

Vermont Education Policy

What's Shaping Our Schools Right Now

The Funding Crisis

Education property taxes have risen nearly **41%** statewide over the past five years.



This is largely caused by **back-to back statewide double digit healthcare premium increases**. But legislation like **Act 127 (2022)** didn't help by altering pupil weights:

Economically Disadvantaged Students: Increased by 1.03.
English Language Learners (ELL): Increased by 2.49.

This assigned a greater amount of the education fund to schools with higher rates of ELL and Economically disadvantaged students, without raising extra money. Increasing the strain on the majority of schools.

For students: Schools have been cutting voraciously, my school has eliminated languages for all non high schoolers, consolidated preschool, and put off paying down any of our over \$100 million deferred maintenance. Next year, as we are shocked back to reality after two buy downs in a row and a possible lowering of the excess spending threshold, programs will be cut

The Poli(tical)cy Moment

July 1, 2025

Act 73 signed into law

Vermont's most sweeping education
overhaul in a generation

Finance Reform

New foundation formula replaces the current property-tax-driven system — effective 2029 (now 2030)

Governance Reform

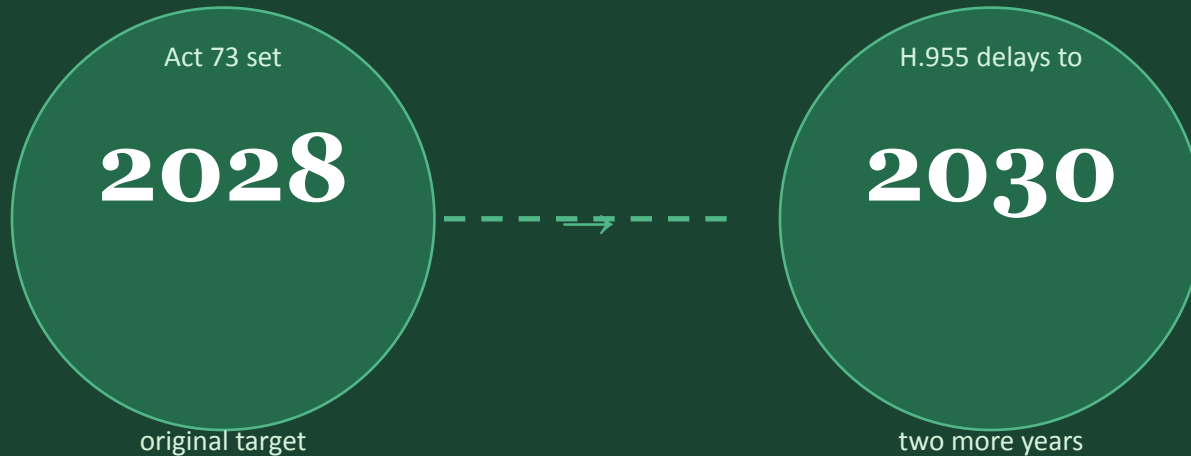
District consolidation process launched — 119 districts targeted for restructuring

Quality Standards

Statewide class size minimums & proficiency-based graduation requirements coming

The Foundation Formula

What it is: A state-set, per-pupil funding amount — replacing the current system where property taxes fund schools unevenly across towns.



Base rate: \$15,033 per pupil, with higher weights for students in poverty, ELL, and special education

Source: H.454 fiscal note; H.955 as passed by House, April 16, 2026

What Act 73 Changed for Students

Class Size Minimums

Effective August 2026

K: avg 12 students
Grades 1–4: avg 15
Grades 5–12: avg 18

Exempt: AP, CTE, ELL, Special Ed

→ Small/rural schools face the biggest impact

Graduation Requirements

Effective July 2027

Statewide proficiency-based standards will replace the current patchwork of local requirements.

→ Current 9th & 10th graders are the first cohort affected

Independent School Funding

Effective now

No more public dollars to out-of-state independent schools. In-state private schools must show $\geq 51\%$ publicly funded students to keep receiving tuition dollars.

→ Affects Vermont's unique town tuitioning system

H.955: The 2026 Fight

What H.955 Does

- Creates 7 Cooperative Education Service Areas (CESAs) — regional bodies to share services across districts
- Requires all 119 districts to participate in merger study committees
- Merger outcome stays voluntary — decided by local voter vote
- Delays foundation formula two more years (2028 → 2030)
- Study process runs 2026–2028; local votes in Nov. 2028

House Vote: April 16, 2026

79–62 in favor

15 votes short of a veto override

Now in the Senate

The Senate holds the pen. It must choose: produce a bill the Governor will sign, force an override fight, or find a compromise.

Three Visions for Vermont Schools

House

Voluntary mergers

- 7 CESAs for regional coordination
- Study committees in each CESA
- Local voters decide on mergers
- Foundation formula delayed to 2030

Senate

Hybrid approach

- Goal: reduce districts by 50% by 2029
- State-directed backstop if voluntary targets aren't met
- Exploring raising the formula base amount
- Position still being finalized

Governor Scott

Mandatory consolidation

- Wanted to consolidate 119 districts into 5
- Has signaled intent to veto H.955
- Wants faster, deeper reform
- Tying position to state budget

Best Opportunities for Student Impact

Local School Boards

1

Come to your local school board meetings! Listen, research, bring others with you, and comment. Tell your board how you feel about decisions they are making, urge them to demand better from legislators, whatever you want.

Graduation Requirements Rulemaking

2

The State Board of Education sets new statewide graduation standards before 2027 through a formal rulemaking process. Public comment periods are almost always thin.

Senate Testimony — Right Now

3

H.955 is in the Senate this month. Senators are accessible. What consolidation, class size cuts, and program access look like from inside a school is exactly what legislative testimony is for.