

PHILIP B. SCOTT
GOVERNOR



State of Vermont
OFFICE OF THE GOVERNOR

February 22, 2024

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Dear Legislators:

Today, I signed H.850, *An act relating to transitioning education financing to the new system for pupil weighting*. The changes made in this bill are a necessary step as Vermonters face a projected 20% increase in property tax bills, and in some communities, it could be even higher. But to be clear, this bill does not solve our property tax problem. These changes will only reduce rates if school boards adjust their budgets accordingly and local voters support those changes. It's also important to note the projected spending increase this year is \$243 million, so even if every single school board makes adjustments to their budget, we're unlikely to avoid significant property tax increases. And we should not ignore how difficult the choices that some communities will have to make around staffing, program offerings, and services.

What that means is our work in this area has just begun, which is *exactly* the same thing I said [when I signed S.287 of 2022](#) – the bill that enacted the 5% cap H.850 repeals. In that same signing letter, I said “We also know this bill risks further increasing the cost of our education system in a way that compounds these underlying [inequity] issues – particularly if we continue to see fewer and fewer students alongside annual school budget growth of three to four percent, on average.” I called on the legislature to address the cost pressures this bill added – and avoid adding more costs – “before this new formula takes effect.”

Had the Legislature worked with me to do so, we would all be in a better place today. I feel the same way about my [2017 proposal](#) to reign in rising healthcare costs for school employees and reinvest savings in kids and property tax relief. Or my [2018 five-year plan](#) that would have enacted my 2017 healthcare proposal, phased in a modest increase in the staff-to-student ratio through attrition, addressed unfairness in our income sensitivity formula and added guardrails for towns that can afford to overspend at the expense of those who cannot. Or my [recent calls](#) to ensure local voters know the annual per pupil increase they're voting on and to extend our universal vote by mail process to school budget votes.

All these ideas have been ignored or rejected. But any one of them would have put us on a better path to a sustainable public education system. While I appreciate your commitment in this bill, affirming it is “the intent of the General Assembly to address the delivery, governance and financing of Vermont’s education system,” this bill does not fix it. To be clear, I remain ready to work with you to both improve student outcomes and contain costs to a level Vermonters can afford.

Sincerely,

A handwritten signature in black ink that reads "Philip B. Scott". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Philip B. Scott
Governor