



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

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### **H.716 (Draft 1.1) – Miscellaneous education bill – As proposed to be amended**

#### URL for bill:

<https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Ways%20and%20Means/Bills/H.716/W~Elizabeth%20St.%20James~H.716%20House%20Committee%20on%20Ways%20and%20Means%20Amendment~3-10-2022.pdf>

#### Bill Summary

**T**his bill adjusts the methodology for computing Fiscal Year 2023's special education grant payment under 2018 Acts and Resolves No. 173, and it delays the implementation of State Board of Education rules 2362 and 2362.2.5.

#### Fiscal Impact

**In Fiscal Year 2023, JFO estimates this bill would shift approximately \$6 million within the Education Fund, but total spending would not increase.** This bill would cause some towns' tax rates to increase or decrease, but the overall effect on the yield is estimated to be negligible. Total spending is not estimated to increase because most school budgets for Fiscal Year 2023 have already passed.

**JFO estimates the delay in the implementation of State Board of Education rules 2362 and 2362.2.5 will have no fiscal impact.**

#### Background and details

Under current law, supervisory unions' census grants for Fiscal Year 2023 will be calculated using the average amount each received from the State for special education in fiscal years 2018, 2019, and 2020, and increased by the annual change in the National Income and Product Accounts (NIPA) Implicit Price Deflator. Under current law, total census block grants for Fiscal Year 2023 are estimated to be approximately \$181.1 million.

The bill would change the three years used to calculate the average amount of supervisory unions' received census grants to 2019, 2020, and 2021, if it would result in a higher census grant for the supervisory union. If it would not, the census grant would remain to be calculated using 2018, 2019, 2020. This would result in an approximate total of \$187.1 million for census grants, which is an approximate \$6 million increase.

#### Sources:

Brad James, Agency of Education.