

H.853

An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes

Sec. 1. Yields for fiscal year 2017

- Sets property dollar equivalent yield at \$9701
- Sets income dollar equivalent yield at \$10,870

Sec. 2. Nonresidential property tax rate for fiscal year 2017

- Sets nonresidential property tax base rate at \$1.53

Sec. 3. Excess spending penalty for fiscal year 2020

- Reduces excess spending threshold from 121% of statewide average to 119% of statewide average beginning in fiscal year 2020.

Secs. 4-6. Unfunded mandates

- Creates a process by which JFO and Administration estimate an “unfunded education mandate amount” for legislation passed year each.
- That amount is automatically added to the Governor’s budget recommend for the following fiscal year.
- The “unfunded education mandate amount” becomes part of the General Fund transfer.

Sec. 7. Transfer of property and debt in merging districts

- Allows merging districts to explore the transfer of existing school assets and debt to the corresponding towns, and then have the new district lease those assets back.

Sec. 8. Budget surplus and reserve amounts

- Requires Secretary of Education to collect data on budget surplus amounts, reserve fund amounts, and reserve fund uses.

Sec. 9. Study group on common level of appraisal

- Convenes a study group to examine the viability of moving merged districts to an aggregate common level of appraisal.