



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

APPROPRIATIONS COMMITTEE
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**House Appropriations Committee
Elementary and Secondary Education Subcommittee
Agenda**

Tuesday, January 17, 2012
Robert Tata, Chairman
Appropriations Room
3:00 p. m.

I. Overview of Subcommittee Issues

- Chairman Tata

II. Bills Before the Subcommittee

HB 421 (Watts) Standards of Quality; apportionment of state and local share.
Directs the General Assembly, in apportioning the state and local share of the costs of meeting the Standards of Quality, beginning July 1, 2012, to implement a formula that determines each locality's ability to pay based on the ratios of (i) the reimbursement payment made to the locality for providing tangible personal property tax relief to the reimbursement payments made statewide for providing tangible personal property tax relief; (ii) the total value of real estate in the locality adjusted by the average of the cost of competing index if used for instructional personnel and for support positions, to the statewide value of real estate per person; (iii) local one percent sales tax revenue collected by the locality to the statewide total local sales tax revenue collected; (iv) the assessed value of the personal property taxed by the locality to the statewide assessed value of the local personal property tax; and (v) revenue collected from local lodging, local cigarette, and local meals taxes to the revenue collected statewide from such local lodging, cigarette, and meals taxes.

To determine each locality's composite index of ability to pay (a) the sum of the ratios calculated on the basis of average daily membership for each locality shall be divided by the sum of the average daily membership ratios for all localities; (b) the sum of the ratios calculated on a per capita basis for each locality shall be divided by the sum of the per capita ratios for all localities; and (c) the locality's ratio calculated on the basis of average daily membership shall be multiplied by 0.66 and the locality's ratio calculated on a per capita basis shall be multiplied by 0.33. The sum of the two adjusted ratios in clause (c) shall be the local composite index of ability to pay.

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Agenda (continued)

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HB 468 (Albo) Public school funding; LCI calculation. Requires the Department of Education to adjust its calculation of the composite index of local ability to pay for public education by (i) reducing the maximum LCI of 0.80 by 0.02 each year for a period of 10 years and (ii) using the average of true value of real property, adjusted gross income, taxable retail sales, average daily membership, and total population over the preceding five-year period in calculating the LCI.