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**STATE OF VERMONT
GENERAL ASSEMBLY
HOUSE EDUCATION COMMITTEE**

To: Rep. Mitzi Johnson, Chair Vermont House Appropriations Committee
From: Rep. Dave Sharpe, Chair Vermont House Education Committee
Re: Vermont Expenditures for Education referred to in your memo

In our deliberations regarding the priorities for spending on educational programs within the state budget we considered the items 6c and 6e in the Population-Level Quality of Life Outcomes for Vermont as delineated by our results Based Budgeting considerations.

The Education Committee has considered the proposal put forth by the Governor in his budget address and has the following recommendations.

With regard to transfers from the General Fund and the use of unexpected revenues, the Committee agrees with the full transfer to the Education Fund including the statutory inclusion of unexpected revenues.

The Governor's proposes to increase the funding for Adult Education and Literacy from the Education Fund by \$750,000 and in order to keep the fund balanced he has proposed a similar reduction in the appropriation for the Community High School. Since the appropriation to the Community High School is under the purview of the Committee on Institutions and Corrections our Committee is uncertain regarding the wisdom of that reduction. However, should that funding be restored we cannot support an increase in spending for Adult Education and Literacy since it would put upward pressure on property taxes.

With regard to the Governor's proposal for additional spending in the general fund we do not support either the establishment of a new program initially named the Step-Up program and now named the Move-Up program. This program is designed as an expansion of the Man-Up program to a statewide program for both genders. Neither does the Committee support the addition of \$1,000,000 to the Child Savings Account (529 plans). Your Education Committee was presented this program last year as a privately funded program and approved the creation of the fund on the assumption that no public money would be dedicated to the fund. This session, not a year later, the recommendation to put \$1,000,000 of public dollars in the fund has gathered little support.

Alternately, the Education Committee believes that our first priority is to level fund the Agency of Education. The additional cut of \$241,000 proposed by the Governor from an agency that has already suffered severe loss of resources since the great recession is our greatest priority. In the last few years the legislature has asked the agency to provide for the implementation of ACT 77 (flexible pathways and dual enrollment), ACT 166 (universal preschool education), and ACT 46 (larger integrated PreK-12 school districts); all without additional resources. They must also support the additional work of the Vermont State School Board as they deal with expanded responsibilities under ACT 46. It is unreasonable that we have loaded all this work on the agency without providing them with additional resources.

Our second priority is to add \$1,000,000 to the Expanded Learning Opportunities Special Fund. This expansion of expenditures for after school and summer programs earned its high priority because it provides services to students during the most vulnerable times of the day and the year. Since, these days, both parents, if there are two parents, are often not home between the end of school and dinner time, it is critically important that we provide safe opportunities for children.

Our third priority is increased support for the Vermont State Colleges. Higher education support from state funds has stagnated since 2008. Your State Colleges, in particular are suffering from a lack of funds. Since they are highly dependent on tuition to support their budgets we have seen a persistent increase in tuition. This works against college entrance and completion efforts at our state colleges. We recommend that an additional appropriation be included in this year's budget through a provision that the appropriation to the Vermont State Colleges increases each year by the same percentage used to calculate the transfer from the General Fund to the Education Fund. These additional funds must be limited to providing scholarships to Vermont students. We understand from JFO that for FY17 the appropriation would be approximately \$700,000

Our fourth priority is in support of the Dual Enrollment program as the governor has suggested. This is level funded from the last fiscal year and we believe that is appropriate given current budgetary constraints.

Our fifth priority is funding the Complete College Vermont. Although we did not put any money into the program, it is a reasonable way to increase funding to UVM and the State Colleges. This would reward these institutions with funds estimated to be \$2,900,000 for awarding Associates Degrees or Bachelor's degrees to Pell eligible First Generation Vermont graduates. This may be considered if there are sufficient funds.

Our sixth priority is in agreement with the Governor's proposal to begin to fund the Vermont Strong Scholars Program. Although this program is already in existence it has not been implemented due to a lack of funding. We agree with the inclusion of \$113,000 in the Governor's budget even though there was some concern expressed that this was opening the door for a mandatory expansion due to the quasi entitlement nature of the program.