

1 H.684

2 Introduced by Representatives Manwaring of Wilmington and Moran of

3 Wardsboro

4 Referred to Committee on

5 Date:

6 Subject: Education; funding; adequacy; governance; outcomes

7 Statement of purpose: This bill proposes to require a study and proposals that

8 further the state's commitment to the principles set forth in *Brigham v. State*,

9 166 Vt. 246 (1997) by:

10 (1) determining specific ways in which the state's education funding  
11 system and governance structures can be amended to ensure equal educational  
12 opportunity for all children;

13 (2) identifying whether and in what ways state and local spending  
14 decisions can lead to accountability for student outcomes; and

15 (3) ensuring that decisions leading to increased education spending are  
16 linked to increases in educational opportunities and student outcomes.

17 An act relating to examining how to alter the education funding system and  
18 governance structures to ensure equal educational opportunities and  
19 improved outcomes for all children

20 It is hereby enacted by the General Assembly of the State of Vermont:

1       Sec. 1. FINDINGS

2             The general assembly finds:

- 3             (1) In *Brigham v. State*, 166 Vt. 246, 268 (1997), the Vermont supreme  
4 court held that “to fulfill its constitutional obligation the state must ensure  
5 *substantial* equality of educational opportunity throughout Vermont.” (Italics  
6 in the original.)
- 7             (2) The Vermont general assembly commissioned Lawrence O. Picus  
8 and Associates (“Picus”) to evaluate the outcomes of No. 60 of the Acts of the  
9 1997 Adj. Sess. (1998) and No. 68 of the Acts of the 2003 Adj. Sess. (2004)  
10 (“Acts 60 and 68”). In its report issued on January 18, 2012 entitled “An  
11 Evaluation of Vermont’s Education Finance System,” Picus concludes that  
12 Vermont’s school funding system meets the goals established in Acts 60 and  
13 68, including reducing “the disparity in education tax burdens for equal  
14 amounts of spending per pupil among Vermont taxpayers.” (Picus report at 1  
15 and 87.)
- 16             (3) The towns of Dover and Wilmington commissioned Northern  
17 Economic Consulting, Inc. (“Northern Consulting”) to evaluate the effects of  
18 Vermont’s education finance system on the state’s cities and towns. In its  
19 report issued on January 6, 2012 entitled “The Local Impacts of Vermont’s  
20 Education Finance System,” Northern Consulting concluded that although  
21 under Act 60 and 68 “the same school tax rate will allow the same dollar

1 spending per pupil across Vermont towns, the same school tax rate does not  
2 lead to equal education opportunities.” (Northern Consulting report at 9.)

3 (4) Read together, the Picus and Northern Consulting reports  
4 demonstrate that although the cost of education in Vermont has escalated since  
5 the passage of Acts 60 and 68, student outcomes have not improved  
6 proportionally.

7 (5) It is now necessary to determine how best to define equal education  
8 opportunity in a way that ensures that all school districts are able to:

9 (A) provide sufficient education services to ensure the best  
10 educational outcomes for all Vermont’s students;

11 (B) create reliable data collection to enable measurable  
12 outcomes; and

13 (C) ensure that the governance structure at state and local levels leads  
14 to accountability for outcomes.

15 Sec. 2. EVALUATION OF EDUCATION SPENDING, ADEQUACY, AND  
16 OUTCOMES

17 (a) The office of legislative council and the joint fiscal office, with the  
18 assistance of the office of finance and management and the departments of  
19 education, of information and innovation, and of taxes, shall develop a  
20 proposal for a provider:

1           (1) to examine whether expenditures from the education fund result in  
2 equal educational opportunities for all Vermont children, including  
3 determination of:

4           (A) the elements of an elementary and secondary education system  
5 that are necessary for all Vermont students and the services and extracurricular  
6 activities that are necessary components of that system; and

7           (B) whether all students in Vermont have access to these necessary  
8 elements;

9           (2) to examine if it is advisable to establish a uniform code of accounts  
10 for all school budgets that tracks how state education dollars are spent,  
11 including determination of:

12           (A) whether and in what manner a uniform code of accounts could  
13 lead to accountability for student outcomes; and

14           (B) the specific steps needed to ensure that a uniform system of  
15 accounts would enable the determination of whether the expenditure of state  
16 education dollars ensures equal access to educational and extracurricular  
17 opportunities in all school districts;

18           (3) to examine whether the current education funding, policy making,  
19 and governance systems in Vermont ensure that spending decisions at all levels  
20 of government are connected to increased educational opportunities and  
21 improved student outcomes, and to determine in what ways these connections  
22 can be guaranteed; and

1           (4) to develop a funding mechanism that ensures that all school districts  
2           are financially able to fund the same educational opportunities for students.

3           (b) The proposal for a provider shall be approved by an advisory committee  
4           consisting of the president pro tempore of the senate, the speaker of the house,  
5           the chairs of the house and senate committees on education and on  
6           appropriations, the chair of the house committee on ways and means, and the  
7           chair of the senate committee on finance, or their designees.

8           (c) The office of legislative council, the joint fiscal office, the office of  
9           finance and management, and the departments of education, of information and  
10           innovation, and of taxes shall assist the provider to gather data required for its  
11           examination of the issues outlined in subsection (a) of this section.

12           (d) On or before December 15, 2012, the provider shall submit a report to  
13           the governor and to the members of the advisory committee providing a  
14           comprehensive analysis of the issues considered and a detailed proposal of the  
15           actions necessary to address educational inadequacies and inequities, to use  
16           education funds more effectively, and to arrest the increase in education  
17           spending.

18           Sec. 3. AUTHORIZATION TO SPEND

19           The joint fiscal office is authorized to expend up to a total of \$200,000.00  
20           for the evaluation in Sec. 2 of this act and related expenses by using funds  
21           from its existing budget, and, if necessary, the joint fiscal committee is

1 authorized to transfer additional funds from other legislative departments to the  
2 joint fiscal office to cover the full amount of the evaluation requirements.

3 Sec. 4. EFFECTIVE DATE

4 This act shall take effect on passage.