

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill No.
3 802 entitled “An act relating to adjusting the census grant for inflation”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

7 Sec. 1. 16 V.S.A. § 2961 is amended to read:

8 § 2961. CENSUS GRANT

9 (a) As used in this section:

10 (1) “Average daily membership” ~~shall have~~ has the same meaning as in
11 subdivision 4001(1) of this title, except it ~~shall exclude~~ excludes State-placed
12 students.

13 (2) “Average daily membership of a supervisory union” means the
14 aggregate average daily membership of the school districts that are members of
15 the supervisory union or, for a supervisory district, the average daily
16 membership of the supervisory district.

17 (3) “Long-term membership” of a supervisory union in any school year
18 means the average of the supervisory union’s average daily membership over
19 the most recent three school years for which data are available.

20 (4) “Uniform base amount” means ~~an amount determined by:~~

21 ~~(A) dividing an amount:~~

1 ~~(i) equal to the average State appropriation for fiscal years 2018,~~
2 ~~2019, and 2020 for special education under sections 2961 (standard~~
3 ~~mainstream block grants), 2963 (special education expenditures~~
4 ~~reimbursement), and 2963a (exceptional circumstances) of this title; and~~

5 ~~(ii) increased by:~~

6 ~~(I) for each of fiscal years 2021, 2022, and 2023, the annual~~
7 ~~change in the National Income and Product Accounts (NIPA) Implicit Price~~
8 ~~Deflator for State and Local Government Consumption Expenditures and~~
9 ~~Gross Investment as reported by the U.S. Department of Commerce, Bureau of~~
10 ~~Economic Analysis (inflation factor); and~~

11 ~~(II) for each of fiscal years 2024, 2025, and 2026, the average~~
12 ~~inflation factor for fiscal years 2021, 2022, and 2023; by~~

13 ~~(B) the statewide long term membership \$2,350.00, as adjusted for~~
14 ~~inflation. The uniform base amount shall be adjusted for inflation each fiscal~~
15 ~~year beginning in fiscal year 2028 by adjusting the uniform base amount for~~
16 ~~the preceding fiscal year by the most recent three-year average annual~~
17 ~~percentage change in the National Income and Product Accounts (NIPA)~~
18 ~~implicit price deflator for state and local government consumption~~
19 ~~expenditures and gross investment published by the U.S. Department of~~
20 ~~Commerce, Bureau of Economic Analysis, and rounding upward to the nearest~~
21 ~~whole dollar amount.~~

1 (b) The State commits to satisfying its special education maintenance of
2 fiscal support requirement under 34 C.F.R. § 300.163(a).

3 (c) Each supervisory union shall receive a census grant each fiscal year to
4 support the provision of special education services to students on an
5 individualized education program. Supervisory unions shall use this funding
6 and other available sources of funding to provide special education services to
7 students in accordance with their individualized education programs as
8 mandated under federal law. A supervisory union may use census grant funds
9 to support the delivery of the supervisory union’s comprehensive system of
10 educational services under sections 2901 and 2902 of this title, but shall not
11 use census grant funds in a manner that abrogates its responsibility to provide
12 special education services to students in accordance with their individualized
13 education programs as mandated under federal law.

14 ~~(d)(1)(A) For fiscal year 2023, the amount of the census grant for a~~
15 ~~supervisory union shall be:~~

16 ~~(i) the average amount it received for fiscal years 2018, 2019, and~~
17 ~~2020 or the average amount it received for fiscal years 2019, 2020, and 2021,~~
18 ~~whichever amount is greater, from the State for special education under~~
19 ~~sections 2961 (standard mainstream block grants), 2963 (special education~~
20 ~~expenditures reimbursement), and 2963a (exceptional circumstances) of this~~
21 ~~title; increased by~~

1 ~~(ii) the annual change in the National Income and Product~~
2 ~~Accounts (NIPA) Implicit Price Deflator for State and Local Government~~
3 ~~Consumption Expenditures and Gross Investment as reported by the U.S.~~
4 ~~Department of Commerce, Bureau of Economic Analysis.~~

5 ~~(B) The amount determined under subdivision (A) of this subdivision~~
6 ~~(1) shall be divided by the supervisory union’s long term membership, to~~
7 ~~determine the base amount of the census grant, which is the amount of the~~
8 ~~census grant calculated on a per student basis.~~

9 ~~(2) For fiscal year 2027 and subsequent fiscal years, the~~ The amount of
10 the census grant for a supervisory union shall be the uniform base amount
11 multiplied by the supervisory union’s long-term membership.

12 ~~(3) For fiscal years 2024, 2025, and 2026, the amount of the census~~
13 ~~grant for a supervisory union shall be determined by multiplying the~~
14 ~~supervisory union’s long term membership by a base amount established under~~
15 ~~this subdivision. The base amounts for each supervisory union for fiscal years~~
16 ~~2024, 2025, and 2026 shall move gradually the supervisory union’s fiscal year~~
17 ~~2023 base amount to the fiscal year 2027 uniform base amount by prorating the~~
18 ~~change between the supervisory union’s fiscal year 2023 base amount and the~~
19 ~~fiscal year 2027 uniform base amount over this three fiscal year period.~~

20 Sec. 2. EFFECTIVE DATE

21 This act shall take effect on July 1, 2026.

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(Committee vote: _____)

Representative _____

FOR THE COMMITTEE