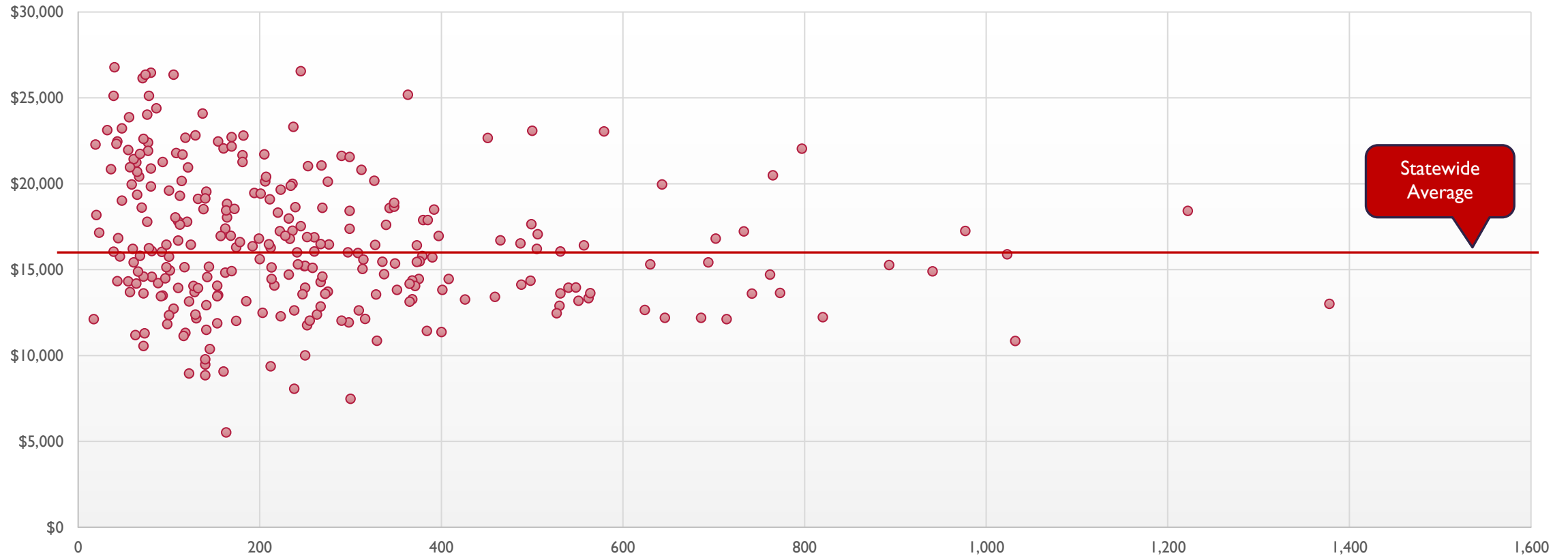


H.955

WHAT IS THE MOST EFFECTIVE MODEL FOR
RURAL EDUCATION?



District Size vs PPE (FY2023)

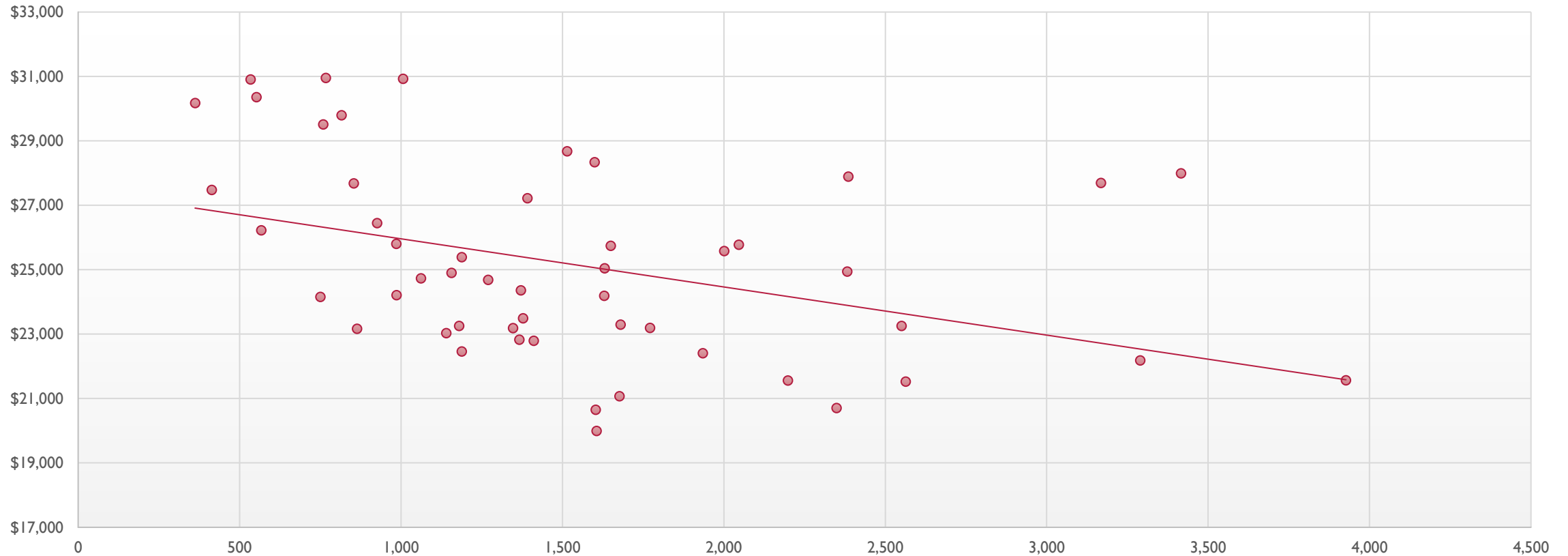


R = 0.04

**THE DATA INDICATES SCALE DOES NOT ACTUALLY
YIELD SAVINGS AT THE DISTRICT LEVEL**

Source: CFV – [Education Outcomes & Spending 2024](#)

SU Size vs PPE (FY2023)



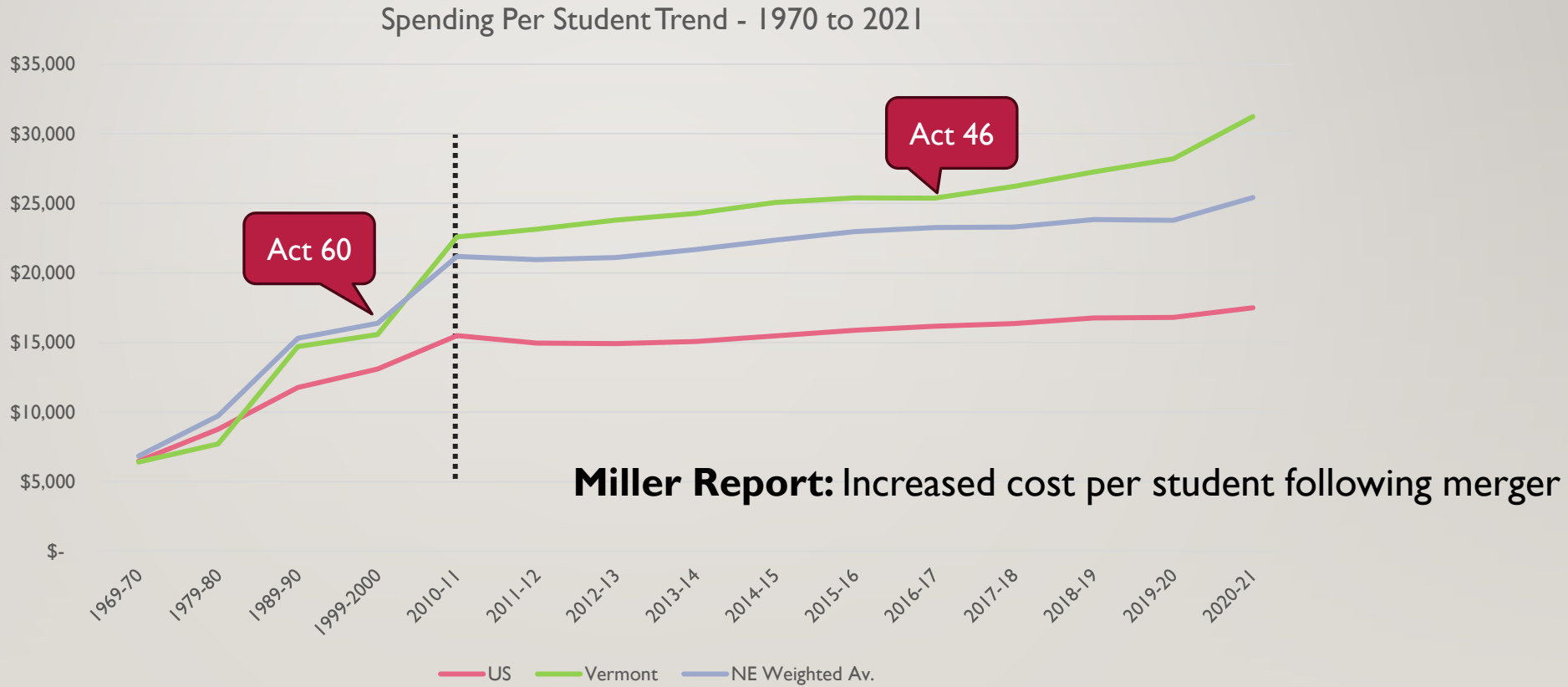
R = 0.16

HOWEVER, SAVINGS EMERGE AS SUPERVISORY UNION SIZE INCREASES

Source: CFV – [Education Outcomes & Spending 2024](#)

WAS ACT 46 SUCCESSFUL?

Source: National Center for Education Statistics – [Digest of Education Statistics](#)



H.955 – THE GOOD

- Creates regional shared-service providers aimed at achieving scale.
- Acknowledges that meaningful efficiencies may be more achievable at the supervisory union or service-area level than through district consolidation alone.
- Mergers are encouraged but are not mandated.
- Requires formal analysis before any district unification proposal goes to voters.
- The new special education language regarding maintenance-of-effort requirements.
- Encourages some level of regional thinking about Pk-12+ education.
- The new regional assessment district structure enhances stability.

H.955 – THE BAD

- The House map may lead to impractical or undesirable merger study groupings.
- Derails focus on shared services by requiring both districts and CESAs to immediately pivot to merger activities instead of focusing on achieving efficiencies.
- Shared services are left as optional, which means so are the savings.
- Compresses a complicated governance review into a relatively short timeline.
- Lacks a mechanism to guarantee long-term savings or to measure progress.
- Delays the implementation of the foundation formula until at least 2030.

H.955 – WHAT SHOULD BE CHANGED?

- Get rid of the House 27-district map. Let districts choose their partners.
- Either merge SUs first or replace them with appropriately-sized CESAs.
- Shared services (at least core ones) should be mandatory, not optional.
- Create a commission to review if any new services should become mandatory.
- Re-balance the timeline: shared services > foundation formula > mergers
- Tie CTE governance and funding into the new SUs/CESAs.

WHY WE PREFER THE SENATE MODEL

- Focuses on changing SU's first before adding new layers to the education delivery system.
- The scale of the SU map is more optimal for geographic and membership size.
- Allows for more flexibility between districts seeking to partner with each other.
- Likely a faster pathway to the foundation formula.
- Vertical integration of CTE is more achievable.

SENATE MODEL – WHAT SHOULD BE CHANGED?

- Re-balance the timeline: shared services (via SUs) > foundation formula > mergers
- Tie in CTE governance and funding into the new SUs/CESAs.
- Remove the mandatory merger component of the process OR require that full cost-benefit analysis be performed for each merger.

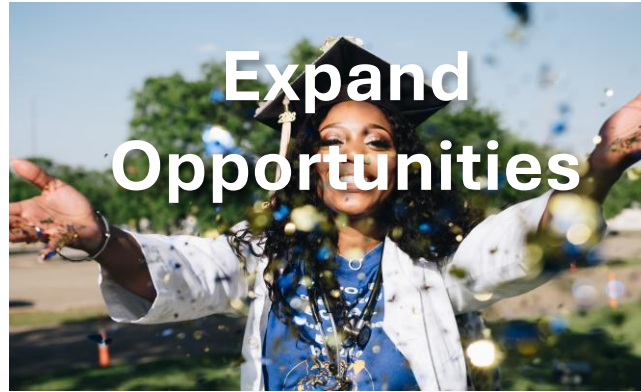
WHY NOT DISTRICT CONSOLIDATION?

District consolidation, as a cost-control measure, is disfavored for several reasons:

- Risk of breaking community ties and engagement.
- Regression analysis does not show that larger districts perform better in VT.
- Increased costs from contract buy-out/level-ups and support services totaled almost \$1,500 per student. Wiping out much of the administrative savings from Act 46.
- National literature shows mixed results from district consolidation, mostly cautions against assuming it will save money.

NATIONAL LITERATURE PAINTS A CAUTIONARY PICTURE

- “As the size of the consolidated district increases past 3,200 students, costs are expected to rise, not fall.” – University of Texas study
- “Although larger schools can be more cost effective in some budget categories, these savings are often offset by diseconomies of scale, defined as the financial disadvantages associated with the increased size of an organization.” – Streifel et al in a 50-state review of consolidations
- “Overall, consolidation is likely to lower the costs of two 300-pupil districts by over 20 percent, to lower the costs of two 900-pupil districts by 7 to 9 percent, and to have little, if any, impact on the costs of two 1,500-pupil districts.” – Duncombe & Yinger (Syracuse University, 2001)



WE CAN

CHART A BETTER FUTURE

QUESTIONS?

CAMPAIGN
FOR VERMONT

CampaignForVermont.org