

Special Education Funding

House Committee on Education

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Ezra Holben, Fiscal Analyst, Joint Fiscal Office



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The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this presentation is meant to provide information for legislative consideration, not to provide policy recommendations



Level Setting

- Special Education spending in fiscal year 2024 was \$448.4 million
 - Including categorical aid and district spending
 - Not including federal funds
- Long-Term Weighted Average Daily Membership (LTWADM) is the weighted student count that drives funding to a district



Level Setting (continued)

- H.454 As Passed the House included three tiers of weights for Special Education:
 - Category A includes students with a specific learning disability (SLD) and speech or language impairment (0.79 weight)
 - Category B includes students with an emotional disturbance (ED), intellectual disability (ID), and other health impairment (OHI) (1.89 weight)
 - Category C includes students with autism spectrum disorder (ASD), deaf-blindness (DB), hearing impairment (HI), multiple disabilities (MD), orthopedic impairment (OI), traumatic brain injury (TBI), and visual impairment (VI) (2.49 weight)

Note: for further detail please visit https://ljfo.vermont.gov/assets/Subjects/H-454-As-recommended-by-House-Ways-and-Means-Draft-4-1/weighting-update-memo-to-JFO-revised-4_8_25.pdf



Special Education Spending Since Fiscal Year 2020

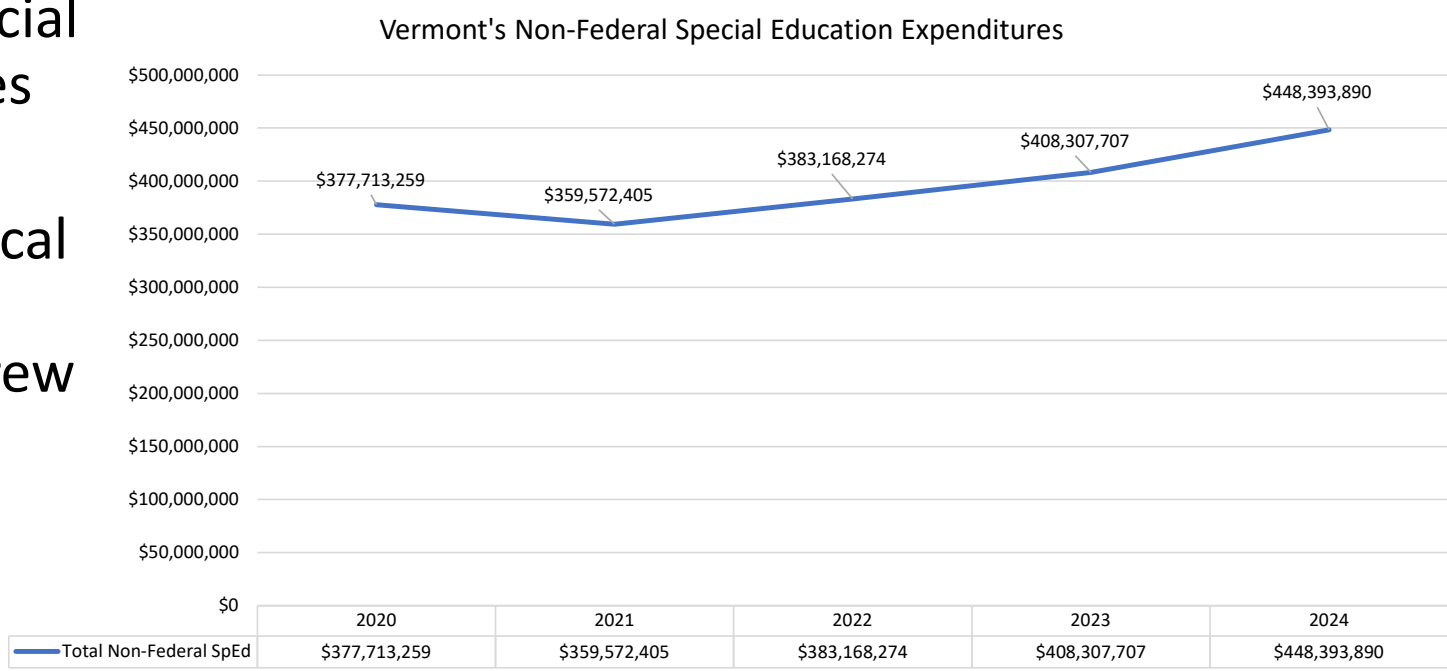


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Non-Federal Special Education Spending (FY 2020-2024)

- From fiscal year 2020 to 2024, non-federal Special Education expenditures grew by 3.7%
- For reference, from fiscal year 2020 to 2024, Education Spending grew by 6.07%



Note: fiscal year 2020 saw the onset of the pandemic. This likely skews data; this year was used as it is the start of the dataset.

H.454 As Passed by the House



Weights in H.454 As Passed by the House

- Reflective of the weights and base in the April 3, 2025, Kolbe and Baker memo
- Modeled with the Small School weight only applicable to sparse districts

Base + Weight Categories	H.454 As Passed by the House
Base	\$15,033
FPL	1.02
EL	1.39*
Grades 6-8	0
Grades 9-12	0
Small school, <100	0.21
Small school, 101-250	0
Sparsity, <36 people per sq mile	0.13
Sparsity, 36 to <55 people per sq mile	0.13
Sparsity, 55 to <100 people per sq mile	0
Total LTWADM Generated	122,955
Total Funding Generated	\$1,914,755,697

*H.454 As Passed includes tiered EL weights; due to data suppression, the single EL weight recommended in the Kolbe & Baker memo is used.

Note: for further detail on the memo, please visit https://ljfo.vermont.gov/assets/Subjects/H-454-As-recommended-by-House-Ways-and-Means-Draft-4-1/weighting-update-memo-to-JFO-revised-4_8_25.pdf



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Special Education Tiered Weights H.454 As Passed by the House

- Reflective of the weights and base in the April 3, 2025, Kolbe and Baker memo

Base + Weight Categories	H.454 As Passed by the House (tiered weights based on disability cost categories)
Base	\$15,033
Category A	0.79
Category B	1.89
Category C	2.49
Total LTWADM Generated	25,332
Total Funding Generated	\$380,812,649

Note: for further detail on the memo, please visit https://ljfo.vermont.gov/assets/Subjects/H-454-As-recommended-by-House-Ways-and-Means-Draft-4-1/weighting-update-memo-to-JFO-revised-4_8_25.pdf



Overview of Modeling



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Underlying Assumptions

- Use fiscal year 2024 data at the Supervisory Union level
 - Data constraints make using district-level data difficult
- Supervisory Union level data was collated into the VSBA* Regions to demonstrate a hypothetical consolidated education system
- Fiscal year 2024 data inflated to fiscal year 2025 using BLS' ECI** inflator to match Kolbe and Baker's methodology
- Special Education spending on the next tables are only the amount of funding generated by the special education weights
 - Represents special education spending in the new formula
 - Does not include the base of \$15,033



*Vermont School Board Association

**Bureau of Labor Statistics' Employment Cost Index

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Overview of Spending Analysis by VSBA Districts



VSBA Regions

- VSBA divides the state into 11 regions “for organization and administrative purposes, [...] generally organized around the following counties”

ADDISON

Addison Central SD
Addison Northwest SD
Lincoln SD
Mt. Abraham USD
Patricia Hannaford Car. Ctr.

BENNINGTON

Bennington-Rutland SU
Southwest Vt Reg. Tech Ctr.
Southwest Vermont SU

CENTRAL VT

Barre UUSD
Central Vermont SU
Central Vermont Career Center
Harwood UUSD
Lamoille North SU
Lamoille South SU
Montpelier-Roxbury SD
Orange Southwest SD
Washington Central UUSD

EASTERN CHITTENDEN

Champlain Valley SD
Essex-Westford SD
Mt Mansfield UUSD

FRANKLIN/GRAND ISLE

Franklin Northeast SU
Franklin West SU
Grand Isle SU
Maple Run USD
Missisquoi Valley SD

KINGDOM NORTH

Essex North SU
North Country SU
Orleans Central SU

KINGDOM SOUTH

Caledonia Central SU
Kingdom East SD
Orange East SU
Orleans Southwest SU
St. Johnsbury SD
Rivendell Interstate SD

RUTLAND

Greater Rutland County SU
Mill River UUSD
Rutland City SD
Rutland Northeast SU
Slate Valley USD

WESTERN CHITTENDEN

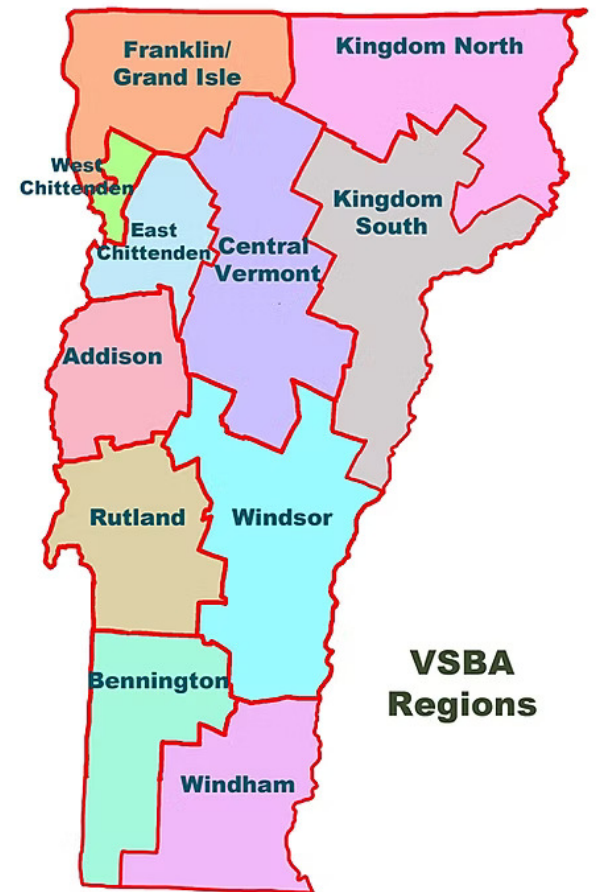
Burlington SD
Colchester SD
Milton SD
South Burlington SD
Winooski SD

WINDHAM

Windham Central SU
Windham Northeast SU
Windham Southeast SU
Windham Southwest SU

WINDSOR

Hartford SD
Mountain Views SU
River Valley Tech Ctr
SAU 70
Springfield SD
Two Rivers SU
White River Valley SU
Windsor Southeast SU



**VSBA
Regions**



Overview of Funding Analysis

- Estimates of the amount of funding VSBA regions would receive under H.454 As Passed by the House
 - Other district configurations would impact estimates



Special Education Spending Current Law vs H.454 As Passed by the House

Tiered SpEd Weights Based on Disability Cost

- In relative percentage change, the region that sees the smallest reduction is Rutland (-7.0%)
- In relative percentage change, the region that sees the greatest reduction is Windham (-34.6%)

VSBA Region	Estimated FY25 Special Ed. Spending (non-federal)	H454 As Passed by the House	\$ Change	Relative % Change
Addison Total	\$18,422,055	\$15,062,314	-\$3,359,741	-18.2%
Bennington Total	\$32,130,774	\$28,220,699	-\$3,910,075	-12.2%
Central VT Total	\$64,152,457	\$49,663,019	-\$14,489,438	-22.6%
Eastern Chittenden Total	\$50,969,776	\$38,198,402	-\$12,771,374	-25.1%
Franklin/Grand Isle Total	\$44,786,316	\$41,658,698	-\$3,127,618	-7.0%
Kingdom North Total	\$25,863,072	\$19,454,957	-\$6,408,115	-24.8%
Kingdom South Total	\$48,255,321	\$41,175,086	-\$7,080,234	-14.7%
Rutland Total	\$34,223,969	\$31,265,032	-\$2,958,937	-8.6%
Western Chittenden Total	\$66,877,678	\$54,112,336	-\$12,765,342	-19.1%
Windham Total	\$38,399,344	\$25,115,032	-\$13,284,312	-34.6%
Windsor Total	\$41,688,392	\$36,887,073	-\$4,801,318	-11.5%
Total	\$465,769,153	\$380,812,649	-\$84,956,504	-18.2%



Considerations



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Considerations

- Different district configurations would result in different estimates
- The loss of federal funding would impact these estimates
- Data suppression prevents modeling on the disability tier of all students at the Supervisory Union level



Questions?



Resources

- JFO Website:
 - <https://ljfo.vermont.gov/subjects/education/education-fund-outlooks>
 - https://ljfo.vermont.gov/assets/Uploads/e11b031427/Final-Report-Weighting-Study-Task-Force-12_17_21.pdf
 - https://ljfo.vermont.gov/assets/Subjects/H-454-As-recommended-by-House-Ways-and-Means-Draft-4-1/weighting-update-memo-to-JFO-revised-4_8_25.pdf
- January 30, 2025 Kolbe Testimony:
 - <https://legislature.vermont.gov/Documents/2026/Workgroups/House%20Ways%20and%20Means/Bills/H.454/Education%20Finance/W~Tammy%20Kolbe~Design%20Considerations%20-%20Establishing%20a%20Foundation%20Formula%20for%20Vermont~1-30-2025.pdf>

