

# Education Legislative Report

January 9, 2018 – Issue #1

## ***The Biennium Resumes***

On January 3<sup>rd</sup> the General Assembly reconvened for the second half of the 2017-2018 biennium in Montpelier. In the second half of a biennium legislators face a busy schedule, and will presumably address education funding, Act 166's universal pre-kindergarten construct, health benefits for school employees, special education finance and delivery, career and technical education (CTE), among other issues.

As leaders of your school systems, you serve as a voice for public education. As your state associations, we work to be strong representatives of the concerns of education officials. That stated, there is no substitute for contact by constituents with their legislators. We encourage you to read our *Reports*, keep abreast of issues, and stay in touch with your house members and senators. Here is a link to legislators' contact information, organized by supervisory union:

[http://docs.wixstatic.com/ugd/b44bfd\\_c9e309b3f77449bda14c5f3cf152c469.pdf](http://docs.wixstatic.com/ugd/b44bfd_c9e309b3f77449bda14c5f3cf152c469.pdf)

Throughout the session, you will receive regular issues of this *Education Legislative Report*. The *Report* is a collaboration of the Vermont School Boards Association (VSBA), the Vermont Superintendents Association (VSA), the Vermont Principals' Association (VPA), the Vermont Association of School Business Officials (VASBO), the Vermont Council of Special Education Administrators (VCSEA) and Vermont School Boards Insurance Trust (VSBIT).

If you have questions regarding the content, contact your Association's executive director or Katherine Hope, Legislative Analyst at VSBA and author of the *Report* at [kwhope@gmail.com](mailto:kwhope@gmail.com)

We look forward to working with you and with state policymakers to address important issues during the upcoming year.

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## ***Legislature Faces a Dynamic Session***

In the morning of January 3<sup>rd</sup>, Speaker Mitzi Johnson addressed the Vermont House of Representatives. Speaker Johnson spoke of investing in Vermont in a variety of ways, including investing in education to work for all. The Speaker stated that public education is key to a thriving future in Vermont. Speaker Johnson stated that the legislature will examine the education funding system in order to ensure support for and effective education system for all.

The House Education Committee (Committee) began their work enthusiastically and with a new member. Representative Chris Mattos of the Town of Milton, was appointed to the Committee, replacing Adam Greshin. Greshin had accepted the position of Commissioner of the Department of Finance & Management, creating a vacancy on the Committee.

The Senate Education Committee returns with the same membership as last year. They too hit the ground running with a review of Act 46 progress and Act 166.

## ***Education Committees Set Ambitious Agendas***

The House and Senate Education Committees will focus on a number of important issues this session, which will include:

### **Act 166:**

House Education Chairperson Sharpe outlined the Committee's broad agenda for the session, expressing that Act 46 has positively affected school systems, and that the Committee is prioritizing CTE and amending Act 166 this session.

On day one of the session, the Committee heard testimony from Secretaries Holcombe and Gobeille with their Agencies' recommendations for revising Act 166. Their testimony can be found [here](#). Generally, the Agencies' work recommitted to the Legislature's expressed goals in Act 166. The most significant recommendation is to shift from dual Agency oversight to single Agency administration by the Agency of Education.

### **Special Education:**

Both Education Committees heard testimony from Nathan Levenson, the president of District Management Group (DMGroup), which recently completed a report on instructional supports for struggling learners in Vermont. The report was based on a pilot study of 11 supervisory unions/districts commissioned by the Legislature last year. The DMGroup report can be found [here](#).

The report emphasizes the importance of quality teachers and experts to ensure struggling students receive effective Tier 1 instruction, and supplemental instructional time *in addition to* core instruction time, instead of as a substitution. The report notes Vermont's overreliance on paraeducators to provide instruction to struggling learners, rather than individuals with expertise in literacy and intervention. The DMGroup report recommends taking a systems-wide approach, and suggests these shifts will not require additional funding, but rather changes in practice.

Later this week the House Education Committee will take testimony on the University of Vermont's Study of State Funding for Special Education, which can be found [here](#). The UVM report recommends moving to a census-based funding method, with a five-year transition period from the existing system, and ultimately finds that Vermont spends far too much on special education.

Finally, the Senate Education Committee will review the Report of Approved Independent Schools Study Committee, which can be found [here](#). This report addresses aspects of the independent school approval process, with an emphasis on enrollment policies, how the school should be required to deliver special education services and the scope and nature of financial and special education information to be reported to the State Board of Education. The Senate Education Committee's first area of consideration will be the provision of special education services.

### **School Employee Health Benefits:**

The House Health Care Committee will likely be the first to hear testimony from the Vermont Educational Health Benefits Commission regarding [its report](#) to the legislature. The Committee has not scheduled testimony on the report at this time.

However, on Friday, January 5<sup>th</sup> the Senate Finance Committee heard testimony from Jake Feldman from the Department of Taxes. Feldman fielded a number of questions from a fairly hostile committee. Chairperson Cummings repeatedly asked Feldman if any money was saved due to the transition to new health plans. Feldman responded affirmatively, but stated that the savings were not as great as the Governor hoped. The meeting ended with Chairperson Cummings saying that the Commissioner of the Department of Taxes will provide testimony later to clarify school employee health benefits and costs.

### **Education Funding:**

Every indication points to PreK-12 cost containment being the focus of yet another legislative session in 2018. On December 1, the Commissioner of Taxes issued the statutorily required letter announcing the non-residential tax rate and the income and property dollar yields for FY2019. The Tax Commissioner predicts a 9.4 cent increase in the average homestead property tax rate. This is only a prediction at this point – the legislature will set the final yields and tax rates after voters have approved budgets and the legislature knows how much money needs to be raised by taxes to fund the budgets that were approved.

While the letter acknowledges the FY2019 education fund deficit, the letter emphasizes that the majority of the tax rate increase is due to school budgets and education spending at the local level.

[This fiscal note](#) prepared by the Joint Fiscal Office in early November is a good explanation of all the factors that should be considered in order to clearly understand what is contributing to projected FY 2019 tax rate increases. The fiscal note indicates that state policy decisions, including the use of one-time money and shifting teachers' retirement payments to the Education Fund, are responsible for a significant portion of

the projected tax rate increase. Even if education spending was level in FY 2019, we would still see a tax rate increase of between 3.5-4.5 cents.

The education funding discussion will begin in the House Ways & Means Committee this session. The Committee heard testimony from Mark Perrault and Kaj Sampson last week, and discussed the education reserve, and how to minimize property tax increases. Representative Browning expressed concern about the Governor asking for more expenditures coming from the Education fund, especially in terms of early childhood education and CTE.

### **Marijuana Legalization:**

Marijuana is on a path to legalization, with much debate occurring in both full chambers during the first week. Changes to H.511, the marijuana bill, can be found [here](#). This bill legalizes possession of up to one ounce and two mature plants for adults over 21 years old, but does not propose any accompanying taxation or regulation. Stricken from the House bill are references to the formation of a commission by the General Assembly to examine education, prevention, regulation and taxation. Governor Scott has established a commission to study those issues, so presumably Vermont will take a phased approach with respect to legalized marijuana, if the emerging course comes to pass. The Senate is expected to agree to the removal of the Commission language this week, clearing the way for the passage of the amended bill by that body, and sending the bill to the Governor for his consideration.

Interestingly, the General Assembly took this up at the same time as Attorney General Jeff Sessions rolled back Obama-era policies of not enforcing federal drug laws in states that legalized marijuana. More on this can be read [here](#).

VSBA, VSA and VPA each have resolutions calling for full attention to education, prevention and health impacts if marijuana is legalized.

### **Other Notable Bills:**

Other issues of interest this session include a potential increase to the minimum wage, changes to the collective bargaining process, and the portability of taxes. The Legislature will also look at changes in federal tax law in order to determine and minimize its impact on Vermont.

### ***Governor Scott Delivers State of the State Address***

On Thursday, January 4<sup>th</sup> Governor Scott delivered his State of the State address to the General Assembly. The Governor spoke of K-12 education mostly in a broad sense, and mentioned the education system's role in a person's life from "cradle to career." The Governor alluded to Vermont's low teacher to student ratios when he called on Vermonters to "imagine a future with classrooms that are actually full of kids."

Much of the Governor's speech emphasized affordability and his commitment to not increasing taxes. The only specific education-related proposal Governor Scott made addressed post-secondary education: he proposed free college tuition for people who commit to serving in the

National Guard. It is difficult to assess how the Governor's brief, general statements will percolate into specific policy proposals. We expect Governor Scott's budget address later this month will shed light on how he proposes to overhaul the education system in a manner that preserves quality and saves money.

***New Senate Bills Slated for Introduction***

The following bills were drafted for the Senate's December deadline for the introduction of new legislation. The House's introduction deadline is mid-January.

The entire list of new Senate bills released for introduction can be found here:

<https://legislature.vermont.gov/bill/all-senate/2018>.

***New House Bills Released for Introduction***

H.550: An act related to childhood trauma and the best interests of the child.

H.557: An act related to labor relations for teachers and administrators.

The entire list of new House bills released for introduction can be found here:

<https://legislature.vermont.gov/bill/all-house/2018>, although it is reasonable to assume additional bills still may be introduced since the deadline has not yet passed.