

TO: Senate Committee on Education

FROM: Jeff Fannon, Vermont-NEA Executive Director

DATE: January 9, 2026

RE: Testimony about the Report of Act 73 School District Redistricting Task Force

Thank you for inviting me to share with you some thoughts about the report by the Act 73 School District Redistricting Task Force, as well as discuss Vermont-NEA's 2026 legislative priorities. I want to acknowledge and appreciate this committee for traveling around the state in November and December to see the hard and amazing work happening in our local public schools. Spending a full day in a school helps to give you a sense of the realities on the ground. We hope that as you embark on your work this session, you hold on tightly to the voices of the students and educators from whom you heard. It is their good work and their successes and challenges every day, in every school in every community, that grounds our work in the building and I hope it will be for you as well.

Vermont-NEA believes the School District Redistricting Task Force (Task Force) outlined a reasonable approach to forming new local public-school districts that rightfully calls for seeking strategic and incentivized, though voluntarily configured, mergers that make sense in those communities over a reasonable timeline. The Task Force took a measured approach to its work and used facts and evidence to support its recommendations. That work included recommending 5 CESAs (Cooperative Education Service Regions) that are similar to BOCES that more than 40 other states already have in place and what Vermont now allows pursuant to Act 168 (2024). These 5 regional CESAs would allow school districts to streamline services, purchases of goods and services, and other cost-saving measures. Finally, the Task Force recommended larger comprehensive regional high schools that would be voluntarily visioned, and incentivized through construction aid support, to offer better student academics, access to CTE locally, and improved physical plants. Of course there would need to be school construction aid, but with the second oldest in the nation school infrastructure already, this was an existing priority, and the Task Force, again, thoughtfully combined the consolidation goals of Act 73 with the reality on the ground.

The Task Force's recommendations are not perfect, but we do applaud their work and efforts to achieve the goals of Act 73 in a very time-constrained period, without the necessary data and supports necessary for such an undertaking. We agree that change is essential and Vermont-NEA's policy priorities recognize that reality.

Vermont-NEA legislative priorities are attached, but I want to lift up one of those issues in particular. The issue of property tax relief is a strategic goal Vermont-NEA shares with what I imagine is every member of the General Assembly. We think it is long past time to abolish the

residential property tax and instead move to an income tax with which to fund education. The details of that proposal are also attached. In short, the goal is to fix the income sensitivity cliffs, rebalance the ed fund to remove expenses that previously were general fund obligations that were shifted to the property tax, and eliminate the residential property tax. The time is now to make these changes, and it can and should be done while we follow the recommendations of the Task Force.

I would be remiss if I did not thank you for your successful work last year in establishing reference-based pricing to rein-in hospital costs. (Act 68) That law, when implemented fully in 2027, will save tens of millions of dollars for school districts and school employees. That is a win-win that will make a difference going forward, and it is the type of collaborative legislating that will reduce taxes. Additionally, your work to cap the cost of hospital administered medication (Act 55), combined with the October 2025 budget orders by the Green Mountain Care Board and the work of the VEHI Board of Directors will directly result in savings of \$40 million starting July 1, 2026 to property taxpayers and the 35,000 Vermonters on VEHI plans. The road ahead is hard but we know the direction we must go to realize healthcare affordability for all Vermonters.

I will end by noting that our members – teachers, bus drivers, paraeducators, school counselors, food service workers – get up everyday to give Vermont students their all. As Governor Scott noted, they are working under trying and challenging circumstances with more and more students and families struggling – and those struggles show up everyday in our schools across the state. Last year, because of local school budget cuts, we know that over 400 educators lost their jobs and we are anticipating that this year will be similar. Collectively, this was the single largest job loss in Vermont made by any employer, private or public. These cuts affect kids, the opportunities they have access to, and middle-class jobs in our communities. The work ahead is hard, but please do not lose sight of the kids, communities, and Vermonters who will be impacted by your decisions for decades to come.

Thank you for giving me some time today, and I am happy to answer any questions.