



TO: Commission on the Future of Public Education in Vermont

FROM: Flor Diaz Smith, President, Vermont School Boards Association
Nicole Mace, VSBA Representative to the Commission
Amy Minor, President, Vermont Superintendents Association
Michael Leichliter, VSA Representative to the Commission
Heather Bushey, President, Vermont Association of School Business Officials
Elizabeth Jennings, VASBO Representative to the Commission

RE: Short-Term Cost Containment for the 2025 Legislative Session

DATE: October 18, 2024

Thank you for your commitment to the future of public education grounded in the three principles of equity, quality, and affordability. Vermont School Boards Association (VSBA), Vermont Superintendents Association (VSA), and Vermont Association of School Business Officials (VASBO) members are currently working diligently to plan for an FY26 budget that is responsive to student needs and taxpayers. Once again, we are asking the Commission to work proactively to address the real challenges facing Vermont's public education system.

In the spirit of that urgency and continued collaboration, the VSBA, VSA, and VASBO offer the following considerations for inclusion in the Commission's December 15 report. We continue to believe that the most impactful change will come from addressing [cost drivers](#) rather than mechanisms that enforce cost suppression without consideration for equity and quality.

- Revise the Non-Homestead Tax Category - Break down the non-homestead property tax category into its component parts – long-term rentals, short-term rentals, commercial, and second homes – so that more nuanced policy levers are available to the Legislature.
- Base Excess Spending Penalty on Cost Drivers - Evaluate the current projected financial impact from the excess spending threshold as it is currently written. Modify the excess spending threshold penalty to address agreed-upon cost drivers that are in the control of the local school districts (e.g. class sizes or staffing levels).
- Make a General Fund Transfer for Added Costs to the Education Fund - Transfer funds from the General Fund to the Education Fund to cover the costs of the following recent additional costs borne by the Education Fund: the increase in teachers retirement (\$55 M) and universal meals (\$20.4 M).
- Set Minimum Class Sizes - Vermont law currently does not set minimum class sizes; however, pursuant to Act 153 of 2010 all school districts must have minimum and

optimal average class sizes policies. Local school districts have adapted the VSBA model policy to include their own minimum, ideal, and maximum class sizes. The Education Quality Standards provide maximum average class sizes adopted by the State Board of Education in 2014 (20 for K-3; 25 for 4-12), but not minimum class size. Amend the law to require a minimum average class size with rurality exceptions taking into account grade clusters and instructional areas.

- Apply Equitable Accountability and Cost Containment for Private Schools Receiving Public Dollars - Actions to promote cost efficiency and accountability should apply to all aspects of the public education delivery system, including private schools receiving public tuition dollars.
 - Limit tuition payments to average announced tuition.
 - Prevent tuition payments from leaving Vermont.
 - Require districts that reduce the number of grades they operate to designate up to three schools to serve as the public schools for the district.
 - Align payment for special education services so that public and private schools are based on the uniform base amount of the census block grant calculation for that fiscal year and require private schools to uphold the best practices outlined in Act 173.