

Ed Finance – joint hearing w Ways&Means and House Ed

Comments of Rep. Kate Lalley

Thank you for the opportunity to comment on Education financing.

Everything we do in government is shaped by public perception around our ability to balance services with affordability for constituents and the message many of us are hearing is that we are failing at this.

We all recognize that certain students cost more to educate than others and are committed to ensuring a quality education for all Vermont students. The revised equalized student formula from act 127 coupled with desire for districts to retain the services they'd become accustomed to must be balanced against the loss of pandemic-era funding and the true costs of local control. This has meant no investment in facilities, no accountability for outcomes for the kids in the districts and significant redundant administration. All in a context where the school population declines each year, particularly in rural VT. As the rollout of equalized student adjustments proceeds it should be paired with strong incentives to rein in spending statewide. The Community Schools Shared Services Model is an important first step towards efficient and more cost-effective delivery of many essential services at scale.

The weighting measures in Act 127 do not take account cost of living differences across the state. The median housing price in Chittenden county is 60% higher than the statewide median, and is 2-3x that of rural counties. This plays itself out in what districts need to pay every staff person. We need a more balanced view of the actual educational cost distribution across the state. We all want equality of opportunity for our kids, but the formulas in Act 127 are not reflective of cost realities.

In the CVSD district staffing costs are approximately 80% of the budget. Driving up salaries for staff are employee shortages as the work in schools becomes more challenging, and in Shelburne a 734K median home cost. At the same time we have rising costs for heat, transportation, and to maintain fraying infrastructure. Shelburne is revising its zoning to encourage new lower cost housing by increasing density and balancing cars and transit, but building housing in the quantities needed in our region will take time.

We already have among the highest cumulative tax rates in the country, so we need to focus as a state on where we see the returns on investment if we're going to ask ever more of our taxpayers. To benchmark what's a "sustainable" level of statewide spending looking at outcomes (NAEP scores etc.) in some other states is informative. We spend over 22% more per student in Vermont vs. New Hampshire & Maine (US DOEd data), without better educational outcomes. This comes at the same time we are spending very near the bottom nationwide in school facilities, accumulating an ever larger deficit in this area.

Finally, dollars we invest in education are those we aren't investing in drug treatment, climate mitigation, affordable housing, walkable and bikeable communities and other worthy investments, so when we look at ed spending reform it needs to be undertaken in the context of balancing it against other pressing needs.