

1 H.870

2 Introduced by Representative Keenan of St. Albans City

3 Referred to Committee on

4 Date:

5 Subject: Education; health care; Education Fund payments

6 Statement of purpose of bill as introduced: This bill proposes to exempt
7 eligible school districts from the reduction in education payments required by
8 the health care savings provisions of 2017 Acts and Resolves No. 85 (an act
9 relating to making appropriations for the support of government). A school
10 district would be eligible for this exemption if it satisfied three conditions: it
11 received, or is eligible to receive, merger tax incentives; it budgeted health care
12 expenses for fiscal year 2018 in accordance with the health care savings
13 assumptions in Act 85; and it incurred a deficit in its fiscal year 2018 budget.

14 An act relating to fiscal years 2018 and 2019 education payments to school
15 districts

16 It is hereby enacted by the General Assembly of the State of Vermont:

17 Sec. 1. EXEMPTION FROM REDUCTION IN FISCAL YEARS 2018 AND
18 2019 EDUCATION PAYMENTS TO SCHOOL DISTRICTS

19 Notwithstanding Sec. H.6(b) of 2017 Acts and Resolves No. 85 (an act
20 relating to making appropriations for the support of government), the State

1 shall not reduce the amount it pays to an eligible school district in education
2 payments for the second half of fiscal year 2018 or for fiscal year 2019, and
3 the State shall reimburse an eligible school district on or before July 1, 2018 if
4 an education payment under that subsection has been withheld from the
5 district. For purpose of this section, an eligible school district means a school
6 district that:

7 (1) has received, or is eligible to receive, tax incentives under 2010 Acts
8 and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and
9 Resolves No. 46, each as amended;

10 (2) budgeted health care expenses for fiscal year 2018 in accordance
11 with the following assumptions as set forth in 2017 Acts and Resolves No. 85,
12 Sec. H.6(a)(2):

13 (A) a premium contribution by the school district in an amount equal
14 to 80 percent of the premium for the VEHI Gold Consumer-Driven Health
15 Plan (CDHP), with school employees responsible for the balance of the
16 premium for the VEHI plan they select;

17 (B) contributions by the school district toward the school employees'
18 out-of-pocket expenses in the amounts of \$2,100.00 per individual plan,
19 \$4,200.00 per two-person or parent-child plan, and \$3,800.00 per family plan
20 in a health reimbursement arrangement (HRA) or health savings account
21 (HSA); and

1 (C) if using an HRA, school employees bearing first dollar
2 responsibility for the full amount of the out-of-pocket expenses for which they
3 are responsible; and
4 (3) incurred a deficit in its fiscal year 2018 budget.

5 Sec. 2. EFFECTIVE DATE

6 This act shall take effect on passage.