



## **VASBO Position on Senate Education version of H.454**

**Re:** H.454 – Transforming Vermont’s Education Governance, Quality, and Finance Systems

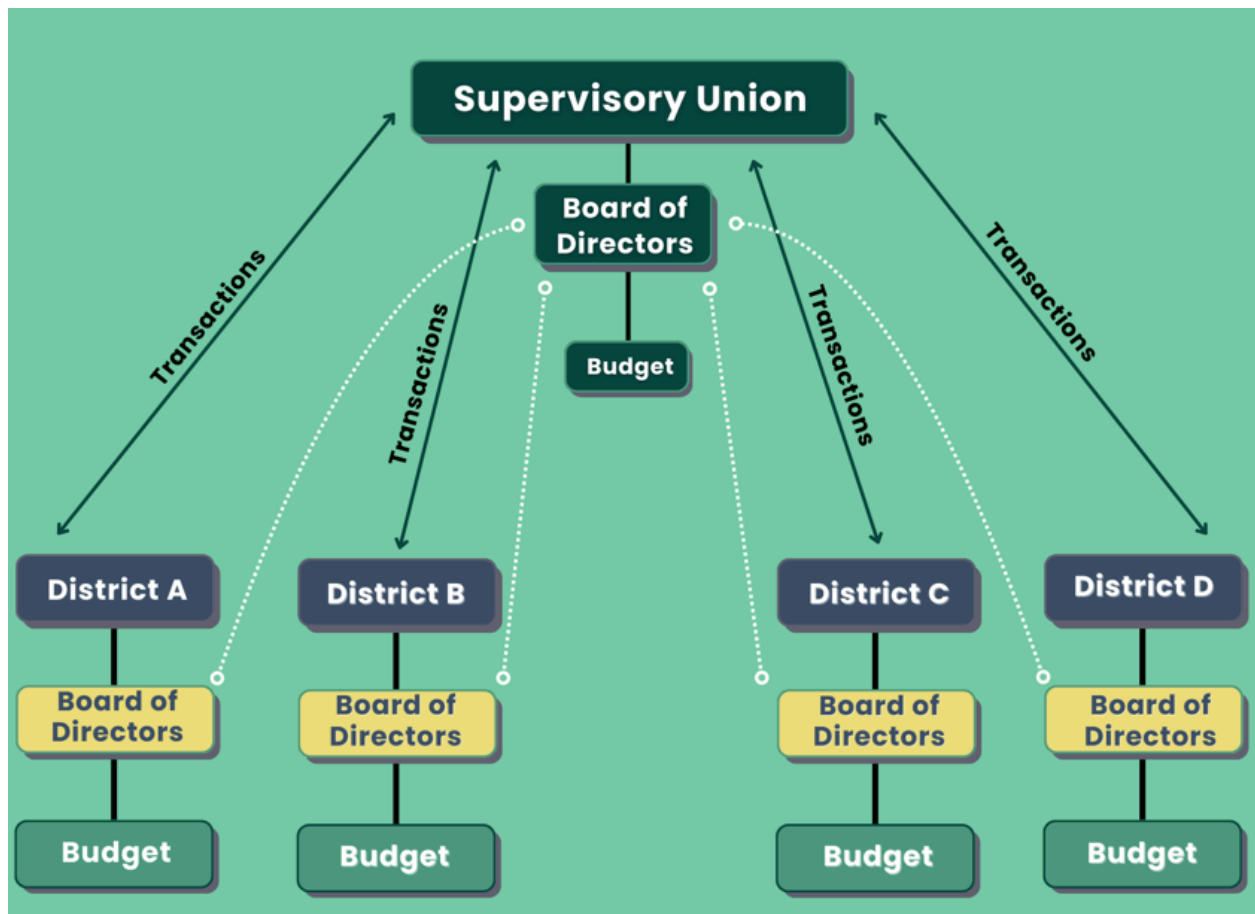
**From:** Heather Bushey, President of Vermont Association of School Business Officials (VASBO)

**Date:** May 6, 2025

I am submitting this memo on behalf of the Vermont Association of School Business Officials. The Business Officials are responsible for oversight of the budget and finances of our school districts. Given our responsibilities and expertise, Business Officials are well positioned to identify areas that will impact cost and efficiencies in the operation of our school districts. It is with this in mind that we would like to share our thoughts on the Senate Education version of H.454

### **Supervisory Unions**

The Senate bill maintains supervisory unions (SUs) as a structural component. VASBO supports reconfiguring SUs into school/supervisory districts, because SUs are inefficient and impose unnecessary administrative burdens and costs. The SU structure requires supporting multiple boards and multiple budgets. Even in the smallest of SUs, with two districts, this means running three separate payrolls, having three separate financial statement audits, and preparing three separate budgets. In addition, this structure makes it difficult to share staff across schools, a critical component of achieving scale in our small schools. We have to hire staff in one entity and bill back the others for time in different districts. This is not only extra bookkeeping work to make this happen, but also has implications for staff such as reporting to more than one supervisor, and accruing seniority in one but not another district. These types of “inter-company” transactions occur frequently within the SU structure. Figure 1 below presents a graphical depiction of the supervisory union structure and complexities. Given the bill’s stated objective for the School District Boundary Task Force proposal of “gain[ing] efficiencies and potential cost savings”, we strongly recommend that supervisory unions should be removed from H.454 as they will have the opposite impact.



## Statewide Cohesion

VASBO fully endorses the bill's direction toward greater statewide cohesion in several operational domains.

- A cohesive school finance system and statewide student information system is vital to data consistency, transparency, and accountability.
- Statewide graduation requirements will support consistent educational opportunities for students across the state.

In addition to these steps, VASBO also supports a unified statewide school calendar to streamline planning and coordination across the State. All of these steps toward greater cohesion will also support greater access to career and technical education.

## Cost Drivers

VASBO has testified extensively on the need to address the underlying cost drivers in the education system. While H.454 and other legislation introduced this session have begun to tackle some of these issues, the broader, systemic challenges driving education costs in

Vermont remain largely unaddressed. We will continue to revisit these conversations year after year unless we confront the full picture: the lack of affordable housing, the rising cost of healthcare that consumes an increasing share of education budgets, the increase in tuition costs for districts that pay to send students to independent/private schools, the growing responsibility schools carry in providing mental health services, and the economic reality that without more livable-wage jobs, Vermont will continue to face an aging population and a shrinking tax base.

VASBO supports enacting an actuarial value limit on the Vermont Educational Health Initiative plans as compared to health plans available through Vermont Health Connect. In addition, we support changing current legislation that limits arbitrators to choosing just one side's last best offer during the statewide bargaining process to allow arbitrators to build a compromise from both sides' last best offers as this would help to reduce health insurance costs.

We further recommend that the Senate support the addition of class size minimums in the bill with the necessary waivers that were outlined in the House bill on page 24 in 16 V.S.A. §165. VASBO supports this as a cost saving measure that will ensure that we only have small class sizes by necessity.

Finally, we support both the House and Senate versions of the bill that limits tuition to an amount equal to the base amount contained in subdivision 4001(16) of Title 16 multiplied by the sum of one and any weights applicable to the student attending the receiving school.

## **Conclusion**

In closing, the Vermont Association of School Business Officials appreciates the Legislature's attention to the critical issues of educational governance, quality, and finance. We urge the Senate Finance Committee to prioritize structural reforms that will meaningfully improve efficiency, reduce administrative burden, and address the systemic cost drivers impacting Vermont's schools. By enacting thoughtful, evidence-based changes—including the elimination of supervisory unions, enhanced statewide cohesion, and measures to contain healthcare and tuition costs—Vermont can create a more sustainable, equitable, and effective education system for all students. We stand ready to assist as a partner in this important work.

Thank you for your time and consideration.

Respectfully submitted,  
Heather Bushey  
On behalf of VASBO