

H.509 and H.518 Agreement - Summary
June 21, 2017

Education Yield/ Tax Rates	<ul style="list-style-type: none"> • Homestead: Same as H.509 • Non-Homestead: Lowered to FY17 tax rate of \$1.535
Benchmark	<ul style="list-style-type: none"> • Gold CDHP/80/20/OOP first dollar, HRA/HSA (\$2100/\$4200/\$3800) PLUS 5%
Savings	<ul style="list-style-type: none"> • Difference between FY17 Actual and 105% Benchmark generates approximately \$13M in savings <ul style="list-style-type: none"> ○ \$8.5M in FY18 and \$4.5M in FY19 (65%/35%)
Scope of Employees	<ul style="list-style-type: none"> • All covered employees – licensed and non-licensed
Expiration date of contracts	<ul style="list-style-type: none"> • New Contracts expire between July 1, 2019 and September 1, 2019 <ul style="list-style-type: none"> ○ Districts with settled agreements upon passage of this act are exempt from this expiration • Contracts at impasse may ask to stop impasse and reopen negotiations. Negotiations must resume within 10 days of the request <ul style="list-style-type: none"> ○ If the parties are still unable to reach agreement on specific issues, they can go back into impasse resolution
Commission	<ul style="list-style-type: none"> • Members: Commissioner of DFR, Commissioner of Tax, Ex Director VT-NEA, other labor -union, Ex Director VSBA, Ex Director VT Superintendents Association, 1 non-legislator appointee by Speaker, 1 non-legislator appointee by Senate President Pro Tem, 1 appointee (the Chair) by the Governor • Determine advantages and disadvantages of establishing a single statewide health benefit plan for all school employees including considering: transition issues, potential savings from avoided negotiation expenses, whether to use income-sensitized premiums, ways to address benefit disparities among bargaining units, ways to address disparities among districts including examining fact finding, property tax implications, issues related to uninsured school employees, and structure and composition of VEHI governing board • Report due November 15, 2017
Education Fund Reserves	<ul style="list-style-type: none"> • Slight increase, remaining savings after reduction of non-residential rate used to refill stabilization reserve
Sales & Use	<ul style="list-style-type: none"> • Same as H.509: allocation of sales tax to the education fund increases to 36% in FY19.