

1 H.693

2 Introduced by Representatives Conlon of Cornwall, Austin of Colchester,
3 Elder of Starksboro, Hooper of Randolph, James of Manchester,
4 and LaLonde of South Burlington

5 Referred to Committee on

6 Date:

7 Subject: Education; education spending; excess spending; school construction

8 Statement of purpose of bill as introduced: This bill proposes to allow a school
9 district to eliminate spending during the year on eligible school construction
10 project costs, as defined in the State Board of Education's Rule 6134, from the
11 excess spending calculation.

12 An act relating to eliminating eligible school construction costs from a
13 school district's excess spending

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

15 Sec. 1. 16 V.S.A. § 4001 is amended to read:

16 § 4001. DEFINITIONS

17 As used in this chapter:

18 * * *

19 (6) "Education spending" means the amount of the school district
20 budget, any assessment for a joint contract school, career technical center

1 payments made on behalf of the district under subsection 1561(b) of this title,
2 and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is
3 paid for by the school district, but excluding any portion of the school budget
4 paid for from any other sources such as endowments, parental fundraising,
5 federal funds, nongovernmental grants, or other State funds such as special
6 education funds paid under chapter 101 of this title.

7 (A) [Repealed.]

8 (B) For purposes of calculating excess spending pursuant to
9 32 V.S.A. § 5401(12), “education spending” shall not include:

10 (i) Spending during the budget year for:

11 (I) approved school capital construction for a project that
12 received preliminary approval under section 3448 of this title, including
13 interest paid on the debt; provided the district shall not be reimbursed or
14 otherwise receive State construction aid for the approved school capital
15 construction; or

16 (II) eligible school capital construction project costs pursuant to
17 the State Board of Education’s Rule 6134.

18 (ii) For a project that received final approval for State construction
19 aid under chapter 123 of this title:

1 (I) spending for approved school capital construction during the
2 budget year that represents the district's share of the project, including interest
3 paid on the debt; or

4 (II) payment during the budget year of interest on funds
5 borrowed under subdivision 563(21) of this title in anticipation of receiving
6 State aid for the project.

7 (iii) Spending that is approved school capital construction
8 spending or deposited into a reserve fund under 24 V.S.A. § 2804 to pay future
9 approved school capital construction costs, including that portion of tuition
10 paid to an independent school designated as the public high school of the
11 school district pursuant to section 827 of this title for capital construction costs
12 by the independent school that has received approval from the State Board of
13 Education, using the processes for preliminary approval of public school
14 construction costs pursuant to subdivision 3448(a)(2) of this title.

15 * * *

16 Sec. 2. EFFECTIVE DATE

17 This act shall take effect on July 1, 2020.