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**HOUSE BILL NO. 305**

Offered January 10, 2018

Prefiled January 3, 2018

A *BILL to amend the Code of Virginia by adding in Chapter 13.2 of Title 22.1 a section numbered 22.1-253.13:11, relating to apportionment of the state and local share of the costs of providing certain educational programs.*

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Patron—Watts

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Referred to Committee on Appropriations

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 13.2 of Title 22.1 a section numbered 22.1-253.13:11 as follows:**

**§ 22.1-253.13:11. Apportionment of state and local share.**

*In apportioning the state and local share of the costs of providing an educational program meeting the Standards of Quality as required by Article VIII, Section 2 of the Constitution of Virginia, the General Assembly shall, beginning July 1, 2018, as provided in the general appropriation act, 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 pursuant to Chapter 35.1 (§ 58.1-3523 et seq.) of Title 58.1 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) the 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.*

*These ratios shall be calculated on the basis of average daily membership and per capita.*

*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.*

INTRODUCED

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