
Governor Scott's Education Transformation Proposal:

A Plan to Build Stronger Schools, Stronger Students and Vibrant Communities

Background

Vermont's education system is increasingly under pressure, facing rising costs and unequal opportunities for students. Despite Vermonters' strong commitment to education, transformative changes are needed to ensure high-quality education for all children and an affordable funding system. This proposal calls for bold changes in funding, delivery, and support to strengthen public education, enhance student opportunities, support teachers, and invest in communities. Success depends on addressing three key pillars: the funding formula, governance, and accountability.

- **Funding Formula:** Intentionally linking funding to education quality and expectations, with a focus on predictability, transparency, and equity.
- **Governance:** Adjusting scale at the district and school levels to promote consistency, sustainability, capacity, and cost savings.
- **Accountability & Guardrails:** Improving consistency and capacity at the state level to promote cost savings and education quality.

Goals of the Policy Change

- **Transparency and Predictability:** Make the funding system clear, reliable and sustainable.
- **Fairness, Equity, and Quality:** Improve educational opportunities for all students, ensuring every child with the same needs receives the same funding, no matter where they live.

How We'll Achieve It

1. Revise the Funding Formula

- Create an evidence-based funding model that prioritizes opportunity and equity, ensuring that students with similar needs will receive the same funding, regardless of geography.
- Address school and district disparities and characteristics such as district sparsity, district scale, school scale, etc.
- Adjustments (weights) are made for student needs, including for economically disadvantaged students and English learners (ELs).

2. Supported by an Easy-to-Understand Property Tax System

- A single statewide Education Property Tax rate for both homestead and non-homestead property.



- Income-eligible homesteads can file to exempt a portion of their home value from the statewide Education Property Tax.
- Communities could choose to raise limited additional funds, and a state guarantee would equalize each district's ability to raise revenue, up to a capped amount.

3. Improve Governance

- Establish five regional school districts to increase efficiency and reduce costs, while maintaining local community input.
- Elected, part-time school boards (one for each district).
- Local school advisory councils will allow for local input on budget development and district strategic planning.

4. Improve Quality

- Strengthen state oversight to ensure quality education and efficient use of resources.
- Define average school and class size minimums and maximums.
- Standardize graduation requirements for all districts.

Expected Outcomes

- **Improved Education Quality:** Better educational outcomes for all Vermont students and better support for schools to achieve our shared goals.
- **Equitable Funding:** Students with similar needs, receive the same resources and funding regardless of geography.
- **Efficient Use of Resources:** More consistent and sustainable use of resources to support innovation, personalization and quality.

Timeline

- **2025-26 School Year:** Stabilize the system & support early transition planning
- **2026-27 School Year:** Transition to new funding formula and provide on-the-ground support
- **2027-28 School Year:** Fully move to new funding and governance system
- **2028-2029 and Out Years:** Rescale school portfolio to achieve quality and financial indicators

Conclusion

We can make Vermont's education system more equitable, transparent, and effective. By focusing on student needs and efficient governance, we can provide better opportunities for every child in Vermont, while also creating a funding structure that is clear, affordable, and sustainable.