

S.287 School Finance/Pupil Weighting Overview

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This is a high-level overview of the major components of [S.287, the school finance bill](#) that implements many of the recommendations of both the [December 2019 Pupil Weighting Factors Report](#) and the [December 2021 Pupil Weighting Task Force](#). School finance is complex, especially in Vermont, so this summary does not get into the many weeds in the bill, but please reach out to me if you have questions or would like to dig further into the details of the bill or the impact on your school districts.

- 1) **Pupil Weights.** Updates and expands pupil weights used in the calculation of equalized pupils for the purposes of determining education spending per equalized pupil, and therefore school district tax rates. Includes larger weights for students living in poverty, ELL students, and high school students, and new weights for middle school students, certain small schools, and school districts in low-population density areas. See table below for the current law vs. S.287 pupil weights.

The impact of the new weights will have varying effects for school districts across the state, depending on their mix of students in the district and also the mix of students in other school districts. Because all school districts draw funding from the Education Fund, the weights have an interactive effect, so as some districts gain tax capacity, others lose tax capacity. See the attached district-by-district simulation of the change in equalized pupils and tax rates over five years, as calculated by AOE. It's important to note that the AOE simulations are estimates only, based on FY20 data. The actual impact will depend on numerous factors, including enrollments, local budget decisions, other funding mechanisms, etc.

- 2) **English Language Learners (ELL).** Uses full 2.49 proposed weight for every school district that educates at least one ELL student. In addition, for school districts with 25 or fewer ELL students, provides a mini-grant of \$25,000 or \$50,000 in order to provide sufficient resources to support an ELL teacher. Codifies program requirements, AOE support, and reporting requirements for ELL.
- 3) **Other Financing Modifications.** Implements other financing modifications to make the school funding system more transparent and consistent, including modifying the measurement used for poverty (SNAP → FRPL → Universal Income Form), using all additive weights, eliminating small schools grants, and streamlining merger support grants.
- 4) **Five-Year Phase-In.** Phases in weighting changes by using a five-year rolling average to calculate equalized pupils for a school district. Maintains three-year rolling average after phase-in. Suspends spending threshold, budget ballot language, and average daily membership hold-harmless during transition period.
- 5) **Education Fund Advisory Committee.** Creates an Education Fund Advisory Committee composed of the Tax Commissioner, AOE Secretary, and five education finance experts to provide ongoing analysis and oversight of the Education Fund, and to make recommendations regarding updating pupil weights and

categorical aid amounts, cost control mechanisms, revenue sources and taxation issues, and overall transparency and efficiency.

- 6) **Performance Audit.** Requires a comprehensive performance audit in 2029 of the efficacy of the new set of pupil weights and whether their implementation improves student equity and outcomes by examining a broad set of student performance indicators and education standards, as agreed upon by AOE, the Education Fund Advisory Committee, and the Auditor.
- 7) **AOE Positions.** Provides AOE with 6.0 FTE positions to provide better support to school districts for ELL education, finance and data analysis, poverty measurement administration, staffing the Education Fund Advisory Committee, and working with JFO to recalculate and recalibrate the pupil weights.

Pupil Weights as Current Law vs. S.287 Proposed Values

Category	Type	Current Value	S.287 Proposed
Student Needs	Poverty	0.25	1.03
	English Language Learners (ELL)	0.2	2.49*
Grade Range	Middle Grades Enrollment (6-8)	NA	0.36
	Secondary Grades Enrollment (9-12)	1.13	0.39**
	Pre-Kindergarten	0.46	TBD
Enrollment	<100 Students	NA	0.21
	101-250 Students	NA	0.07
Population Density	<36 persons/square mile	NA	0.15
	36 to <55 persons/square mile	NA	0.12
	55 to <100 persons/square mile	NA	0.07

*Plus mini-grant for school districts with 25 or fewer ELL students

**Represents a change from a base of 1.0 to a base of zero.