

1 H.795

2 Introduced by Representatives Ode of Burlington, Wright of Burlington, Cina
3 of Burlington, Colburn of Burlington, Donovan of Burlington,
4 McCormack of Burlington, O'Sullivan of Burlington, and
5 Rachelson of Burlington

6 Referred to Committee on

7 Date:

8 Subject: Education; use of funds by school districts and municipalities

9 Statement of purpose of bill as introduced: This bill proposes to permit funds
10 received by a school district or by a municipality to be used to fund social
11 services, after-school programming, summer programming, and public
12 transportation services for students.

13 An act relating to the use of funds by school districts and municipalities

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

15 Sec. 1. 16 V.S.A. § 4029 is amended to read:

16 § 4029. USE OF FUNDS FOR EDUCATION

17 (a) ~~Funds~~ Except as provided in subsection (g) of this section, funds
18 received by a school district ~~may~~ shall be used only for legitimate items of
19 current education expense and shall not be used for municipal services.

1 (b) ~~Funds~~ Except as provided in subsection (g) of this section, funds
2 received by a municipality other than a school district ~~may~~ shall not be used
3 directly or indirectly for education expenses.

4 (c) If the Secretary determines that a school district has spent funds paid
5 under section 4028 of this title for an item that is not a legitimate item of
6 current education expense, the treasurer of the municipality shall, within
7 90 days, remit the amount of the expenditure to the Education Fund. The
8 treasurer shall use funds raised pursuant to 17 V.S.A. § 2664, 20 V.S.A.
9 § 2601, or 24 V.S.A. § 1309 for this purpose. If the Secretary determines that
10 a municipality other than a school district has spent funds for an item that is a
11 legitimate item of current education expense, the treasurer of the municipality
12 shall transfer the amount of the expenditure from the local education fund to
13 the municipal fund.

14 (d) The legislative body of a school district or other municipality may
15 appeal a decision of the Secretary under this section to the State Board, which
16 shall hear the appeal de novo in the manner provided by 3 V.S.A. chapter 25
17 for the hearing of contested cases. A legislative body of a school district or
18 other municipality may appeal a decision of the State Board to the Superior
19 Court of the district in which the municipality is located. The Superior Court
20 shall hear the matter de novo in the manner provided by Rule 74 of the
21 Vermont Rules of Civil Procedure. An appeal from the decision of the

1 Superior Court shall be to the Supreme Court under the Vermont Rules of
2 Appellate Procedure.

3 (e) ~~For the purposes of~~ As used in this section, notwithstanding any
4 provision of municipal law to the contrary, “legitimate items of current
5 educational expense” may include reasonable payments to a municipality for
6 services performed on behalf of a school district by its corresponding town or
7 city clerk, the town or city treasurer, or the town or city auditors.

8 (f) Annually, on a form prescribed by the Secretary, each school district
9 shall report for the previous school year the amount it paid to or received from
10 its corresponding municipality or municipal officials, including any payments
11 made pursuant to subsection (e) of this section, and any property or in-kind
12 services it donated to or received from its corresponding municipality.

13 (g) Notwithstanding subsections (a) and (b) of this section, funds received
14 by a school district or by a municipality may be used to fund social services,
15 such as the cost of social workers, providing socioemotional supports to
16 students and of multilingual liaisons, and providing translation and cultural
17 supports to refugees who have settled in Vermont; to fund after-school
18 programming and summer programming; and to fund public transportation
19 services for students’ travel to and from school.

20 Sec. 2. EFFECTIVE DATE

21 This act shall take effect on passage.