Preliminary Findings of the Commission on the Future of Public Education in Vermont

December 15, 2024

- **I.** Legislation: This report is submitted by the Commission pursuant to <u>Act 183 of 2024 Sec. (f)(2)</u> 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."
- II. Background: Overview of Act 183 and Commission's approach
 - A. Charge of the Commission (including three policy consideration areas)
 - B. Membership
 - C. Organization of the Work (meeting schedule & structure; workplan framework; communication & engagement framework)
 - D. Guiding principles the report should clearly identify the Commission's strong stance around equity

III. Preliminary Findings (AS BRAINSTORMED IN 10/21 MEETING - FOR DISCUSSION PURPOSES)

- A. This preliminary report should serve as a call to action for budget development and the general public, understanding that the process of large-scale change to our system will take more time than provided for the scope of this report
 - 1. Acknowledge the property tax burden and its impact on the affordability of Vermont empathy for this issue
- B. Identifying the context of Vermont funding the "problem statement". To include a high level identification of cost drivers and the extent these drivers are within or outside of the control of local budget decisions:
 - 1. Connection of our education funding challenge to other Vermont affordability issues (housing, etc)
 - 2. Report on some data trends (enrollment, personnel ratios, class size, etc)
 - 3. Healthcare and personnel costs as it relates to delivery models
 - 4. School Construction
 - 5. Tuition to independent schools
 - 6. Special education
- C. Acknowledge the challenge of the timeline
- D. Preview larger scale changes that will need to occur but are not included in this report (funding formula change)
- E. Description of how Vermont's funding system compares to other states
- F. Identify the Commission's use of data to validate or challenge assumptions
- G. Identify education fund uses that are outside of the day to day operations of public schools
- H. The interconnected nature of each of the three policy areas, and identifying that change will need to occur in all three

PRELIMINARY DRAFT OUTLINE - FOR COMMISSION DISCUSSION PURPOSES ONLY

- I. Convene longer term analysis of recent legislation (46/173/127)
- J. 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

IV. Short-Term Cost Containment Strategies (AS BRAINSTORMED IN 10/21 MEETING -FOR DISCUSSION PURPOSES)

- A. Overview of the process by which the Commission generated this list, including a definition of what the Commission intends by "cost containment" (e.g., reducing costs or reducing taxes/shifting costs). Understand that anything presented in this report, even if not identified as a formal recommendation, will inform districts, Boards and communities
- B. Remove non-educational expenses from the Education Fund
 - 1. Universal school meals, mental health and other "public health" costs
 - 2. Teachers retirement
 - 3. Dual enrollment
 - 4. Support for private PreK programs that do not have licensed educators
- C. Inact tuition caps for public tuition to independent schools (match the funding to the Average Announced Tuition) with an exception for private therapeutic placements determined by IEP teams
- D. Require independent schools receiving public dollars to comply with the same regulatory processes/requirements as public schools
- E. Moratorium on public tuition dollars going out of state, with an exception for private therapeutic placements determined by IEP teams
- F. Revise the non-homestead tax calculation: Ensure that non-homestead tax rates are not lower than homestead rates; change classifications so this applies to second homeowners and not small businesses
- G. Tie the excess spending threshold to cost drivers (personnel, facilities, tuition)
- H. Jumpstart the BOCES processes but be aware that we are not creating additional bureaucracies (e.g., larger districts with scale can achieve the same outcomes as a separate BOCES structure with its own governance)
- I. Thoughtful recommendations about achieving scale (staffing levels; minimum class sizes with rurality exceptions)
- J. Provide statewide curriculum resources to decrease local duplicative costs
- K. Address potential incentives in the current funding formula
- L. Reference based pricing
- M. Allowable growth/excess spending targets, applicable to both public and independent schools receiving public dollars
- N. Requirement for a supermajority vote by Boards who are exceeding the threshold, with a waiver or review mechanism for exceptions
- O. Develop a waiver or review mechanism for districts to opt out of unfunded mandates

Respectfully submitted on behalf of the Commission by:

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Chair