



To: Vermont Senate Committee on Finance
From: Morgan Daybell, VASBO Past President
Date: February 21, 2025
RE: Governor's Education Transformation Plan to date

Thank you for the opportunity to discuss the Governor's Education Transformation Plan. Like many of you, we currently have more questions than answers as we await the Governor's draft legislation. There are unanswered details yet to be shared and questions that will need to be revisited as legislation moves through the committee process.

Governance

VASBO acknowledges the potential benefits of district consolidation and supports exploring options to improve educational opportunities for all students. Decisions regarding the optimal number of districts should be data-driven, factoring in educational quality, efficiency, student population density, transportation logistics, and community impact. The justification for consolidating down to five districts remains unclear. We fully support reconfiguring supervisory unions into school districts, as supervisory unions are inefficient and impose unnecessary administrative burdens and costs.

Additionally, the proposed timeline for consolidation is unrealistic; such a significant transition requires careful planning, stakeholder engagement, and phased implementation. VASBO has highlighted key considerations in establishing new districts during recent testimony to the House Education Committee.

Funding Formula

VASBO is open to exploring alternative funding models that ensure equitable and adequate resources for all Vermont students. We are concerned that implementing a new funding mechanism without addressing changes to the delivery model and underlying cost drivers, such as health insurance, mental health costs and facility infrastructure needs, could harm students. We note that there is no change to the number of schools we operate until at least 2029 in the Governor's proposal. Similarly we note that we would be combining over fifty teacher and support staff collective bargaining agreements into five. We have questions about how we would address current regional differences in salaries under a consolidated District. About 80% of operating district funds are spent on salaries and benefits, so decisions that we make around salaries and benefits are critical factors in any proposal.

VASBO requires greater transparency regarding the calculations and data used to establish the proposed foundation formula amount of \$13,200. Based on the information currently available, we believe this amount is insufficient and would necessitate significant cuts to instructional costs within our existing system. The proposed formula appears to result in a \$152.5 million reduction in funding for schools statewide. Assuming an average salary and benefits cost of \$100,000 per full-time staff member, this would equate to the loss of approximately 1,525 positions across Vermont's education system. This is far more than the total Central Office staff across the state. Consequently, districts would be forced to make staffing reductions well beyond central office roles. At this point, the projected savings are based on the difference between what we are spending now and what the formula provides. We need to see some modeling that shows specifically what will be eliminated to come up with the \$152.5 million.

Career and Technical Education

The proposal contains a recommendation to legally separate career technical centers from the current Districts where they reside. VASBO does not understand how this proposal helps us achieve our long-term goal of having comprehensive high schools that include a career and technical education component. There are many shared services that are provided to tech centers today by their local education agency and we do not see the benefit of unraveling these partnerships. We are open to discussing how we strengthen career and technical education in Vermont, but we do not believe that the current proposal of creating a BOCES will do that.

Facility Infrastructure Needs

The facility needs within the State must be addressed for any education funding reform to succeed. According to the model, in my current district of Franklin Northeast I should be educating my 2,000 kids in four schools, not the eight I operate. To do that, I would need to build two new buildings in order to house all kids in schools of at least 450.

Conclusion

The experiences with Act 127 and Act 84 highlight the need for thoughtful implementation. Any changes must allow for adequate preparation and financial modeling in collaboration with district leaders.

We appreciate the Governor's efforts to ease funding pressures but caution that shifting funds from the General Fund to reduce property taxes may be counterproductive if it results in harm to critical programs like universal school meals and mental health services.