
Act 173

House Education Committee

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Outcomes

- **Review of the Act**
 - ◆ Programmatic Changes
 - ◆ Funding Changes
- **Advisory Group Recommendations**
 - ◆ Implementation
 - ◆ Funding Implications
- **Intersection with Current Policy Context**
 - ◆ Special Education Funding
 - ◆ Adequacy models



Policy Background

In 2016, the General Assembly commissioned two studies which would inform Act 173:

- ***Special Education Funding Study***: Evaluated special education funding in Vermont and provided recommendations for new models that would enable innovation in the delivery of services
- ***District Management Group Report***: Evaluated current Vermont practices for serving students who struggle against evidence-based practices



Purpose & Legislative Intent

Act 173 of 2018

- “...enhance the effectiveness, availability, and equity of services provided to all students who require additional support in Vermont’s school districts”
- “To support the delivery of these services, the State funding model for special education[...]will provide more flexibility in how the funding can be used, is aligned with the State’s policy priorities of servicing students who require additional support[...]and will simplify administration”



Funding Changes

Shift from a reimbursement model to a census-based model

- Replaces the current reimbursement model with a census-based (per student) grant
- Districts receive the grant based on general education enrollment, not weighted pupils
- Census grant is not impacted by varying rates of special education identification
- Intends for funds to be used flexibly to support a school's multi-tiered system of supports for struggling learners



Programmatic Changes

Supporting Struggling Learners

- Schools required to develop multi-tiered systems of support (MTSS) for students who are struggling
- Emphasis on the District Management Group recommendations:
 - Ensure elementary core instruction meets the needs of most students;
 - Provide additional instructional time outside core subjects aligned to the core instruction, to students who struggle, rather than providing interventions;
 - Ensure students who struggle receive all instruction from highly skilled teachers;
 - Create or strengthen a systems-wide approach to supporting positive student behaviors based on expert support; and
 - Provide students with more intensive support needs with specialized instruction from skilled and trained experts.



	FY2022	FY2023	FY2024-FY2025	FY2026+
Funding Model	AOE will reimburse 60% of all special education expenditures	AOE calculated a census amount for each SU. Every SU will receive a grant equivalent to the census amount multiplied by its long-term membership	AOE provided census grants based on a published schedule that gradually moves all SUs to the uniform base amount, multiplied by each SUs long-term membership	All SUs will receive the Uniform Base amount multiplied by the SU's long term membership
Service Plans	Modified service plans (primarily for extraordinary cost students and federal requirements)	Special education expenditure plans submitted to the Agency to report districts' anticipated extraordinary expenditures and current year special education staff survey.	Special education expenditure plans submitted to the Agency to report districts' anticipated extraordinary expenditures and current year special education staff survey.	Special education expenditure plans submitted to the Agency to report districts' anticipated extraordinary expenditures and current year special education staff survey.
Threshold for Extraordinary Costs	State reimburses at statewide rate for the first \$60k and 95% thereafter	New statutory formula	New statutory formula	New statutory formula
Special Education Rules	Rules adopted; professional development	New rules in effect (July 1, 2022)	New rules in effect	New rules in effect

Advisory Group

Act 173 created a census-based funding advisory group with three duties:

1. Advise the State Board of Education on the development of rules necessary to implement the Act
2. Advise the AOE and supervisory unions on the implementation of the Act; and
3. Recommend to the General Assembly any statutory changes necessary or advisable to meet the goals of the Act.



Advisory Group Recommendations

Advise the State Board of Education on the development of rules necessary to implement the Act

- Rule Series 2360 (special education programs)
- Rule Series 2200 (independent schools)
- Implementation of associated rule changes



Advisory Group Recommendations

Advise the AOE and supervisory unions on the implementation of the Act

- Identify the evidence-based practices and framework for implementation
- Design a multi-disciplinary model for professional development that would be accessible to districts at all levels of implementation
- Identify those districts that would need significant implementation support so that professional learning resources could be targeted
- Develop an accountability mechanism for ongoing implementation monitoring that operates independently of a structure such as the Advisory Group



Advisory Group Recommendations

Recommend to the General Assembly any statutory changes necessary or advisable to meet the goals of the Act.

- Timeline
- Future recommendation for the legislature to consider the intersection of revised pupil weights on the census amount calculation: “...before recommending changes to the census grant calculation, implementation of the revised pupil weights would be essential.”



Ongoing Implications

- Census Grant calculation has a cost of living adjustment. If special education spending exceeds that adjustment, state funding does not increase
- Census grant is calculated on enrollment (ADM), not weighted pupils.
- Federal requirement that LEAs “maintain effort” - spend at least as much in support of special education as the previous year
 - ◆ MOE is an expenditure test; it is blind to where the funding comes from. If you receive less state support for special education, **it does not remove your obligation to spend what you did the previous year**
- Ongoing implementation support



Current Policy Considerations

- **Implementation variability of MTSS and the instructional recommendations in Act 173**
 - ◆ The strength of the general education system impacts special education costs
- **Any adequacy formula will need to consider implementation of MTSS as defined in Act 173 - it is part of “base programming”**
- **Consider additional programmatic research (not just funding formula research) in determining adequate financial support for full implementation of 173**



Questions?

