

TESTIMONY
SENATE EDUCATION COMMITTEE
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Stephen Dale, Executive Director
Vermont School Boards Association

Introduction

My name is Steve Dale. I am the Executive Director of the Vermont School Boards Association. I know the majority of you from this committee last year or from previous lives. I started my career as a teacher in Cleveland Ohio and came to Vermont 41 years ago to work as the Juvenile Probation Officer for Windsor County. That began a long career in human services. I worked for the state for a number of years. For a decade, I was director of the Baird Center in Burlington (now part of Howard). For the six years before Governor Shumlin took office, I was the Commissioner of DCF. I served on my local school board for 5 years in the 1980's and I have been in this role for the past four years.

The VSBA represents Vermont's 1450 school board members who serve on some 300 different boards. Vermont has more school board members per student than any other state—by far. We have a board member for every 55 students. The next closest is Maine with 135.

The VSBA exists to further the cause of public education through supporting school board members—assuring they know how to do their jobs and receive the support they need for success—and through serving as the collective voice of school boards in the public arena, including in this building.

I am passing around a brochure which you can read at your leisure. (**Hand Out**)

The VSBA historically, I believe, may have been seen as a strong defender of the status quo-- leave us alone, at all costs. That is no longer the case. The status quo is no longer acceptable. Our challenges are significant and require that we all be willing to make adjustments.

We intend to be strong partners in addressing our issues. Two years ago, together with the VSA, we published our Agenda for a World-Class Education, and worked with the general assembly and the Governor to pass Act 77 which focuses on the personalization of education for our children in a rapidly changing world. We also, together with the VSA, created the “Situational Analysis of Public Education” which can be seen on our website and has called substantial attention to the issues at hand. Last year we were heavily involved with the House Ed committee to address issues of equity, cost and leadership. Although our membership was split on the specifics of H883, we engaged our folks in the issues in a major way.

Major Problems/Possible Solutions

You asked that I come this morning to begin discussing our take on the definition of our problems and some proposed solutions.

My intention is to provide you some general themes. They do not constitute “the VSBA Plan”. 1450 members don’t work that way and, in fact, that may not be helpful to forging a solution in a dynamic and complex environment. We have regular contact with our membership and will be consulting with them as we proceed to work with you toward solutions. I am going to give you the highlights and would ask that we be able to come back and share more detail.

We assume two closely-related issues will dominate the legislative debate on public education. Both are matters of concern to school board members who are

charged with assuring all students in their communities receive a quality education at an affordable price. The first issue is rising property taxes. The second is assuring our ability over the long-run to provide equal access to quality education at a reasonable cost. We believe that both must be addressed this session.

Property Tax Relief

Some measure of property tax relief must be achieved this legislative session. Failure to do so will likely result in a large number of budget defeats with serious consequences for education quality. Local voters are obviously, sufficiently upset with the property tax situation that they see no other way to express their displeasure.

There are four major ways to address property taxes in the short run—

1. Reduce costs (or the growth in costs).
 - a. Local boards need to address staffing levels that comprise the lowest student/teacher ratio in the country. We assume that you will revisit the excess spending threshold and formula to encourage local boards to act where needed.
 - b. We are hoping that the general assembly will take some action to help local boards reduce the cost of health care for employees.
 - c. We are hoping that the general assembly will help boards in the collective bargaining process through looking at the criteria for fact finding. Currently, when negotiations are not going well, and the process eventually goes to fact-finding, the general criteria for an arbiter is “comparables”—other school districts. That is the ultimate “status quo” process. In this

volatile time, we believe there should be other criteria—the situation of other professionals, the economic situation of the area, etc.

d. We would hope the legislature would refrain from passing any unfunded mandates. Every year some new things are added without enough attention to the cost. Make sure costs and funding sources are accurately determined when considering any new ideas.

2. Restrict the education fund (and property taxes) to items that are overseen by local school boards. Find state-level sources for the Community High school of Vermont, Vermont Adult Basic Education, and retired teacher health care.

3. Establish a predictable split in funding sources for the education fund. Over the years, a greater and greater percentage of the education fund has been raised through property taxes. In 2005, 61% of the education fund came from property taxes. This year, 68% comes from property taxes. This slide is partially responsible for property tax growth. The General Assembly should consider establishing a predictable split of, say, 60%-40%.

4. Some consideration should be given for plans that involve increased use of the income tax for all residents. This could result in a much more understandable system, especially since something like 65% of our citizens already pay substantially according to income.

Addressing Equity, Quality, and Cost Over the Long-Run

Equally important is the imperative to assure we can achieve the best education system in the nation at an affordable price. Although as a state we perform better than most, we have significant inequities between students of various socio-economic circumstances and across districts and regions of this state. Our declining student enrollment, combined with little change in the number of personnel, is pushing our cost per student to be the highest in the nation. We

are having trouble attracting and retaining high level education leadership. We must position ourselves to be able to design our systems and deploy our resources more flexibly, while maintaining our strong community roots.

Last year, our association became very active in this debate. Our board unanimously came to the decision that—

1. We have a significant problem (4 dimensions)
2. These challenges require substantial change. The status quo is not acceptable. Public Education is at risk.
3. The VSBA is committed to helping forge a solution that addresses the issues while maintaining deep connections to our communities.

On February 13 of last year, we sent a letter to our entire membership. I have copies for you, because it will help you understand our thinking and how big a deal this was last year. ***(Hand Out)***

We committed to working closely with the House Ed Committee to fashion a path forward. As you know, the House chose to tackle these issues by moving toward larger PreK-12 education districts (H883). We, as an association, contributed heavily to the fashioning of the approach. However, the biggest challenge with the bill was the perception that all districts would be affected equally, regardless of varied circumstances. The VSBA was very supportive of the need to address our fundamental problems, but was divided on the wisdom of the specific H883 approach. In the middle of that debate, we held six regional meetings to engage our membership in the discussion. We heard a profound split amongst our members.

We have not turned away from these challenges since the end of the last session. This past fall, we conducted six regional meetings of our membership which were attended by over 600 people—most of them board members. We shared with them an updated version of our “Situational Analysis” that most of you have seen, and then the Secretary, who came to all of our meetings, presented a version of what she showed you last Friday. Our members then discussed in small groups

what can be done by local boards about our rising costs and our lack of equity in educational opportunity. For those who have not seen the report summarizing those meetings, I have copies. Local boards were, and continue to be, urged to analyze their local circumstances relative to statewide trends, and to take action. A number of local boards and supervisory unions have begun discussing how to come together to create greater scale and improved opportunity. This is not a time for hunkering down.

This year you may want to consider an approach that would be based on the following principles:

- Address concerns about equity, efficiency and quality.
- Allow districts to more flexibly deploy resources.
- Assume more than one strategy, one size can't fit all.
- Local communities need to design and implement their own structural changes.
- Expand incentives.
- Penalties may need to be part of the equation after a set period of time, but must not be the sole lever to induce structural change.

We are committed to continuing to work with you to try to find solutions to our challenges. Education is a joint endeavor between state policy makers who establish the general direction and operate the finance system and local boards who are accountable for assuring a high quality product at a reasonable cost to taxpayers. Ideally, we will develop solutions that can be strongly supported by folks with both a statewide and a local perspective.

We are happy to return to discuss all of these items in greater detail. Thank you.