

VSA, VSBA, VASBO, VPA

April 17, 2024

Comments and suggestions on draft 6.1 of yield bill

Section 1: Commission on Future of Public Education

- Incorporate section 8 and modify it so it is not a fait accompli for education opportunity grants but an analysis of useful changes to the education funding system in support of equity and sustainability. Funding should not be independent of education policy therefore funding consideration changes should be considered by the Commission on the Future of Public Education in Vermont. Section 1(e)(2)(E) should become Section 1(e)(2)(F). The new section 1(e)(2)(E) should read as follows:
 - “Explore the efficacy and potential equity gains of changes to the education funding systems, including weighted educational opportunity payments to fund public education.”

Section 2: Property Dollar Equivalent Yield and Tax Rates

- We support your effort to increase the yield. We would have liked to see the yield increased further and we understand the economic constraints that have been discussed by the Committee.

Section 3 and 4: Cloud Tax Prewritten Software

- We support removing this exemption to the sales tax.

Section 5: Short Term Rental Surcharge

- We support this additional revenue.

Section 7: DQS rules on Reserve Funds

- Update District Quality Standards to include recommended (rather than maximum) reserve fund account standards.
- Prior to initiating rulemaking AOE shall consult with local school officials.

Section 8: Educational Opportunity Payment Task Force

- Remove, and incorporate into Section 1 above

Section 9: Agency of Education; Education Finance Data Analyst Position

- We support this new position.

Section 10: Ballot Language

- Change this section to keep ballot language the same as FY24 (first line of current language only). If the Committee deems a change is needed, remove the last sentence which states “This proposed education spending is \$___ over the district’s excess spending threshold.”

Section 11: Repeal

- Support if requested changes to section 10 are made.

Section 12: Creation; Education Fund Advisory Committee

- Timeline for adjusting weights is too late - should be Nov 15
- Change to updating the weights every three years not every year

Section 13-15: Common Level of Appraisal; Education Property Tax Liability

- Require the State to take responsibility for communicating this change to the public.

Section 18: Excess Education Spending for Fiscal Years 2026 and 2027

- Strike section 18 in entirety and reinstate previous excess spending language in 16 V.S.A. Section 4001(6)(B) (without an exception for tuition paid by a district that does not operate a school and pays tuition for all resident students in kindergarten through grade 12) with an adjustment to account for the change in Act 127 from ed spending per equalized pupil to ed spending per long-term weighted ADM.

New Section

- **Add a new section to address school districts unable to get a school budget passed after three budget defeats. If the community does not approve after three votes, a contingency budget goes into effect.**