

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill
3 No. 152 entitled “An act relating to education property tax” respectfully
4 reports that it has considered the same and recommends that the bill be
5 amended by striking out all after the enacting clause and inserting in lieu
6 thereof the following:

7 * * * Yields; Nonhomestead Rate * * *

8 Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR
9 EQUIVALENT YIELD, AND NONHOMESTEAD RATE FOR
10 FISCAL YEAR 2022

11 (a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the
12 property dollar equivalent yield shall be \$11,317.00.

13 (b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the income
14 dollar equivalent yield shall be \$13,770.00.

15 (c) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law
16 to the contrary, the tax rate for nonhomestead property for fiscal year 2022
17 shall be \$1.612 per \$100.00 of equalized education property value.

18 * * * Exclusion from Excess Spending Penalty; Capital Project Costs * * *

19 Sec. 2. 16 V.S.A. § 4001 is amended to read:

20 § 4001. DEFINITIONS

21 As used in this chapter:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

* * *

(6) “Education spending” means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

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

(i) Spending during the budget year for:

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

(II) spending on eligible school capital project costs pursuant to the State Board of Education’s Rule 6134 for a project that received preliminary approval under section 3448 of this title.

1 any bonded indebtedness incurred in connection with the consolidation-related
2 renovation or construction.

3 (3) A school district that is eligible to receive an annual small schools
4 grant under this subsection shall not also be eligible to receive a small school
5 grant or its equivalent under subsection (b) of this section or under any other
6 provision of law.

7 * * * Effective Dates * * *

8 Sec. 5. EFFECTIVE DATES

9 (a) This section and Secs. 3–4 (3.5 percent hold harmless; small schools
10 grant) shall take effect on passage.

11 (b) Secs. 1 (yield and nonhomestead property tax rate) and 2 (excess
12 spending threshold) shall take effect on July 1, 2021.

13

14

15

16

17

18 (Committee vote: _____)

19

20

21

Representative _____

FOR THE COMMITTEE