

Education Legislative Report

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School Boards Respond to Governor Shumlin's Budget Address

In Governor Shumlin's budget address he noted that he was "not at all happy" that Vermonters may see significant increases in their property taxes "based upon projections for local school spending."

"I urge Vermonters at town meetings across our state this year to carefully scrutinize school budgets that increase per pupil spending and grow faster than our incomes," Shumlin said. "Look hard to see if you can achieve savings for better outcomes at a lower cost. Remember, you have the power to determine your school budgets, but you can't make a difference if you don't participate."

School boards across the state reacted strongly to the inference that property tax increases are based on local school spending alone. In an [open letter](#) to the Governor, two board members from the Washington West Supervisory Union criticized the Governor's oversimplified characterization of the problem. "The complexity and manipulations of our funding formula, the rising tide of mandates, the contraction of our economy and the concentration of education funding burdening are the root causes of the untenable situation many taxpayers face."

The board members concluded their letter requesting assistance from the state, not an approach that encourages voters to scrutinize and *vote down* budgets. "Rather than pitting community member against community member, what we need from you, the Legislature and the Agency of Education is management and accountability for actual spending in education delivery, simplification of the funding formula, incentives that reward cost containment efforts, and real insight into how to optimize staffing and outcomes while fulfilling our state and federal mandates."

At a press conference on Wednesday last week, the Governor responded to questions about how he could ask boards to keep spending at 2% when his own budget is increasing by 5%: "If I had a 20 percent reduction in my caseload at the Agency of Human Services, I could lay people off and reduce my budgets, but I don't...What school boards are looking at is a caseload that has dropped 20 percent -- 20 percent -- fewer students, more staff and rising property taxes."

The Governor continued, "It's not a secret to anybody that we've got more administrators, more bureaucracy and among the highest per pupil spending in America, so the answer now is not more money, the answer is when there is a 20 percent reduction in the student count, how can we find efficiencies so property taxpayers don't get kicked in the teeth."

Increasing school property taxes result from a complex set of factors. Declining enrollment is one factor, even in districts where budgets are leveled or increased modestly. Additional drivers

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Attn: Nicole Mace, 2 Prospect St., Montpelier, VT 05602 (802)-223-3580

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include: a decline in the statewide education grand list for the fourth consecutive year, non-property tax revenues growing more slowly than education spending, a \$19 million shortage in the Education Fund that last year was filled with one-time funds and an ever-expanding array of new requirements placed on our schools.

State Board of Education Reviews Priorities with House and Senate Committees

As part of its January meeting, the State Board of Education met with the House and Senate Education Committees last week, taking the opportunity to engage in a conversation with committee members about the State Board's legislative priorities. The Board encouraged limited legislative action in 2014, given the extensive work already underway in Vermont, including the transition to a new Secretary, the implementation of multiple pathways legislation, personalized learning plans and budgetary constraints.

Rather than list specific proposals, the Board recommended some "themes and directions" for the legislature to consider. They include:

- *Focus on the Opportunity/Achievement Gap* – passing the universal prekindergarten bill, examining the pupil weighting system to ensure resources are going to the neediest students, offering extended learning opportunities, and expanding the number of full-service schools were among the initiatives identified in this category.
- *Adopt a Coordinated Approach to Assessment and Accountability* – developing an assessment and accountability system that works for Vermont will take collaboration and coordination among the legislature, governor, secretary and state board, if Vermont is to be successful in approaching the federal government about any new design.
- *Prohibit the Privatization of Public Schools* – prohibiting the privatization of public schools and ensuring that any private school receiving state monies is subject to the same rules as public schools are bills that should be advanced this session.
- *Examine Governance Structures* – the board is currently conducting a careful review of the research regarding the costs, efficiencies and effects of consolidation and governance issues and will share its findings with the legislature.
- *Ensure Adequate Staffing/Support for the SBE and AOE* – providing the agency with the resources to build adequate staff capacity to fulfill its obligations and for the state board to have independent staff to perform its duties, including policy analysis, legal and administrative support will be critical in this implementation year.
- *Change the Special Education Funding System* – moving away from the current system to a block-grant system would decrease bureaucratic workloads at the local and state levels while controlling for costs.

Committee members engaged in a dialogue with the Board over each of these priority areas and expressed agreement regarding the general direction. They then turned their attention to the new role for the State Board created under Act 98 of 2012. Both the legislators and board members indicated that, while still in the midst of a transition period, there is cause for optimism about the new structure for educational leadership in Vermont.

Hazing, Harassment and Bullying Council Testifies at Joint Hearing

On Thursday last week, the Vermont Hazing, Harassment and Bullying Advisory Council presented at a joint meeting of the House and Senate Education Committees. Created by Act 129 of 2012, the Council's charge is "to review and coordinate school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying." The Council is comprised of 17 members representing the Agency of Education, Vermont School Boards Association, Vermont Superintendents Association, Vermont Principals' Association, Vermont-NEA, Burlington School District, Vermont Independent Schools Association, Outright Vermont, Vermont Center for Independent Living, Vermont Human Rights Commission, Partnership for Fairness and Diversity, and three high schools, along with one parent and one independent consultant.

Secretary Holcombe and Tracey Tsugawa, chair of the Council and Civil Rights Investigator at the Vermont Human Rights Commission, spoke on behalf of the Council. Secretary Holcombe suggested that the issue of student safety is critical because "if students don't feel safe, they cannot learn." She indicated that as the state develops a more comprehensive accountability system, the use of student survey data related to school climate may be an indicator that is looked at within that new system.

Tsugawa provided an overview of the Council's work over the past 18 months. The priorities of the Council to date have been: data collection, student leadership and staff development. In the area of data collection, the Council emphasized the need to develop a more comprehensive method for collecting information about the prevalence of hazing, harassment, and bullying incidents in our schools, how schools respond to these incidents, and what strategies are most effective.

In the area of staff development, the Council emphasized several areas of need: 1) training for school bus drivers, 2) teacher education program requirements and curriculum, and 3) in-service training for school staff. Of particular interest among education committee members was the proposal to develop a "train-the-trainer program" to build a cadre of school personnel throughout the state who could provide basic bullying and harassment training to students, staff, and parents.

As part of the student leadership effort, Tsugawa reported that the Council worked with the Agency of Education and the Anti-Defamation League (ADL) to sponsor a "Vermont Youth Congress" - a one-day, statewide conference on bullying and harassment. Over 435 students and educators representing more than 40 Vermont schools attended the conference last

November, which included 28 youth-led workshops on a range of topics related to bullying and harassment in schools.

Tsugawa also described the Council's recent "listening tour," where Council members met with middle and high school students in five schools around the state. The purpose of the tour was to allow Council members to hear from students directly about how prevalent bullying and harassment is in their school, how adults respond to those incidents, and what recommendations they have regarding ways schools could improve their culture and climate.

Members of the education committees expressed significant interest in the topic, with several noting that they had heard from constituents who expressed concerns about their child's safety in school and wondering whether administrators and teachers are responding to parental and student concerns appropriately. Others noted that it can be very challenging to expect schools to counter certain societal/community norms and expectations that underlie bullying behavior; others wondered about the prevalence and root causes of "girl-on-girl aggression."

The Council made no specific recommendations to the committees, but noted that there is a definite need for more resources and support to help educators confront this serious and complex problem. Our Associations will follow deliberations related to this important topic and will be prepared to weigh in on the need for and/or utility of more resources to support schools as they work to create safer learning environments.

Senate Finance Delves into Education Finance Issues; Ways & Means Talks Taxes

This week the Senate Finance Committee took up education finance issues. The committee began their discussion hearing from Tax Commissioner Mary Peterson. They then reviewed a number of education finance bills that have been introduced in the House and the Senate. S.249 would include itemized deductions at the federal level in taxable income, raising \$64 million. This money would be used to lower the homestead tax rate in towns that keep their education spending increase below the rate of inflation plus one percent. They also went over H.164 ([see bill summary here](#)) and a number of other House bills. Most committee members indicated that they are interested in doing something with the education funding system, and some said they wouldn't vote for increased property taxes without real change.

House Ways and Means continued their analysis of education financing last week, turning their attention to a draft bill, developed by Representatives Dave Sharpe and Adam Greshin, which would set the various education tax rates for FY15.

The committee spent most of their time discussing the rates themselves, but did not come to a decision. The base education amount will either be held at \$9,151, or increased by its statutory inflationary formula to \$9,382. The draft proposal would raise the income sensitivity rate substantially higher than was recommended in Commissioner Peterson's letter. All of the proposals would result in the average homestead spending-adjusted rate going up 13 or 14 cents.

The draft bill also makes a number of policy changes relating to education finance, many of which were originally included in H.538 last session before it was pared down in the Senate. Those include weakening the ADM hold-harmless provision and creating a small schools study.

In addition, the bill would repeal the renter rebate program and redirect the money that would have gone to that program to the Agency of Commerce and Community Development to assist renters. Finally, the bill would make adjustments to the income sensitivity program, by extending the income sensitivity slope so that it would benefit more people (those making roughly \$90k–\$124k per household), raising the income sensitivity floor from 1.8% to 1.9%, and reducing the maximum income sensitivity adjustment from \$8,000 to \$6,000.

Minimum Student-to-Staff Ratios Report Completed

Last week the House Ways and Means Committee heard from Brad James of the Agency of Education with a [report](#) on minimum student-to-staff ratios. The 25-page report, required as part of Act 60 of 2013, includes specific recommendations for minimum class sizes in core subjects, depending on the school size and grade configuration. For middle and secondary schools, and for elementary schools with more than 150 students, the Agency recommends a class size of 10 or more. In elementary schools with fewer than 150 students, the recommended minimum class size is 5 students. The report also recommends minimum student-to-teacher (8-1), student-to-staff (5.5-1), student-to-school level administrator (75-1), and student-to-superintendent (700-1) ratios.

The report also includes recommendations for tax penalties and incentives, and timing suggestions for each. It concludes with a request for legislative action requiring districts to respond to data collection requests. Committee members expressed interest in the report, especially with respect to data indicating that 19 percent of elementary school (defined as K-6 or K-8) classes have between 3-9 students. After lots of questioning, the committee made no plans for what to do with the new recommendations and information.

We will continue to monitor this issue and provide updates if any further action results from the release of this report. Our Associations have considerable concern about the level of micro-management being recommended under this approach.

House Bill H. 615 Seeks to Create Education Innovation Zones

On the heels of the recent Tony Wagner lecture calling for more innovative approaches to public education, a bill has been introduced in the House that would provide the flexibility for some supervisory unions to do so. [H.615](#), An Act Relating to Public Education Innovation Zones, would allow a supervisory union or group of supervisory unions “to design and implement innovative practices to increase educational opportunities and outcomes and enhance operational efficiencies.” The bill would allow the Secretary of Education to waive compliance with statutory requirements and State Board of Education rules that would inhibit implementation of the innovations.

The bill creates a process whereby supervisory unions create an “innovation plan” addressing areas of education governance, policy, or funding, including topics such as: curriculum, standards and assessments; use of technology and data systems to improve instruction; grouping students by factors other than age; structure and length of the school year; school district and supervisory union governance and the responsibilities of individuals in key leadership positions; and use of financial or other resources.

The innovation plan would have to include, among other things, a description of the proposed innovations, identification of the educational outcomes that will be measured and the improvements that are expected to result from implementation of the innovations; and a description of the statutory or other requirements that would inhibit implementation of the plan and from which the proposed innovation zone requests a waiver. The plan would then be submitted to the Secretary of Education, who “shall approve the plan unless the Secretary concludes that the plan, including any requested waivers, is likely to result in decreased educational outcomes or opportunities or is not fiscally feasible.”

The House Education Committee is scheduled to begin hearing testimony on this bill at the end of this week.

Pre-Kindergarten Bill on Hold in Senate Appropriations

Despite being under active consideration by the Senate Appropriations Committee during the first week of the session, it does not look like the committee will be taking action on [H.270](#), the universal access to prekindergarten bill, for a number of weeks. During the first few days of testimony, members of the committee expressed some concern over the cost—particularly over the assumptions made in estimating the cost based on a 60% participation rate. Members also want to know what the education property tax rates will be, which could push their decision back still further.

The Governor called on the Senate to pass the bill in both his State of the State and budget addresses. The bill has strong support among legislators, but concerns about rising education property taxes have some evaluating the efficacy of any new programs that may add upward pressure to school budgets.

Senate Education Begins Taking Testimony on S.91

Last week the Senate Education Committee heard from several witnesses on [S.91](#), An Act Related to Public Funding of Some Approved Independent Schools. Steve Dale of the VSBA, JoAnne Unruh of the VCSEA and Mill Moore of the Vermont Independent Schools Advisory Council offered some suggested changes to the bill’s original language that they developed as a result of a series of meetings in the off-session.

Among these changes are dropping the language that required an independent school to be pre-approved in four special education categories and replacing it with a requirement that independent schools provide special education services that are required by a student’s IEP.

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The other significant change agreed upon was to drop the requirement that all teachers be licensed and instead require that professionals delivering special education services be licensed. Areas of disagreement among stakeholders remain, including whether to require independent schools to implement a “blind admissions” policy and what threshold of public funding should trigger the application of these requirements. The bill currently applies to independent schools whose enrollment is comprised of at least one-third publicly-funded students.

For more in-depth coverage of the testimony, check out [this VTDigger article](#).

Education-Related Bills

[This document](#) summarizes all education-related bills that have been introduced by one or more members of the Legislature as of January 27, 2014. The deadline for introducing new Senate bills has passed and the deadline for House bills is January 31. To read any bill’s full text or see its status in the Legislative process, go here:

<http://www.leg.state.vt.us/database/status/status.cfm>.