

## Education Fund Provisions in the Governor's Proposed FY2021 Budget

1. E.130 – Tax Increment Financing Audits

Provides that audits of TIF districts include a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

2. E.236 – Keno

Expands the number of establishments where playing Keno is permitted to include first class liquor licenses and allows for purchases with a debit card or electronic transfer in addition to cash. Keno is estimated to raise \$2.0 million for the Education Fund.

3. E.318.1 – Childcare Financial Assistance

Appropriates \$2.0 million from the Education Fund to finance an increase in childcare financial assistance program rates for preschool and school age children. (This provision aligns with the Administration's Keno proposal (E.236)). Note that if Keno receipts fall short of the estimate, the Education Fund assumes the difference in cost.

4. E.337 – Community High School of Vermont

Transfers the cost of the CHSVT from the General Fund to the Education Fund. The proposed appropriation is \$3.2 million.

5. E.502 – Special Education

Of the \$223.7 million special education appropriation from the Education Fund, an amount not to exceed \$3.9 million shall be used by AOE for:

- Persons visually impaired and deaf
- Interdisciplinary team program
- Regional specialist in multiple disabilities
- Programs to meet the needs of students with behavioral problems
- Training to identify, evaluate, and provide services to children who require support

6. E.504 – Flexible Pathways

Appropriates \$8.3 million to flexible pathways from the Education Fund and earmarks these funds as follows:

- \$4.0 million for high school completion
- \$1.0 million for dual enrollment
- \$0.1 million for Vermont Virtual Learning Cooperative
- \$0.2 for secondary school reform grants
- \$0.5 million for Vermont Academy of Science & Technology
- \$2.5 million for early college

An additional \$1.0 million is available from the General Fund for dual enrollment and need-based stipends.

7. E.514 – State Teachers’ Retirement System

- (a) Appropriates \$132.1 million to the state teachers’ retirement system: \$125.9 million is the State’s General Fund contribution and \$6.2 million is the contribution from local school systems. (For teachers funded provided by Federal grants or reimbursements.)
- (b) Appropriates \$7.2 million from the Education Fund for the “normal contribution” to the state teachers’ retirement system (less the portion of the local contributions attributable to the normal cost).

**Related General Fund Provisions in the Governor’s Proposed FY2021 Budget**

1. E.111 – Current Use

Earmarks \$15,000 from the Current Use Administration Special Fund for programming changes to the Computer Assisted Property Tax Administration Program (CAPTAP) software used by municipalities for establishing property values and maintain their grand lists. (The line item is for the Tax – administration/collection.)

2. E.138 – Renter Rebate

Earmarks \$500,000 of the proposed \$9.5 million appropriation to modernization of the renter rebate program.

3. E.139 – Grand List Litigation

Earmarks \$9,000 for the Attorney General and \$70,000 for the Department of Taxes of the proposed appropriation for defense of appeals regarding reappraisals of TransCanada property.

4. E.515 – Retired Teachers’ Healthcare and Medical Benefits

Appropriates \$31.8 million to the retired teachers’ health and medical benefits plan.

5. E.515.1 – Prefunding of Teachers’ Health Care and Medical Benefits Fund

Earmarks \$2.4 million of the amount appropriated in E.515 to pre-fund retired teachers’ health care and medical benefits (OPEB).