30,000.00 or less, the tax rate shall be zero percent;

(B) if the federally adjusted gross income of the taxpayer is over \$30,000.00 but less than \$47,000.00, the tax rate shall be 0.40 percent;

(C) if the federally adjusted gross income of the taxpayer is \$47,000.00 or greater but less than \$125,000.00, the tax shall be \$68.00 plus 1.10 percent of the amount of federally adjusted gross income that is over \$47,000.00;

(D) if the federally adjusted gross income of the taxpayer is \$125,000.00 or greater, the tax shall be \$926.00 plus 1.25 percent of the amount of federally adjusted gross income that is over \$125,000.00; however,

(E) the tax shall not apply to any adjusted gross income of the taxpayer that exceeds \$4,000,000.00.

(b) The school income tax shall be assessed and administered in the same manner as the personal income tax imposed under section 5822 of this title. The education income tax shall be assessed against each filer regardless of the filing status under section 5822.

* * * Allocation of Education Funds * * *

Sec. 8. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) ~~All all revenue paid to the State from the statewide education tax on nonresidential and homestead property under 32 V.S.A. chapter 135;~~

(2) ~~For each fiscal year, the amount of the general funds appropriated and transferred to the Education Fund shall be \$305,900,000.00, to be increased annually beginning for fiscal year 2018 by the consensus Joint Fiscal Office and Administration determination of the National Income and Product Accounts (NIPA) Implicit Price Deflator for State and Local Government Consumption Expenditures and Gross Investment as reported by the U.S. Department of Commerce, Bureau of Economic Analysis through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent. [Repealed.]~~

(3) ~~Revenues revenues from State lotteries under 31 V.S.A. chapter 14, and from any multijurisdictional lottery game authorized under that chapter;~~

(4) ~~25 percent of the revenues from the rooms tax imposed by 32 V.S.A. § 9241(a) and from the meals tax imposed by 32 V.S.A. § 9241(b);~~

(5) ~~One-third one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);~~

(6) ~~Thirty-six percent of the revenues revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233;~~

(7) ~~Medicaid reimbursement funds pursuant to subsection 2959a(f) of this title; and~~

(8) ~~revenues from the individual school income tax imposed by 32 V.S.A. § 5822a.~~

(b) ~~Monies in the Education Fund shall be used for the following:~~

(1) ~~To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, and the provisions of 32 V.S.A. chapter 135, to make payments to carry out programs of adult education in accordance with section 945 of this title, and to provide funding for the community high school of Vermont.~~

(2) ~~To cover the cost of fund auditing, of accounting, and of short-term borrowing to meet fund cash flow requirements.~~

(3) ~~To make payments required under 32 V.S.A. § 6066(a)(1) and (2) and only that portion attributable to education taxes, as determined by the Commissioner of Taxes, of payments required under 32 V.S.A. § 6066(a)(3) and 6066(b). The State Treasurer shall withdraw funds from the Education Fund upon warrants issued by the Commissioner of Finance and Management~~

based on information supplied by the Commissioner of Taxes. The Commissioner of Finance and Management may draw warrants for disbursements from the Fund in anticipation of receipts. All balances in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund. Interest accruing from the Fund shall remain in the Fund.

(4) To make payments to the Vermont Teachers' Retirement Fund for the normal contribution in accordance with subsection 1944(c) of this title.

(c) An equalization and reappraisal account is established within the Education Fund. Monies from this account are to be used by the Division of Property Valuation and Review to assist towns with grand list maintenance or reappraisal on a case-by-case basis; and for reappraisal and grand list maintenance assistance payments pursuant to 32 V.S.A. §§ 4041a and 5405(f).

Sec. 9. 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

* * *

(5) Individual income taxes levied pursuant to chapter 151 of this title, except for the individual school income tax imposed by section 5822a of this title;

* * *

~~(7) Meals and rooms taxes levied pursuant to chapter 225 of this title~~ Seventy-five percent of the rooms tax levied under subsection 9241(a) of this title, 75 percent of the meals tax levied under subsection 9241(b) of this title, and all of the alcoholic beverage tax levied under subsection 9241(c) of this title;

* * *

~~(11) 64 percent of the revenue from sales and use taxes levied pursuant to chapter 233 of this title; [Repealed.]~~

* * *

* * * Calculation of Homestead Property Tax Rates * * *

Sec. 10. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(13)(A)(i) ~~“Education~~ For districts with education spending per

equalized pupil that is equal to or in excess of the base spending amount, “education property tax spending adjustment” means the greater of: one or a fraction in which the numerator is the district’s education spending plus excess spending, per equalized pupil, above the base spending amount for the school year; and the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section.

(ii) For districts with education spending per equalized pupil that is less than the base spending amount, the education property tax spending adjustment shall be zero.

(B) “Education income tax spending adjustment” means the greater of: one or a fraction in which the numerator is the district’s education spending plus excess spending, per equalized pupil, for the school year; and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section. [Repealed.]

* * *

(15) “Property dollar equivalent yield” means the amount of education spending per equalized pupil that would result if the homestead tax rate were \$1.00 \$0.25 per \$100.00 of equalized education property value, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained, calculated as if total statewide education spending per equalized pupil were equal to the total statewide education spending per equalized pupil minus the total statewide base spending amount per equalized pupil.

(16) “Income dollar equivalent yield” means the amount of spending per equalized pupil that would result if the income percentage in subdivision 6066(a)(2) of this title were 2.0 percent, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained. [Repealed.]

(17) “Base spending amount” means the amount that results from the following calculation:

(A) the sum of the total projected Education Fund revenue sources under 16 V.S.A. § 4025(a)(1)-(8) for the following fiscal year, plus any surplus from the prior fiscal year, minus the total projected amount of revenue raised by the statewide education homestead tax in the following fiscal year; minus

(B) an amount equal to the projected Education Fund expenditures for the following fiscal year, minus the projected education payments under 16 V.S.A. § 4028 for the following fiscal year, and minus any projected transfer to the Education Fund Budget Stabilization Reserve Fund established under 16 V.S.A. § 4026; plus

(C) the amount of revenue projected to be raised in the following fiscal

year at a statewide education property tax rate of \$0.25 per \$100.00 of equalized homestead value; divided by

(C) the total projected count of equalized pupils in the following fiscal year.

Sec. 11. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A statewide education tax is imposed on all nonresidential and homestead property at the following rates:

(1) The tax rate for nonresidential property shall be \$1.59 per \$100.00.

(2) The tax rate for homestead property shall be ~~\$1.00 multiplied by~~ \$0.25 plus the education property tax spending adjustment for the municipality per \$100.00 of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality ~~which~~ that is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section.

(b) The statewide education tax shall be calculated as follows:

* * *

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonresidential property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality separately from any other tax assessed and collected under chapter 133.

* * *

(c) The treasurer of each municipality shall by December 1 of the year in which the tax is levied and on June 1 of the following year pay to the State Treasurer for deposit in the education fund one-half of the municipality's statewide nonresidential tax and one-half of the municipality's homestead education tax, as determined under subdivision (b)(1) of this section. The Secretary of Education shall determine the municipality's net nonresidential education tax payment and its net homestead education tax payment to the State based on grand list information received by the Secretary no later than the March 15 prior to the June 1 net payment. Payment shall be accompanied by a return prescribed by the Secretary of Education. The municipality may retain 0.225 of one percent of the total education property tax collected, only upon timely remittance of net payment to the State Treasurer. ~~The municipality may also retain \$15.00 for each late property tax adjustment~~

~~claim filed after April 15 and before September 2, as notified by the Department of Taxes, for the cost of issuing a new property tax bill.~~

* * *

Sec. 12. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX YIELDS;
RECOMMENDATION OF THE COMMISSIONER; EDUCATION
OUTLOOK; BASE SPENDING AMOUNT

(a) Annually, ~~no later than~~ on or before December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend a property dollar equivalent yield, ~~an income dollar equivalent yield,~~ and a nonresidential property tax rate for the following fiscal year. In making these calculations, the Commissioner shall assume:

(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is ~~\$1.00~~ \$0.25 per \$100.00 of equalized education property value;

(2) ~~the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;~~

(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent; and

(4)(3) the percentage change in the ~~median average~~ median average education tax bill applied to nonresidential property, and the percentage change in the median average education tax bill of homestead property, ~~and the percentage change in the median education tax bill for taxpayers who claim an adjustment under subsection 6066(a) of this title are equal.~~

(b) For each fiscal year, the General Assembly shall set a property dollar equivalent yield ~~and an income dollar equivalent yield,~~ consistent with the definitions in this chapter.

(c) Annually, on or before December 1, the Joint Fiscal Office shall prepare and publish an official, annotated copy of the Education Fund Outlook. The Emergency Board shall review the Outlook at its meetings. As used in this section, "Education Fund Outlook" means the projected revenues and expenses associated with the Education Fund for the following fiscal year, including projections of different categories of educational expenses and costs.

(d) Annually, on or about January 15, the Joint Fiscal Office and Secretary of Administration shall provide to the Emergency Board a calculation of the base spending amount for the upcoming fiscal year. The Emergency Board shall review the calculation at its January meeting and shall adopt a base

spending amount for the upcoming fiscal year.

* * * Property Tax Adjustments * * *

Sec. 13. 32 V.S.A. chapter 154 is amended to read:

CHAPTER 154. HOMESTEAD PROPERTY TAX ~~INCOME SENSITIVITY ADJUSTMENT RELIEF~~

§ 6061. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

(1) “Adjustment” means ~~an adjustment of statewide or local share property tax liability or a homestead owner or renter credit, as authorized under section 6066 of this title,~~ as the context requires:

(A) an exemption of a percentage of equalized housesite value as calculated under subdivision 6066(a)(1) of this title;

(B) a reduction in municipal taxes based on income as calculated under subdivision 6066(a)(3) of this title; or

(C) a renter credit as calculated under subdivision 6066(b) of this title.

* * *

(14) “Statewide education tax rate” means the homestead education property tax rate ~~multiplied by~~ plus the municipality’s education spending adjustment under subdivision 5402(a)(2) of this title and used to calculate taxes assessed in the municipal fiscal year ~~which~~ that began in the taxable year.

(15) “Adjusted property tax” means the amount of education and municipal property taxes on the homestead parcel after reduction for any ~~property tax~~ adjustment under section 6066a of this chapter.

(16) “Unadjusted property tax” means the amount of education and municipal property taxes on the homestead parcel before any reduction for a ~~property tax~~ an adjustment under section 6066a of this chapter.

(17) “Equalized value of the housesite in the taxable year” means the value of the housesite on the grand list for April 1 of the taxable year, divided by the municipality’s common level of appraisal determined by equalization of the grand list for April 1 of the year preceding the taxable year.

* * *

§ 6063. CLAIM AS PERSONAL; ADJUSTMENT AMOUNT AT TIME OF TRANSFER

(a) The right to file a claim under this chapter is personal to the claimant and shall not survive his or her death, but the right may be exercised on behalf of a claimant by his or her legal guardian or attorney-in-fact. When a claimant dies after having filed a timely claim, the ~~property tax adjustment amount~~ shall be credited to the homestead or municipal property tax liability of the claimant's estate, as provided in section 6066a of this title.

(b) In case of sale or transfer of a residence, any ~~property tax~~ adjustment amounts related to that residence shall be allocated to the seller at closing unless the parties otherwise agree.

§ 6064. CLAIM APPLIED AGAINST OUTSTANDING LIABILITIES

The amount of any ~~property tax adjustment amount~~ resulting under this chapter may be applied by the Commissioner, beginning on July 1 of the calendar year in which the claim is filed, against any State tax liability outstanding against the claimant.

§ 6065. FORMS; TABLES; NOTICES

(a) In administering this chapter, the Commissioner shall provide suitable claim forms with tables of allowable claims, instructions, and worksheets for claiming a ~~homestead property tax~~ an adjustment.

(b) Prior to June 1, the Commissioner shall also prepare and supply to each town in the State notices describing the ~~homestead property tax adjustment adjustments under this chapter~~, for inclusion in property tax bills. A town shall include ~~such~~ the notice in each tax bill and notice of delinquent taxes ~~which~~ that it mails to taxpayers who own in that town a homestead as defined in subdivision 5401(7) of this title.

(c) Notwithstanding the provisions of subsection (b) of this section, towns ~~which~~ that use envelopes or mailers not able to accommodate notices describing the ~~homestead tax adjustment~~ adjustments in this chapter may distribute ~~such~~ the notices in an alternative manner.

§ 6066. COMPUTATION OF ADJUSTMENT; EXEMPTION AMOUNT; MUNICIPAL TAXES; RENTER REBATE

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

~~(1)(A) For a claimant with household income of \$90,000.00 or more:~~

~~(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;~~

~~(ii) minus (if less) the sum of:~~

~~(I) the income percentage of household income for the taxable year; plus~~

~~(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$250,000.00.~~

~~(B) For a claimant with household income of less than \$90,000.00 but more than \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:~~

~~(i) the income percentage of household income for the taxable year; plus~~

~~(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$500,000.00.~~

~~(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:~~

~~(i) the sum of the income percentage of household income for the taxable year plus the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$500,000.00; or~~

~~(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.~~

~~(2) "Income percentage" in this section means two percent, multiplied by the education income tax spending adjustment under subdivision 5401(13)(B) of this title for the property tax year which begins in the claim year for the municipality in which the homestead residence is located.~~

(1) For a claimant whose household income does not exceed \$47,000.00, the adjustment shall be an exemption of the equalized value of the housesite for purposes of calculating the statewide homestead education property tax in the upcoming fiscal year. The exemption shall be equal to a percentage of the first \$400,000.00 in equalized value of the housesite in the taxable year. The percentage of the first \$400,000.00 in equalized value of the housesite under this subdivision shall be determined as follows:

(A) for claimants with less than \$10,000.00 in household income in the taxable year, the percentage shall be 93 percent;

(B) for claimants with \$10,000.00 to \$19,999.99 in household income in the taxable year, the percentage shall be 82 percent;

(C) for claimants with \$20,000.00 to \$29,999.99 in household

income in the taxable year, the percentage shall be 61 percent;

(D) for claimants with \$30,000.00 to \$39,999.99 in household income in the taxable year, the percentage shall be 40 percent;

(E) for claimants with \$40,000.00 to \$47,000.00 in household income in the taxable year, the percentage shall be 22 percent.

(2) For claimants whose household income exceeds \$47,000.00 in the taxable year, there shall be no exemption under this subdivision (1).

(3) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional adjustment amount of the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year which that began in the taxable year upon the claimant's housesite, reduced by the adjustment amount determined under subdivisions (1) and (2) of this subsection, exceeds exceed a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
\$0.00 - 9,999.00	2.0 <u>1.20</u>
\$10,000.00 - 24,999.00	4.5 <u>3.15</u>
\$25,000.00 - 47,000.00	5.0 <u>3.50</u>

(4) In no event shall the credit provided for in subdivision (3) of this subsection exceed the amount of the reduced property tax.

* * *

§ 6066a. DETERMINATION OF ~~PROPERTY TAX~~ ADJUSTMENTS

(a) Annually, the Commissioner shall determine the ~~property tax~~ adjustment amount under section 6066 of this title, related to a homestead owned by the claimant. The Commissioner shall notify the municipality in which the housesite is located of the amount of the ~~property tax~~ adjustment for the claimant for homestead property tax liabilities on July 1 for timely filed claims and on November 1 for late claims filed by on or before October 15. The ~~tax~~ adjustment of a claimant who was assessed property tax by a town which that revised the dates of its fiscal year, however, is the excess of the property tax ~~which that~~ was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year as determined under section 6066 of this title, related to a homestead owned by

the claimant.

(b) The Commissioner shall include in the total ~~property tax~~ adjustment amount determined under subsection (a) of this section, for credit to the taxpayer for homestead property tax liabilities, any income tax overpayment remaining after allocation under section 3112 of this title and setoff under section 5934 of this title, which the taxpayer has directed to be used for payment of property taxes.

* * *

(d) For late claims filed after April 15, the ~~property tax~~ adjustment amount shall be reduced by \$15.00.

(e) At the time of notice to the municipality, the Commissioner shall notify the taxpayer of the ~~property tax~~ adjustment amount determined under subdivision 6066(a)(1) of this title; the amount determined under subdivision 6066(a)(3) of this title; any additional adjustment amounts due the homestead owner under section 6066 of this title; the amount of income tax refund, if any, allocated to payment of homestead property tax liabilities; and any late-claim reduction amount.

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Nothing in this subdivision, however, shall be interpreted as altering the requirement under subdivision 5402(b)(1) of this title that the statewide education homestead tax be billed separately from any other tax. Municipalities shall apply the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the November 1 notice sent by the Commissioner under subsection (a) of this section, issuance of ~~such~~ the corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid ~~current-year~~ current-year taxes, interest, or penalties and no ~~past-year~~ past-year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

(2) For ~~property tax~~ adjustment amounts for which municipalities receive notice after November 1, municipalities shall issue a new homestead

property tax bill with notice to the taxpayer of the total amount allocated to payment of homestead property tax liabilities and notice of the balance due.

(3) The ~~property tax~~ adjustment amount determined for the taxpayer shall be allocated first to current-year property tax on the homestead parcel, next to current-year homestead parcel penalties and interest, next to any ~~prior year~~ prior-year homestead parcel penalties and interest, and last to any ~~prior year~~ prior-year property tax on the homestead parcel. No adjustment shall be allocated to a property tax liability for any year after the year for which the claim or refund allocation was filed. No municipal tax-reduction incentive for early payment of taxes shall apply to any amount allocated to the property tax bill under this chapter.

(4) If the ~~property tax~~ adjustment amount as described in subsection (e) of this section exceeds the property tax, penalties, and interest, due for the current and all prior years, the municipality shall refund the excess to the taxpayer, without interest, within 20 days of the first date upon which taxes become due and payable or 20 days after notification of the adjustment amount by the Commissioner of Taxes, whichever is later.

(g) Annually, on August 1 and on November 1, the Commissioner of Taxes shall pay to each municipality ~~the amount of property tax adjustment~~ an amount equal to the adjustments under subdivision 6066(a)(3) of this title of which the municipality was notified on July 1 for the August 1 transfer, or November 1 for the November 1 transfer, related to municipal property tax on homesteads within that municipality, as determined by the Commissioner of Taxes.

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a benefit under this chapter. An individual who received a homestead exemption or adjustment with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive an adjustment under this chapter. No taxpayer shall receive an adjustment under subdivision 6066(a)(3) of this title in excess of \$2,400.00 No taxpayer shall receive an adjustment under subsection 6066(b) of this title in excess of \$3,000.00. ~~No taxpayer shall receive total adjustments under this chapter in excess of \$8,000.00 related to any one property tax year.~~

§ 6068. APPLICATION AND TIME FOR FILING

(a) ~~A tax~~ An adjustment claim or request for allocation of an income tax refund to homestead property tax payment shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension, and shall describe the school district in which the

homestead property is located and shall particularly describe the homestead property for which the adjustment or allocation is sought, including the school parcel account number prescribed in subsection 5404(b) of this title. A renter rebate claim shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension.

(b) Late-filing penalties. If the claimant fails to file a timely claim, the amount of the ~~property tax~~ adjustment under this chapter shall be reduced by \$15.00, but not below \$0.00, which shall be paid to the municipality for the cost of issuing an adjusted homestead property tax bill. No benefit shall be allowed in the calendar year unless the claim is filed with the Commissioner on or before October 15.

(c) No request for allocation of an income tax refund or for a renter rebate claim may be made after October 15.

* * *

* * * Yield, Applicable Percentage and Nonresidential Rate for
Fiscal Year 2019 * * *

Sec. 14. PROPERTY DOLLAR EQUIVALENT YIELD AND APPLICABLE
PERCENTAGE FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$9,832.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$11,880.00.

Sec. 15. NONRESIDENTIAL PROPERTY TAX RATE FOR FISCAL YEAR
2019

Notwithstanding any other provision of law, for fiscal year 2019 only, the nonresidential education property tax imposed under 32 V.S.A. § 5402(a)(2) shall be \$1.591 per \$100.00.

* * * Excess Spending * * *

Sec. 16. REPEALS

The following are repealed:

(1) 16 V.S.A. § 4001(6)(B) (definition of education spending for the purpose of excess spending).

(2) 32 V.S.A. § 5401(12) (excess spending penalty).

Sec. 17. 16 V.S.A. § 4011(i) is amended to read:

(i) Annually, ~~by on or before~~ October 1, the Secretary shall send to school boards for inclusion in town reports and publish on the Agency website the following information:

(1) the statewide average district spending per equalized pupil for the current fiscal year; ~~and 125 percent of that average spending;~~ and

(2) a statewide comparison of student-teacher ratios among schools that are similar in number of students and number of grades.

Sec. 18. 24 V.S.A. § 2804(b) is amended to read:

~~(b) If a reserve fund is established under subsection (a) of this section to pay a school district's future school capital construction costs approved under 16 V.S.A. chapter 123, any funds raised by the district as part of its education spending to pay for those future costs shall be considered "approved school capital construction spending" in calculating excess spending under 32 V.S.A. § 5401(12). Districts shall submit to the Agency of Education annually a report of deposits into and expenditures from a school capital construction reserve fund. If the Agency of Education determines that any amount in the reserve fund has not been used for approved school capital construction within five years after deposit into the fund, then 150 percent of that amount shall be added to the district's education spending in the then-current year for purposes of calculating the excess spending penalty. The definitions in 16 V.S.A. chapter 133 shall apply to this subsection.~~

* * * Repeal of Act 46 Rate Limitations * * *

Sec. 19. REPEAL

2015 Acts and Resolves No. 46, Secs. 6(b)(1)(C) and 7(b)(1)(c) (five percent provision for tax incentives) are repealed.

Second: After Sec. 20 (teachers' normal retirement), by inserting a new Sec. 21 to read as follows:

* * * Effective Dates; Transition * * *

Sec. 21. EFFECTIVE DATES AND TRANSITION

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1–6 (income tax changes) shall take effect retroactively on January 1, 2018 and apply to taxable year 2018 and after.

(c) Notwithstanding 1 V.S.A. § 214, Sec. 6a (annual update of income tax link to the IRC) shall take effect retroactively on January 1, 2017 and apply to taxable years beginning on January 1, 2017 and after.

(d) Sec. 7 (school income taxes) shall take effect on January 1, 2019 and apply to taxable year 2019 and after; provided, however, that notwithstanding any other provision of law, for taxable year 2019 only, no interest or penalty shall be assessed for the underpayment of estimated tax for any individual taxpayer resulting from a liability to pay the school income tax imposed under 32 V.S.A. § 5822a.

(c) Secs. 8 (Education Fund) and 9 (General Fund) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after.

(d) Secs. 10–12 (calculation of rates), 13 (property tax adjustments), 16–18 (excess spending), 19 (repeals), and 20 (teachers’ normal retirement) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after.

(e) Secs. 14–15 (yield and nonresidential rate for fiscal year 2019) shall take effect on July 1, 2018 and apply to fiscal year 2019 and after.

Pending the question, Shall the bill be amended as offered by Rep. Scheuermann of Stowe? **Rep. Scheuermann of Stowe** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as offered by Rep. Scheuermann of Stowe? was decided in the negative. Yeas, 51. Nays, 90.

Those who voted in the affirmative are:

Bancroft of Westford	Graham of Williamstown	Nolan of Morristown
Baser of Bristol	Hebert of Vernon *	Norris of Shoreham
Batchelor of Derby	Helm of Fair Haven	Pearce of Richford
Beck of St. Johnsbury	Higley of Lowell	Quimby of Concord
Beyor of Highgate	Juskiewicz of Cambridge	Read of Fayston *
Brennan of Colchester	Keefe of Manchester	Rosenquist of Georgia
Brumsted of Shelburne	LaClair of Barre Town	Savage of Swanton
Burditt of West Rutland	Lawrence of Lyndon	Scheuermann of Stowe
Canfield of Fair Haven	Lefebvre of Newark	Shaw of Pittsford
Cupoli of Rutland City	Lewis of Berlin	Smith of Derby *
Devereux of Mount Holly	Marcotte of Coventry	Smith of New Haven
Dickinson of St. Albans Town	Martel of Waterford	Trieber of Rockingham
Fagan of Rutland City	Mattos of Milton	Turner of Milton *
Feltus of Lyndon	McCoy of Poultney	Van Wyck of Ferrisburgh
Frenier of Chelsea	McFaun of Barre Town	Willhoit of St. Johnsbury
Gage of Rutland City *	Morrissey of Bennington	Wright of Burlington *
Gamache of Swanton	Murphy of Fairfax	
	Myers of Essex	

Those who voted in the negative are:

Ancel of Calais	Gardner of Richmond	O'Sullivan of Burlington
Bartholomew of Hartland	Giambatista of Essex	Pajala of Londonderry
Belaski of Windsor	Gonzalez of Winooski	Parent of St. Albans Town

Bissonnette of Winooski	Grad of Moretown	Partridge of Windham
Bock of Chester	Haas of Rochester	Poirier of Barre City
Botzow of Pownal	Head of South Burlington	Potter of Clarendon
Briglin of Thetford	Hill of Wolcott	Pugh of South Burlington
Browning of Arlington	Hooper of Montpelier	Rachelson of Burlington
Buckholz of Hartford	Hooper of Randolph	Scheu of Middlebury
Burke of Brattleboro	Houghton of Essex	Sharpe of Bristol
Carr of Brandon	Howard of Rutland City	Sheldon of Middlebury
Chesnut-Tangerman of Middletown Springs	Jessup of Middlesex	Sibilia of Dover
Christensen of Weathersfield	Jickling of Randolph	Squirrell of Underhill
Christie of Hartford	Joseph of North Hero	Stevens of Waterbury
Cina of Burlington	Keenan of St. Albans City	Stuart of Brattleboro
Colburn of Burlington	Kimbell of Woodstock	Sullivan of Dorset
Conlon of Cornwall	Krowinski of Burlington	Sullivan of Burlington
Connor of Fairfield	Lalonde of South Burlington	Taylor of Colchester
Conquest of Newbury	Lanpher of Vergennes	Till of Jericho
Copeland-Hanzas of Bradford	Lippert of Hinesburg	Toleno of Brattleboro
Corcoran of Bennington	Long of Newfane	Toll of Danville
Dakin of Colchester	Lucke of Hartford	Townsend of South Burlington
Deen of Westminster	Macaig of Williston	Troiano of Stannard
Donovan of Burlington	Masland of Thetford	Walz of Barre City
Dunn of Essex	McCormack of Burlington	Webb of Shelburne
Emmons of Springfield	McCullough of Williston	Weed of Enosburgh
Fields of Bennington	Miller of Shaftsbury	Wood of Waterbury
Forguites of Springfield	Morris of Bennington	Yacovone of Morristown
Gannon of Wilmington	Mrowicki of Putney	Yantachka of Charlotte
	Noyes of Wolcott	Young of Glover *
	Ode of Burlington	

Those members absent with leave of the House and not voting are:

Ainsworth of Royalton	Harrison of Chittenden	Terenzini of Rutland Town
Condon of Colchester	Kitzmiller of Montpelier	Viens of Newport City
Donahue of Northfield	Strong of Albany	

Reps. Gage of Rutland City explained his vote as follows:

“Madam Speaker:

We need to tie school spending to taxes paid for accountability sake, cause and result. No longer should one town subsidize another. Unfortunately that didn't happen today.”

Rep. Graham of Williamstown explained his vote as follows:

“Madam Speaker:

I voted yes on this amendment for lower property taxes that people in this state have asked for, for a long time.”

Rep. Read of Fayston explained his vote as follows:

“Madam Speaker:

I come from a rural, high-spending district, yet I voted yes. People want local control and this was our opportunity to provide our constituents with what they are asking for, independence and control over their own decisions.”

Rep. Smith of Derby explained his vote as follows:

“Madam Speaker:

I have a obligation to my constituents. I stand behind my promise to my constituents to do everything that I can to reduce their property taxes.”

Rep. Turner of Milton explained his vote as follows:

“Madam Speaker:

Its disappointing that the majority of this body just voted against a 40 cent reduction in the education homestead property tax.”

Rep. Wright of Burlington explained his vote as follows:

“Madam Speaker:

We have talked about the need for serious, bold reform for too long on property taxes and education funding reform. Today was a lost opportunity to re-connect voters to local spending decisions, to simplify the system and to reduce property taxes by an average of over 42 percent.”

Rep. Young of Glover explained his vote as follows:

“Madam Speaker:

That was weird. If and when we raise 120 million dollars in income taxes to reform our education finance system, let's make sure we get it right. This wasn't it.”

Pending third reading of the bill, **Rep. LaClair of Barre Town** moved to amend the bill as follows:

First: By striking out Sec. 7 (school income tax surcharge) in its entirety and inserting in lieu thereof the following:

Sec. 7. [Deleted.]

Second: In Sec. 8, 16 V.S.A. § 4025 (education fund), in subsection (a), in subdivision (7), by striking out “; and” and by striking subdivision (8) up to the period

Third: In Sec. 9, 32 V.S.A. § 425 (general fund), in subsection (b), in subdivision (5), by striking out “, except for the individual school income tax surcharge imposed by section 5822a of this title”

Fourth: In Sec. 10, 32 V.S.A. § 5401 (definitions), in subdivision (17)(A), in the citation "16 V.S.A. § 4025(a)(1)–(8)", by striking out "(8)" and inserting in lieu thereof "(7)"

Fifth: By striking out Sec. 15 (yield and applicable percentage for fiscal year 2019) and the accompanying reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * Yields and Nonresidential Rate for Fiscal Year 2019 * * *

Sec. 15. PROPERTY DOLLAR EQUIVALENT YIELD AND INCOME

DOLLAR EQUIVALENT YIELD FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$9,832.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$11,880.00.

Sixth: By striking Sec. 21 (Act 46 tax rate limitations) in its entirety and inserting in lieu thereof:

Sec. 21. [Deleted.]

Seventh: In Sec. 22 (effective dates), by striking out subsections (d), (e), and (f) in their entirety and inserting in lieu thereof the following:

(d) [Deleted.]

(e) Secs. 8–9 (general fund and education fund) and 15–16 (yield and nonresidential rate for fiscal year 2019) shall take effect on July 1, 2018 and apply to fiscal year 2019 and after.

(f) Secs. 10–14 and 17–21 (education financing changes) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after; except that:

(1) for fiscal year 2020 only, the base spending amount under 32 V.S.A. § 5401(17) shall be 92 percent of what it would otherwise be calculated to be;

(2) for fiscal year 2021 only, the base spending amount under 32 V.S.A. § 5401(17) shall be 96 percent of what it would otherwise be calculated to be.

Which was disagreed to. Thereupon, the bill was read a third time.

Pending the question, Shall the bill pass? **Rep. Sharpe of Bristol** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 85. Nays, 54.

Those who voted in the affirmative are:

Ancel of Calais	Gardner of Richmond	Partridge of Windham
Bartholomew of Hartland	Gonzalez of Winooski	Pearce of Richford
Beck of St. Johnsbury	Grad of Moretown	Poirier of Barre City *
Belaski of Windsor	Haas of Rochester	Potter of Clarendon
Beyor of Highgate	Head of South Burlington	Pugh of South Burlington
Bissonnette of Winooski	Hill of Wolcott	Rachelson of Burlington
Bock of Chester	Hooper of Montpelier	Scheu of Middlebury
Botzow of Pownal	Hooper of Randolph	Sharpe of Bristol
Briglin of Thetford	Howard of Rutland City	Squirrell of Underhill
Browning of Arlington	Jessup of Middlesex	Stevens of Waterbury *
Brumsted of Shelburne	Joseph of North Hero	Stuart of Brattleboro
Burke of Brattleboro	Juskiewicz of Cambridge	Sullivan of Burlington
Carr of Brandon	Keenan of St. Albans City	Taylor of Colchester
Chesnut-Tangerman of Middletown Springs	Krowinski of Burlington	Till of Jericho *
Christensen of Weathersfield	Lalonde of South Burlington	Toleno of Brattleboro
Christie of Hartford	Lanpher of Vergennes	Toll of Danville
Conlon of Cornwall	Lefebvre of Newark	Townsend of South Burlington
Connor of Fairfield	Lippert of Hinesburg	Trieber of Rockingham
Conquest of Newbury	Long of Newfane *	Troiano of Stannard
Copeland-Hanzas of Bradford	Lucke of Hartford *	Walz of Barre City
Corcoran of Bennington	Macaig of Williston	Webb of Shelburne
Dakin of Colchester	Marcotte of Coventry	Willhoit of St. Johnsbury
Deen of Westminster	Masland of Thetford	Wood of Waterbury
Donovan of Burlington	McCormack of Burlington	Wright of Burlington
Dunn of Essex	McCullough of Williston	Yacovone of Morristown
Emmons of Springfield	Miller of Shaftsbury	Yantachka of Charlotte
Fields of Bennington	Morris of Bennington	Young of Glover
Forguites of Springfield	Mrowicki of Putney	
	Noyes of Wolcott	
	Ode of Burlington	

Those who voted in the negative are:

Bancroft of Westford	Gannon of Wilmington *	Nolan of Morristown
Baser of Bristol	Giambatista of Essex	Norris of Shoreham
Batchelor of Derby	Graham of Williamstown	O'Sullivan of Burlington
Brennan of Colchester	Hebert of Vernon	Pajala of Londonderry
Buckholz of Hartford	Helm of Fair Haven	Parent of St. Albans Town
Burditt of West Rutland	Higley of Lowell	Quimby of Concord
Canfield of Fair Haven	Houghton of Essex	Rosenquist of Georgia
Cina of Burlington	Jickling of Randolph	Savage of Swanton
Colburn of Burlington *	Keefe of Manchester	Scheuermann of Stowe
Cupoli of Rutland City	Kimbell of Woodstock	Shaw of Pittsford
Devereux of Mount Holly	LaClair of Barre Town	Sibilia of Dover
Dickinson of St. Albans Town	Lawrence of Lyndon	Smith of Derby
Donahue of Northfield	Lewis of Berlin	Smith of New Haven
Fagan of Rutland City	Mattos of Milton	Sullivan of Dorset
Feltus of Lyndon	McCoy of Poultney *	Turner of Milton
Frenier of Chelsea	McFaun of Barre Town	Van Wyck of Ferrisburgh
Gage of Rutland City	Morrissey of Bennington	Weed of Enosburgh
	Murphy of Fairfax	

Gamache of Swanton

Myers of Essex

Those members absent with leave of the House and not voting are:

Ainsworth of Royalton

Martel of Waterford

Terenzini of Rutland Town

Condon of Colchester

Read of Fayston

Viens of Newport City

Harrison of Chittenden

Sheldon of Middlebury

Kitzmiller of Montpelier

Strong of Albany

Rep. Colburn of Burlington explained her vote as follows:

“Madam Speaker:

I appreciate the work of the Ways and Means and Education committees on this complex issue and the many improvements this bill puts forward – most notably a shift to income tax as an education funding mechanism. I represent a district that has cut its school budget significantly year after year, while struggling to meet the needs of a large number of students learning new languages, living with poverty and trauma, and with special education needs. I’m concerned about the impact of this bill on these students through the state mandated cost containment measures on local processes. When school boards, superintendents, municipalities and teachers unions around the state all share these concerns, I think we have more work to do to get it right.”

Rep Gannon of Wilmington explained his vote as follows:

“Madam Speaker:

I want to thank the House Ways and Means committee for their thoughtful and hard work on this bill. However, the cost containment tax formula will negatively impact many rural school districts, like the school districts in my district, and will not lead to lower K-12 costs statewide. My school districts should not have to wait for the outcome of litigation against the Agency of Education to resolve the inequities that exist in our education finding system.”

Rep. Long of Newfane explained her vote as follows:

“Madam Speaker:

I voted yes to support H. 911. It responds to the ongoing statewide request to reduce property taxes, refocuses the education fund on PK-12 education and eliminates the tax on social security for low and middle income Vermonters.”

Rep. Lucke of Hartford explained her vote as follows:

“Madam Speaker:

It is a step forward from current education funding practice here in Vermont, lowering property taxes. It is progress. H. 911 removes several non PreK-12 costs from the education fund, it provides tax relief to Vermonters

receiving social security benefits. H. 911 begins the reform process, creating an framework and initial step that will allow for the time and opportunity, hopefully in the next biennium, to effectively develop the type of bold change that must happen in Vermont for our communities and schools.”

Rep. McCoy of Poultney explained her vote as follows:

“Madam Speaker:

As with any tax change of this magnitude, there are winners and losers. According to the Tax Department and JFO analysis, some of the biggest winners in this plan are several high spending districts who will enjoy the removal of the excess spending threshold. This is, of course, the opposite of what the bill claims to do, which is to increase the consequence of high spending.”

Rep. Poirier of Barre City explained his vote as follows:

“Madam Speaker:

I voted yes because my community will see a reduction of 19 cents under H. 911. This bill is the only train leaving the Montpelier station.”

Rep. Stevens of Waterbury explained his vote as follows:

“Madam Speaker:

I voted yes. Maybe I’m naïve, but I would think a bill that returns \$30 million to Vermonters because of the mistakes in the incomprehensible Republican tax bill last december, and one that makes a substantial reduction in property taxes, and one that will give municipalities a better understanding of how their property taxes are used, would have been an unanimous vote. I’m proud to vote for a bill that finally changes the direction of the titanic we call education financing.”

Rep. Till of Jericho explained his vote as follows:

“Madam Speaker:

I vote yes. H. 911 reduces residential property taxes by 15 cents on average. That is a significant reduction for my constituents. While I wish we had been able to end the income sensitivity program which so confuses taxpayers and complicates our system, H. 911 begins the process of removing expenses from the Education Fund which are not under control of our school boards. Hopefully in the future we’ll find a way to remove the current use expenses from the Education Fund.

H. 911 also removes taxation of social security benefits of middle income Vermonters. It also returns \$30 million to Vermonters that they would have

been paid in Vermont Personal Income tax as a result of Federal tax law changes.”

Message from the Senate No. 38

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has on its part passed Senate bill of the following title:

S. 204. An act relating to the registration of short-term rentals.

In the passage of which the concurrence of the House is requested.

The Senate has considered joint resolution originating in the House of the following title:

J.R.H. 14. Joint resolution authorizing the Green Mountain Boys State educational program to use the State House.

And has adopted the same in concurrence.

Adjournment

At six o'clock and thirty-six minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at one o'clock in the afternoon.