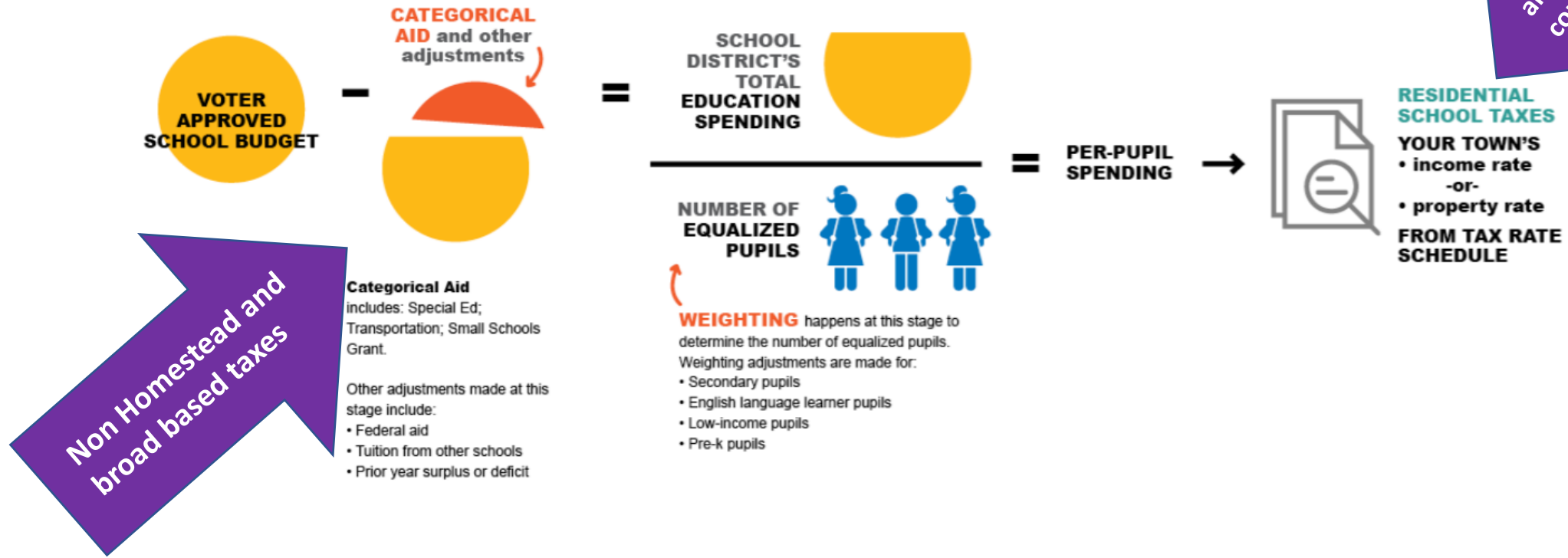


## How Vermont's education funding cost adjustment tools work

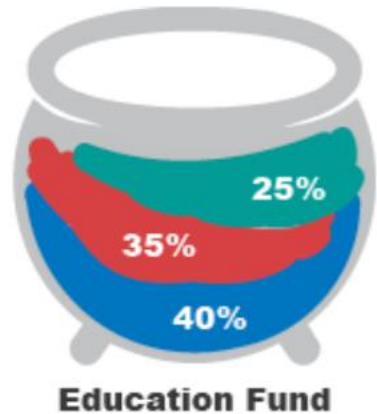


There are gigantic missing amounts of funding from this PAI presentation which is the 1.4 BILLION Education Payment from the Education Fund to local districts to fund their budgets. Those funds include non homestead and various sales taxes. There is also a hugely impactful missing function which has been temporarily paused the Excess Spending Threshold



## The cost of categorical aid affects the entire Education Fund tax base, pupil weighting only a quarter

**Categorical aid** is supported by all the revenue sources



**Pupil weighting** only applies to residential taxes



**RESIDENTIAL:**

- Primary homes
- Income based

**NON-RESIDENTIAL:**

- Stores
- Factories
- Ski areas
- Second homes

**OTHER:**

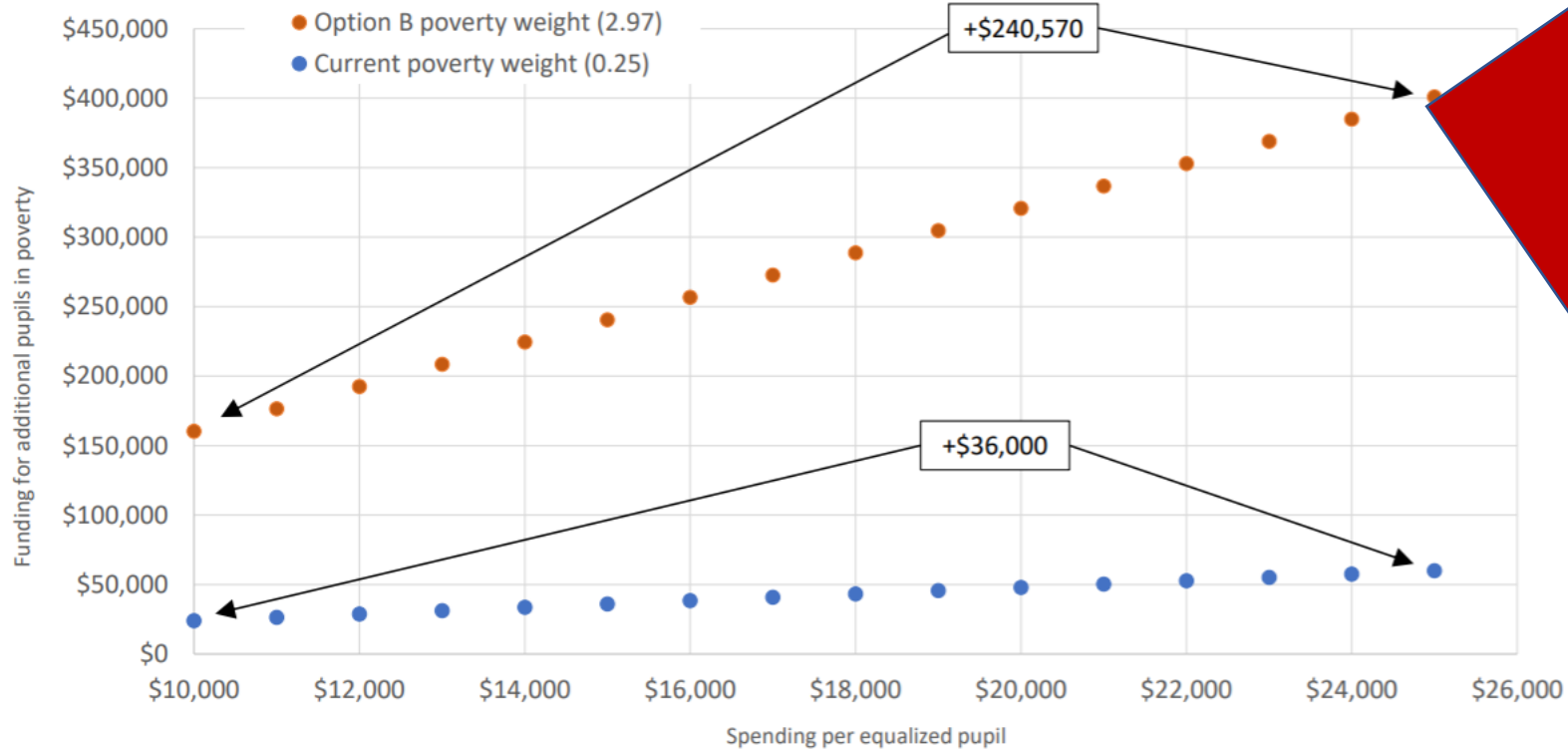
- Sales tax
- Rooms & meals tax
- Lottery

Data source: Joint Fiscal Office  
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This slide is not an accurate depiction of pupil weighting. **Pupil weighting is not a separately funded item, it is a means of adjusting overall spending to ensure equity in access to resources.** This graphic should be titled the effect on overweighted districts when the weights are corrected, if overweighted districts do not make spending adjustments, AND if the EST is reinstated – which it should be. Without adjustments, and with a reinstated EST – only residential rates will be affected – as has been the case in our neediest school districts for the past 20 years.

# Larger weights create greater disparity of funding

Additional funding for schools with 10 poverty students and increasing spending per pupil



*Access to those resources are being  
been provided to the students who  
have the least need. We have been  
growing the disparity between our  
wealthiest and neediest students  
and districts.*

**This slide is actually correct.**

**But think about that. Think about what effect withholding that level of resources from our neediest students.**

**But it gets worse.**

Jack's comment that we don't know how much this will cost demonstrates the fundamental disconnect that is happening here.

Fixing the weights is not about increasing the amount of ed funding, it's about recalibrating access to existing resources to ensure equitable access to resources for all students, including those who cost more to educate

The kids need us to stop obsessing about the progressivity of taxing and address the flawed formula which doesn't allow their districts to equitably access resources, regardless of the progressivity

1. Fix the weights

2. Smooth the transition for overweighted districts with one-time funds

3. Address the Tax Commission recommendations

4. Pre school? Two years of college?