

Vermont Principals' Association
Supporting Leaders & Learners

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Written Testimony

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House Ways and Means

Considerations for Education Finance

For the record, Jay Nichols, Executive Director Vermont Principals' Association. Before my 8 years in this current role, I was a principal and superintendent for over 20 years serving in choice districts, non-choice districts, and as a superintendent with both in the same system. I also have taught Education Finance at the college level. I have decided to provide my testimony in the manner of bullet points:

- First, do no harm. Do not rush into financial decisions without looking at potential unintended consequences. This should go without saying AND oftentimes political pressure to do something leads to rash decisions with long term negative impacts
- Equity is key. Many foundational formulas in some states have actually contributed to disparity. The details really matter. If you have a foundation formula that is underfunded and allows locals to raise more money, poorer districts will typically go with the minimal base amount and wealthier districts will vote to spend more – leading to greater inequities. This happened in Alaska, for example, when the state for many years went without raising the foundation formula base amount
- Formulas that are looked at every legislative cycle can be held hostage to the political whims of the day and of course the economic context of the times. A formula would need to have an appropriate Base Education Amount, appropriate weighting for higher cost to educate students AND some type of inflationary index built into the law so that future General Assembly's don't underfund public education.
- Do not decrease the amount of money going to school districts before fixing key cost drivers such as health insurance increases, unfunded mandates, scale and governance issues. If you just lower the amount you spend in education funding without doing the hard work of making necessary changes you will simply cut programs and hurt schools and kids. That is a fact. The idea we could cut nearly \$200 million dollars from education funding without making any governance changes first is nonsensical to me. The only way you make those type of cuts is to cut personnel. When you cut personnel, especially without changing governance, and moving toward so called right sizing, the problems

are still there, the kids still have the same issues, there are just less people and resources to support those issues. That should be a non-starter.

- It concerns me that we may end up with a system in which there will be a Base Education Amount that may not really be enough to sufficiently fund the system and then local districts will go out to voters for a levy or tax on a greater amount. To the degree possible, we need to meet the spirit of Brigham and ensure that the state is responsible for the education of all Vermont students and that means that our most vulnerable students and communities are protected.
- We need to make sure that any base amount and weighting formula would apply to all schools whether independent or public if they are utilizing public monies. We currently have an inequitable system and we should take steps to make sure it is as equitable as possible.
- How do we address the huge disparities in salaries across the state? One of my biggest concerns with a move to just five school districts – at sizes that much research indicates may be too big in terms of student outcomes, is how do we address those major differences? Teachers working in the same districts are rightly going to want to be paid the same amount with similar years of experience and similar positions. I realize this is Way and Means and we are focusing on financial impact AND the differences in pay scale is another reason why I think 5 districts for the whole state is much too aggressive in such a short timeline. I think a better approach would be to make all supervisory unions into school districts and to combine school districts that are deemed to be too small for effectiveness and efficiencies and start from there.