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H.442

Introduced by Representatives Beck of St. Johnsbury, Andrews of Westford,  
Anthony of Barre City, Bartley of Fairfax, Birong of  
Vergennes, Branagan of Georgia, Canfield of Fair Haven,  
Demar of Enosburgh, Donahue of Northfield, Galfetti of Barre  
Town, Hango of Berkshire, Harrison of Chittenden, Headrick of  
Burlington, Higley of Lowell, Labor of Morgan, Laroche of  
Franklin, Mattos of Milton, McFaun of Barre Town, Morgan of  
Milton, Oliver of Sheldon, Pajala of Londonderry, Parsons of  
Newbury, Pearl of Danville, Peterson of Clarendon, Taylor of  
Milton, Taylor of Colchester, Toof of St. Albans Town, Troiano  
of Stannard, and Williams of Granby

Referred to Committee on

Date:

Subject: Education spending; teacher retirement

Statement of purpose of bill as introduced: This bill proposes to include the  
normal contribution for teachers' retirement in education spending that is  
attributable to the employer. This bill also proposes to require an independent  
school to pay the employer retirement costs and administrative operating  
expenses for any teacher who is employed at the school and a member of the  
Vermont Teachers' Retirement System.

1 An act relating to payments to the teachers' retirement system

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

3 Sec. 1. 16 V.S.A. § 4001(6) is amended to read:

4 (6) "Education spending" means the amount of the school district  
5 budget; any assessment for a joint contract school; career technical center  
6 payments made on behalf of the district under subsection 1561(b) of this title;  
7 ~~and~~; any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is  
8 paid for by the school district; and the portion of the payments to the Vermont  
9 Teachers' Retirement Fund for the normal contribution made in accordance  
10 with subsection 1944(c) of this title that is attributable to the school district;  
11 but excluding any portion of the school budget paid for from any other sources  
12 such as endowments, parental fundraising, federal funds, nongovernmental  
13 grants, or other State funds such as special education funds paid under chapter  
14 101 of this title.

15 \* \* \*

16 Sec. 2. 16 V.S.A. § 1944f is added to read:

17 § 1944f. EMPLOYER CHARGES FOR INDEPENDENT SCHOOLS

18 (a) Notwithstanding any provision of law to the contrary, beginning on July  
19 1, 2024, the employer retirement costs and administrative operating expenses  
20 for any teacher who is employed at an independent school and is a member of

1 the State Teachers' Retirement System pursuant to section 1935 of this title  
2 shall be paid by the independent school that employs the teacher.

3 (b) The percentage rates to be applied shall be determined by an actuary  
4 approved by the Board of Trustees of the State Teachers' Retirement System  
5 of Vermont and shall be applied to the total earnable compensation of  
6 members prepared by the actuary in compliance with subsection 1942(r) of this  
7 title.

8 (c) The State Treasurer and the Secretary of Education shall establish  
9 procedures for the collection and deposit of those monies in the State  
10 Teachers' Retirement System of Vermont. The procedures shall include a  
11 requirement that an independent school annually submit a statement of  
12 payments made to the System to the State Treasurer.

13 (d) On or before January 15 each year, the Secretary of Education shall  
14 provide an annual report to the Senate Committee on Appropriations and the  
15 House Committee on Education on the implementation of this section. The  
16 provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply  
17 to the report to be made under this subsection.

18 Sec. 3. EFFECTIVE DATE

19 This act shall take effect on July 1, 2024.