

PRELIMINARY DRAFT FOR COMMISSION DISCUSSION

**PRELIMINARY FINDINGS OF THE
COMMISSION ON THE FUTURE OF PUBLIC
EDUCATION IN VERMONT**

Report to the General Assembly

December 15, 2024

Submitted by Meagan Roy, Ed.D.

Chair

on behalf of

The Commission on the Future of Public Education in Vermont

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Legislation

This report is submitted by the Commission pursuant to [Act 183 of 2024 Sec. \(f\)\(2\)](#) to the General Assembly as “a written report containing its preliminary findings and recommendations, including short-term cost containment considerations for the 2025 legislative session.”

Background

Act 183

Act 183 of 2024: An act relating to homestead property tax yields, non homestead rates, and policy changes to education finance and taxation.

The Act convenes the Commission on the Future of Public Education in Vermont (hereafter referred to as the Commission) to “study the provision of education in Vermont and make recommendations for a statewide vision for Vermont’s public education system to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system.” Specifically, the Act requires the Commission to make recommendations in three policy consideration areas:

- I. *Education finance system*: Recommendations geared toward an education funding system that affords substantially equal access to a quality education in accordance with State v. Brigham
- II. *Education governance, resources, administration*: The structure and needs of the Agency of Education (AOE); the composition, role, and function of the State Board of Education (SBE); the roles, functions, and decisions of local control v. state control; and integration of career and technical education.
- III. *Physical size and footprint of the education system*: The most efficient and effective number and locations of school buildings, districts, and supervisory unions. This includes recommendations regarding workforce retention & capacity (driven by class-size data) and the legal and financial impact of Vermont’s town tuition program for non-operating school districts, including recommendations for tuitioning outside of Vermont and the use of private therapeutic schools.

Membership

The Act defines the membership of the Commission as follows:

1. The Secretary of Education or designee
2. The Chair of the State Board of Education or designee
3. The Tax Commissioner or designee
4. One current member of the House of Representatives, appointed by the Speaker of the House
5. One current member of the Senate, appointed by the Committee on Committees

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6. One representative from the Vermont School Boards Association (VSBA), appointed by the VSBA Executive Director
7. One representative from the Vermont Principals' Association (VPA), appointed by the VPA Executive Director
8. One representative from the Vermont Superintendents Association (VSA), appointed by the VSA Executive Director
9. One representative from the Vermont National Education Association (VTNEA), appointed by the VTNEA Executive Director
10. One representative from the Vermont Association of School Business Officials (VASBO) with experience in school construction projects, appointed by the President of VASBO
11. The Chair of the Census-Based Funding Advisory Group, created under 2018 Acts and Resolves No. 173
12. The Executive Director of the Vermont Rural Education Collaborative
13. One representative from the Vermont Independent Schools Association (VISA), appointed by the President of VISA

Additionally, the Act specifies the creation of a Steering Group, comprised of two Commission members appointed by the Speaker of the House, two Commission members appointed by the Committee on Committees, and two Commission members appointed by the Governor. The Chair of the Commission is jointly selected by the Speaker of the House and the President Pro Tempore.

Organization of the Work

The Commission met for the first time on July 15, 2024 and has established the following general meeting structures:

- The full Commission meets on the first Monday of each month (with exceptions for holidays and other calendar reasons).
- Subcommittees of the Commission meet as needed, but at minimum once per month on the third Monday of each month (again with exceptions for holidays and other calendar reasons). There are currently three named subcommittees of the Commission: The Communication & Engagement subcommittee, the Steering Group, and the Education Finance Subcommittee (appointed by the Steering Group).

The Commission adopted a [Workplan Framework](#) as well as a [Communication and Engagement framework](#).

Guiding Principles

The Commission recognizes the complexity of the policy issues it is charged with addressing. As it navigates discussions about current and future recommendations, Commission members agreed to develop a set of [Guiding Principles](#) that would clearly articulate the basis for its decisions. These principles represent a consensus of the Commission and include the following:

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- **The Commission Recognizes State Responsibility for Education in Vermont**

In the State vs. Brigham 166 Vt. 164 (1997), the Vermont Supreme Court held that the State has a constitutional obligation to provide public education, and while “[t]he state may delegate to local towns and cities the authority to finance and administer the schools within their borders; it cannot, however, abdicate the basic responsibility for education by passing it on to local governments, which are themselves creations of the state.” The Commission acknowledges the tension that exists between this responsibility and authority, and Vermont’s tradition of local decision making, and will continue to explore the balance between the two.

- **Equity**

The Commission is committed to decision making that centers equity for Vermont students. While there is a recognition that operationalizing the term “equity” is a complex and varied task, the Commission is committed to the following core understandings of equity:

- Equity does not mean equal/same.
- Solutions with an equity focus must be differentiated by need.
- Equity must be considered both in terms of inputs (access) and outputs (outcomes).

- **Quality**

All publicly funded Vermont students must be afforded high quality educational opportunities that are equitable, inclusive, anti-racist, culturally responsive, and anti-discriminatory, as defined in Vermont State Board of Education Rules. The Commission acknowledges that the SBE rules focus primarily on inputs and that school accountability and student outcomes are critical.

- **Sustainability & Affordability**

The Commission understands that public education in Vermont must be sustainable and affordable for Vermont taxpayers, so that the commitment to Equity and Quality can be sustained over time. This requires a comprehensive look at the education finance system, including both how education dollars are raised and how we spend those funds.

Preliminary Findings

Current Vermont Context

The work of the Commission exists in a highly challenging and complex policy environment. The FY26 budget season resulted in a failure of nearly one-third of Vermont school budgets and almost unprecedented increases in property taxes despite significant reductions made in spending for many school districts. Our state’s education finance challenges exist in relation to other intractable affordability challenges in the state - rising costs of labor and healthcare, a catastrophic housing shortage and population decline. We must acknowledge the impact of these global issues on Vermont’s public schools.

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Further, the issue of cost (and tax impact) is not one of just local district spending. The three policy consideration areas included in Act 183 are included because of a recognition that all three areas intersect to impact the ultimate investment in and cost of public education in Vermont.

Education finance is not simply local school district spending. It encompasses spending (with all of the associated cost drivers - healthcare, personnel costs, school construction, tuition, special education), revenue generation (how we raise the funds needed to support our schools) and the uses of the Education Fund (and what we choose to fund with our “education dollars”).

School spending decisions in Vermont are defined largely at the local level. Our governance structures (local school boards) make decisions about how we deliver education based on the needs of their communities (including the number of schools to operate, whether we choose to tuition students to other public and independent institutions, and the subsequent tuition, staffing and other costs that are required). Yet, our funding system is shared at the state level. The entire state bears the investment responsibility for decisions made locally.

As an example of this complexity: Imagine a local school district developing its budget. The local administration engages its teachers, staff and community to propose a budget to its school Board. This budget supports the delivery model (the number of schools and classrooms or tuition) that the local district has selected. For those districts who do not operate schools, this budget also includes tuition to other public schools or to independent schools - tuition rates that they do not have any authority to change. Thus, Vermont’s **education finance system** must support **delivery models** that are largely selected based on **governance and administration structures**.

The Commission believes it is critical for all those involved in discussions about education finance be clear about the intersection of these three policy areas.

A Call to Action

The Commission wishes to elevate is a collective call to action for citizens, school board members and public and independent school administrators and staff. Unfortunately, in Vermont the blame for the cost of education has been placed solely on the shoulders of the public education system. For years, the affordability challenges described above have been understood as problems that public education (school boards, administrators, and teachers) are responsible for causing and therefore are responsible for fixing. **This narrative must change.**

The Commission recognizes that Vermont will not be able to address its policy challenges without substantive policy changes in each of the identified areas: education finance, governance & administration and education delivery system. This must be recognized by all Vermonters. In its early opportunities for engagement the Commission has heard regularly from community members who believe that the challenges can be resolved by addressing any one of these issues. The Commission disputes this view. It is the belief of the Commission that real solutions will include changes to **all three policy consideration areas**, and we wish to begin this report by elevating that finding.

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Reasonable Timeframes for Impact

Act 183 requires a deep study of prior legislation, the collection and analysis of significant amounts of data (not all of which are readily available) and a deep and sustained engagement with collaborators across the state before making recommendations. Still, it asks the Commission to make preliminary recommendations, including recommendations for “short term cost containment” in time for consideration in the 2025 legislative session. The Commission is committed to providing the General Assembly substantive information to inform its upcoming discussions; however, we also need to be clear that the timeline given to us arguably does not allow the Commission to undertake the work in the way the Act requires.

The public school budget process is not only well underway as of the writing of this report - it is nearly at its conclusion. This limits the ability of the General Assembly to take action on spending alone. This does not mean that school districts have not been engaged in their own work on cost containment measures. In August, the collective education organizations (Vermont Superintendents Association, Vermont School Boards Association, the Vermont Association of School Business Officials, and the Vermont Principals Association) released a [collaborative budget memo](#) to inform school districts in time to impact the budget process. Their memo included an analysis of the current situation and some concrete suggestions. The Governor communicated with education leaders in both September and October, speaking only to the spending component of the challenge.

The Commission has engaged in substantive discussions about an array of policy options that could address the challenges facing Vermont, and will attempt to report here those options that could result in actions during the 2025 session. It is important for the General Assembly to understand that substantive change in the three policy areas of the Act will be required to fully address the challenges - and those solutions are long term.

Preliminary Data Findings

In August, the Steering Group identified a number of data sources that would be important for the Commission to review in order to inform its discussions (see this [Data Framework](#)). In subsequent meetings, the Commission and the Education Finance Subcommittee would receive a number of reports regarding these data sources. At its November 4th meeting, the Commission again reviewed the data framework to determine what had been provided and what still needed to be collected (as well as what the timeline would be for providing it). The following is an overview of key information gathered from this data, as well as the identification of data that was not available and/or not fully reviewed in time for this report. The Commission’s intentions for further data analysis are included in the Next Steps section of this report.

- Description of how Vermont’s funding system compares to other states
- Identify the Commission’s use of data to validate or challenge assumptions
- Identify education fund uses that are outside of the day to day operations of public schools
- The interconnected nature of each of the three policy areas, and identifying that change will need to occur in all three
- Convene longer term analysis of recent legislation (46/173/127)

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- Make clear that the goal of the report is to put actionable ideas in front of the general assembly and concrete targets/guidance to the field

Review of Potential Policy Actions

The Commission is committed to providing the General Assembly information to inform the 2025 session. We believe that the contextual information above is critical in its own right to inform any potential actions. Then, the following review of potential policy actions is provided as a starting point for the 2025 session, and includes actions that can have immediate impact on property taxes. Longer term and more sustainable actions will come out of the continued work of the Commission.

Discussions of potential policy actions began after the review of the above data. In October, a broad brainstorm process was conducted separately by both the Finance Subcommittee and the full Commission. This was done to generate a large number of possible strategies in order to give the General Assembly the broadest possible list of potential solutions. It is important to note that there is significant overlap between those policy actions brainstormed by the full Commission and the Subcommittee, and that a number of these have either been proposed in the past or came directly from the Commission's community engagement opportunities.

The table that follows provides a summary of potential actions raised by Commission members to date and an analysis of each action with respect to:

- The extent to which the action is aligned with the Guiding Principles identified by the Commission
- The earliest possible effective date
- The earliest fiscal impact that could be realized

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Table 1: Potential Policy Actions

Policy Action	Alignment with Commission Guiding Principles	Earliest Effective Date	Fiscal Impact when Fully Realized	Other Discussion

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Next Steps

As noted above, the Commission has 12 more months in which to study comprehensive and substantive recommendations. In addition, it must continue to work through a communication and engagement process that brings additional voices into its decision making, including those entities outlined in Act 183. The Commission looks forward to working with [insert consultant] to further refine and implement its engagement strategies.

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Substantive change will require difficult decisions and significant political will. The Commission believes that, if given the trust that it needs to complete its work, it can continue to analyze the intersecting policy challenges within the context of its guiding principles of Equity, Quality, Sustainability and Affordability and make critical recommendations in 2025.

Respectfully submitted on behalf of the Commission by:

Meagan Roy, Ed.D.
Chair

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