

1 Draft substitute language to H.39

2 Sec. 1. INITIAL BUDGET OF NEWLY FORMED SCHOOL DISTRICT

3 (a) As used in this section:

4 (1) “Default Articles” means the Default Articles of Agreement issued
5 with the State Board Report.

6 (2) “State Board Report” means the “Final Report of the Decisions and
7 Order on Statewide School District Merger Decisions Pursuant to Act 46,
8 Sections 8(b) and 10” issued by the State Board of Education dated
9 November 28, 2018.

10 (b) Notwithstanding any provision of law to the contrary:

11 (1) If the first budget of a union school district formed by the State
12 Board Report has not been approved by voters on or before June 30, 2019 for
13 the 2020 fiscal year, the Agency of Education shall authorize an amount of
14 education spending for that newly formed district equal to:

15 (A) the cumulative education spending amount authorized by the
16 most recently voter approved school budgets of the school districts that are
17 required by the State Board to merge to create the newly formed district;
18 multiplied by

19 (B) the percentage that represents the average statewide increase
20 from fiscal year 2019 to fiscal year 2020 in school district education spending

1 authorized by voter approved school district budgets, based on data received
2 by the Agency of Education on or before June 14, 2019.

3 (2) The amount authorized by the Agency of Education under
4 subdivision (1) of this section shall be the “education spending” of the newly
5 formed district for fiscal year 2020 under 16 V.S.A. chapter 133.

6 (3) The school board of the newly formed district, operating in
7 accordance with the Default Articles, shall determine how funds shall be
8 expended under this section. In addition, the school board of the newly formed
9 district shall have the authority to expend any other funds received from other
10 sources in fiscal year 2020, including endowments, parental fundraising,
11 federal funds, nongovernmental grants, or other State funds such as special
12 education funds paid under 16 V.S.A. chapter 101.

13 Sec. 2. EFFECTIVE DATE

14 This act shall take effect on passage.