

House Ways and Means Committee
Testimony 2/5/2015

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Being considered... a .7% payroll tax collected effective 1/1/16, costs to be offset with savings in health care premiums.

Observations:

The .7% payroll tax applied on school employees will add an estimated \$6.1m to schools cost, adding close to a half cent on the tax rate.

With an effective date of 1/1/16, \$3.1M in cost should have been budgeted for schools in FY16. Those budgets have by and large been finalized for voter consideration on town meeting day.

For Chittenden East this equates to \$114,000 in added cost to FY16, not budgeted.

It is a downright terrible time to be thinking of adding costs to schools.

It is unfortunate to have a great deal of clarity on the costs and not so much on the savings, a dangerous practice in our line of work.