

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: June 7, 2021

Prepared by: Mark Perrault and Breanna Parker

Act 59 (S.13) - An act relating to the implementation of the Pupil Weighting Factors Report as passed by the General Assembly

This bill creates a Task Force on the Implementation of the Pupil Weighting Factors Report. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to education taking into account the Pupil Weighting Factors Report.¹ A written report shall be submitted to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance on or before December 15, 2021.

Sec. 5 – Excess Spending Moratorium

Provides that, for the purpose of determining a school district's homestead property tax rate, education spending shall be calculated without regard to the excess spending adjustment in FY2022 and FY2023.

In FY2022, this provision will reduce homestead property taxes by about \$1.4 million. There will also be a small reduction in the cost of the property tax credit; however, this reduction in the property tax credit will not be applied to homestead property tax bills until FY2023.

The impact of this provision in FY2023 is uncertain because school districts will not submit budgets to their voters for approval until March 2022.

Sec. 6 – Appropriations

Appropriates \$25,000 from the General Fund in FY2022 to the Joint Fiscal Office for consultant expenses. The Task Force may retain a consultant to assist it with modeling education finance scenarios and in writing a report with its action plan and proposed legislation.

¹ Study of Pupil Weights in Vermont's Education Finance Formula, December 2019.