

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill No.
3 509 entitled “An act relating to calculating statewide education tax rates”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended as follows:

6 First: By striking out Secs. 1–8 and inserting in lieu thereof the following:

7 * * * Yields and Nonresidential Tax Rate * * *

8 Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD AND INCOME

9 DOLLAR EQUIVALENT YIELD FOR FISCAL YEAR 2018

10 Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2018 only:

11 (1) the property dollar equivalent yield is \$10,077.00; and

12 (2) the income dollar equivalent yield is \$11,851.00.

13 Sec. 2. NONRESIDENTIAL PROPERTY TAX RATE FOR FISCAL YEAR

14 2018

15 For fiscal year 2018 only, the nonresidential education property tax imposed

16 under 32 V.S.A. § 5402(a)(2) shall be reduced from the rate of \$1.59 and

17 instead be \$1.555 per \$100.00.

1 Sec. 4. 16 V.S.A. § 4025 is amended to read:

2 § 4025. EDUCATION FUND

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

4 * * *

5 (2) For each fiscal year, the amount of the general funds appropriated or
6 transferred to the Education Fund shall be ~~\$305,900,000.00, to be:~~

7 (A) the total of \$305,900,000.00 plus the unfunded education
8 mandate amount, as defined in subsection (e) of this section;

9 (B) increased annually beginning for fiscal year 2018 by the
10 consensus Joint Fiscal Office and Administration determination of the National
11 Income and Product Accounts (NIPA) Implicit Price Deflator for State and
12 Local Government Consumption Expenditures and Gross Investment as
13 reported by the U.S. Department of Commerce, Bureau of Economic Analysis
14 through the fiscal year for which the payment is being determined;

15 (C) plus an additional one-tenth of one percent.

16 * * *

17 (e) As used in this section, “unfunded education mandate amount” shall
18 mean the amount appropriated by the General Assembly in any fiscal year for
19 the purpose of providing funding for supervisory unions and school districts to
20 perform any action that is required pursuant to legislation, and which has a
21 related direct cost, but does not otherwise have a specifically identified

1 appropriation for fulfilling that obligation. The “unfunded education mandate
2 amount” shall include the cumulative amount of these appropriations for all
3 fiscal years in which they are made.

4 Sec. 5. 16 V.S.A. § 4028(d) is amended to read:

5 (d) Notwithstanding 2 V.S.A. § 502(b)(2), the Joint Fiscal Office shall
6 prepare a fiscal note for any legislation that requires a supervisory union or
7 school district to perform any action with ~~an associated~~ a related direct cost,
8 but does not ~~provide money or a funding mechanism~~ have a specifically
9 identified appropriation for fulfilling that obligation. Any fiscal note prepared
10 under this subsection shall identify whether or not the estimated costs would be
11 considered part of the “unfunded education mandate amount” under 32 V.S.A.
12 § 305b for the next fiscal year. Any fiscal note prepared under this subsection
13 shall be completed no later than the date that the legislation is considered for a
14 vote in the first committee to which it is referred.

15 and by renumbering the remaining sections to be numerically correct.

16 Second: By striking out the original Sec. 10 (effective dates) in its entirety,
17 and inserting in lieu thereof the following:

18 Sec. 7. EFFECTIVE DATE

19 This act shall take effect July 1, 2017 and apply to fiscal year 2018 and
20 after.

21

1

2 (Committee vote: _____)

3

4

Representative _____

5

FOR THE COMMITTEE