



To: Municipal Officials
From: Karen Horn, Director, Public Policy and Advocacy
Date: May 11, 2017
Re: Vermont Teachers' Health Insurance

The legislative session is not over yet and one of the main impediments to adjournment is handling of negotiations for school employees' health insurance. Negotiations between the House and Senate and the Governor have not yielded an agreement on school employee health insurance. Instead, House and Senate leaders intend to move forward with a proposal to take \$13 million out of school district budgets and require school boards to continue to negotiate health insurance benefits this year only.

You can read about the proposal, which was developed by Senate President Pro Tem Tim Ashe, in a *VTDigger* article [here](#). According to the proposal, the state will take \$13 million from school district budgets in a manner proportional to the number of "covered lives" in a school district.

Last night, the Governor issued [this response](#) to that proposal.

The proposal from the House and Senate leaders would reduce payments to school boards for funding budgets that are already adopted and require school boards to find equivalent savings in their negotiations on health insurance or other reductions in school budgets. Should those efforts fail, school districts will deficit-spend this year or property tax payers will make up the difference so that adopted budgets are funded.

The original proposal would have provided for the Agency of Administration to negotiate school employees' benefits with labor organizations representing teachers, administrators, and municipal school employees. That proposal, which failed on a tie vote in the House, is on pages 1971-1975 of the [May 3 House Journal](#).

The House and Senate leadership are poised to take financial resources from school district budgets and leave school boards and property taxpayers holding the bag.

Urge your senators and representatives to reject the leadership proposal to take money from school districts without taking any responsibility for assisting with cost containment. Ask them to convey your concerns to House Speaker Mitzi Johnson and Senate President Pro Tem Tim Ashe.

Find their emails at the legislative website (<http://legislature.vermont.gov>) or call the Sergeant at Arms at 802-828-2228 to leave a message.

Vermont League of Cities and Towns	
89 Main Street, Suite 4, Montpelier, VT 05602-2948	
Tel. 802-229-9111	Email info@vlct.org
Fax 802-229-2211	Web www.vlct.org