

House Education and House Ways & Means
April 4, 2024
Rep. Angela Arsenault

I first want to say that I am a proud graduate of Vermont public schools. My experience as a student in both the North Country and Randolph school systems is part of the reason I knew that no matter where I went after high school, I would eventually come back to Vermont so that my kids could go to school here. Whether it was the multi-grade Primary Unit class I was in from first through third, the incredible dance program at North Country, and one of my favorite educational experiences: Senior Project at Randolph Union High School, even as a kid it was clear to me that good things were happening in Vermont public schools.

That brand of magic is still happening in schools throughout our state, despite the fact that our system (and many of the people who make up that system) are in crisis.

I have experienced this current crisis from a somewhat interesting though not altogether unique perspective: that of legislator and school board member. I know how it feels when a school board spends years planning for a gigantic shift in education funding, only to have the legislation changed not at the last minute, but in fact, after you've already warned your budget. Over the years, I've been in multiple meetings where folks are blaming "Montpelier" for the unsustainable increase in taxes, or the bungled roll-out of e-finance and Act 173, the absolute mess of a switch to a new statewide assessment, the mandated change to proficiency-based education without the necessary supports – the list goes on and on; so many decisions made in rooms like this one having such significant effects on the people inside our schools and the volunteer school boards working to support them.

Because of this perspective, I must borrow from the Hippocratic Oath and impress upon us all the intense need to first do no harm. Please do not think about making the important and necessary changes ahead without a clear understanding of who and what will be impacted. And please do not simply rely on past experience, or the Agency of Education, or tax models to predict that impact. Talk to the people who will feel the changes most immediately: our students, caregivers, teachers, administrators, support staff, school counselors, and our taxpayers.

These voices together can help us re-envision a statewide educational system that starts with a dream for every student in Vermont. Once we have a handle on that dream we can figure out how to fund it. It cannot happen the other way around. We must lead with education policy and let the funding formula follow.

Speaking of that formula, whatever happens next, we need it to be more transparent. In our laudable (and Constitutionally-mandated) efforts to be super equitable, we have created an educational funding system that is so opaque as to be deceptive. Nobody is *trying* to be untruthful, but when we work so hard to hide the fact that some districts pay more into the system than they spend, there is virtually no connection between an individual taxpayer, their tax rate, and an understanding of what their money funds. Similarly, we've severed the

connection between districts, their spending, and the resulting tax rates in their respective towns.

This is evidenced by our school district, Champlain Valley. Our second warned budget (because our original budget proposal failed) represents a 5.8% increase in spending from FY24, well below the statewide average, yet our tax rates are estimated to increase between 10 and 18% across our five towns. Our failed budget required tax rate increases between 21 and 30%. Reducing the tax rate increases required our administrators to cut 42 full-time equivalent positions. Forty-two positions.

And I'll note that we now face a potential second failed budget because our community members are so upset about the cuts that are being proposed. School districts are in an impossible situation.

We've also created a system that allows such incredible leakage of taxpayer dollars that we've essentially lost track of what's coming out of the education fund. How many taxpayers know that their money goes to independent schools, some of which discriminate against students of various backgrounds? How many Vermonters understand that school districts are paying for a number of social services – most notably mental health services for students?

At a recent school board meeting, our district's superintendent shared a quote that feels particularly relevant to this conversation. Economist and composer W. Edwards Deming said that every system produces the outcome that it was designed to produce. Our current funding system was designed to be confusing and it is. That has to change.

So what can we do in the near-term to clear up some of this confusion and provide immediate relief to taxpayers?

I understand the cloud tax is currently written into the yield bill. I think that will help – if it's sustainable. But please don't buy-down the tax rate as we have in the past couple of years. Artificially suppressing tax rates contributed to the massive tax rate increases that helped defeat dozens of school budgets this year.

And to that point, we need to have a plan for districts that don't pass a budget. I don't presume to know where that help could come from, but I do know that school districts have cut and cut and cut and third attempts to pass a budget will have disastrous impacts on students. We need to plan for something better than the statutorily allowed loan of 87% of a district's most recently passed budget.

Finally, about the yield. It makes no sense that we ask voters to vote on a best guess tax rate. We can make changes to timing that will again increase transparency and make clear for voters that every district's budget impacts the entire state.

I acknowledge that I haven't offered a lot of solutions here. My overarching and deeply held belief is that we will likely have to ride out this disaster for FY25, learn all that we can and make small changes to provide some relief in FY26, then celebrate a beautiful new, cohesive statewide vision for education and education funding in FY27 – one that takes into account the problematic nature of Vermont's parallel systems of public and private institutions, one that embraces the notion of "same dollars, same rules," one that acknowledges that numbers do not always tell the full story of needs, and one that centers student opportunities and achievement. A statewide system that points all schools and districts toward a set of common goals that best utilize available resources.

With your leadership and the magic of Vermont public schools, I know we can get there.