

Senate Committee on Finance
115 State St
Montpelier, VT 05633

January 28th, 2026

Vermont Business Associations Support Allowable Growth Rates

Honorable Members of the Senate Committee on Finance,
We, the undersigned organizations, are deeply concerned about the long-term viability of Vermont and believe that Vermont voters deserve a degree of predictability and certainty that future tax increases will be manageable and aligned with economic conditions.

Despite ongoing reform efforts, we face another projected average property tax increase of nearly 12% for 2026, following a five-year trend in which education property taxes have already risen by more than 40%. It is clear that we must create guidance from Montpelier to those creating school budgets.

Our members, in their personal and professional finances, need to tailor their budgets to economic trends and more often than not have some top-down guidance on their limitations. It is not unreasonable to expect the same of our education system.

Allowable growth rates, which are variable and tailored to each school, represent a reasonable and necessary element of interim cost containment that will give Vermont voters a degree of predictability they deserve while we continue our education transformation.

This is not a substitute for the larger-scale educational transformation the Vermont education system needs; it is a temporary tourniquet to contain costs while the more surgical work is done toward reform.

Sincerely,

Lake Champlain Chamber
Vermont Retail & Grocers Association
New Hampshire/Vermont Chapter, Associated Builders and Contractors
Heating Cooling Contractors of Vermont (HCCV)
Vermont Fuel Dealers Association (VFDA)
Vermont Vehicle and Automotive Distributors Association (VADA)
Vermont Transportation Energy Network (VTEN)
Vermont Truck & Bus Association