VERMONT

Education Funding Overview

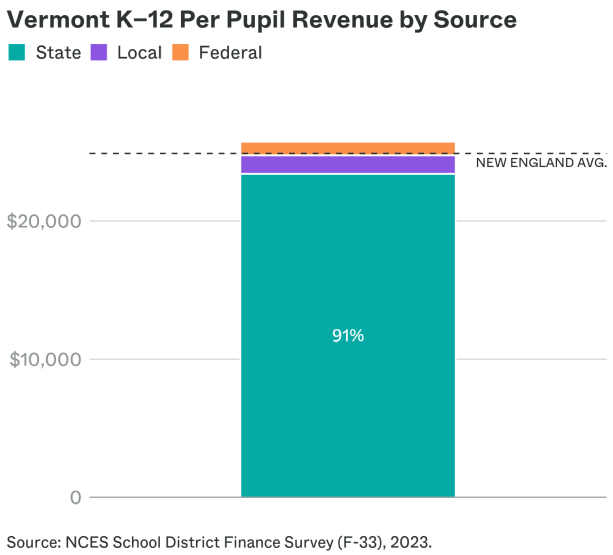
1. What does the state spend on K–12 education?

Vermont's FY 2026 budget totaled $9.09 billion, including $2.43 billion in the Education Fund.[1]

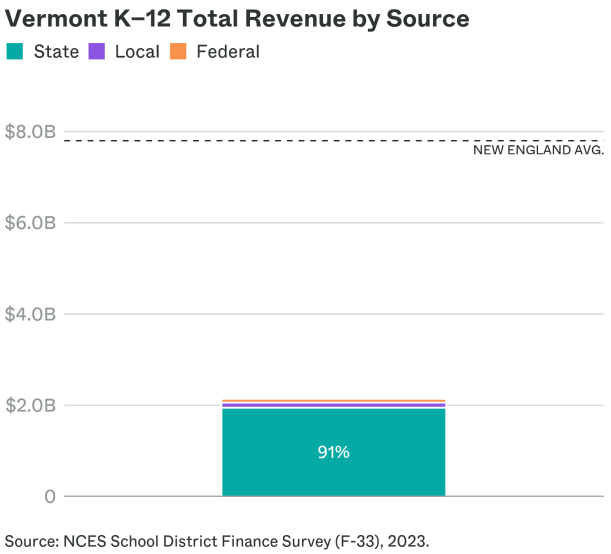
Education aid is distributed from the Education Fund in amounts that match school districts' locally approved budgets.[2] Beginning in fall 2028 with the implementation of Act 73, Vermont plans to use a student-based funding formula that sets a foundation amount for each pupil and increases that level for students with higher needs, including those from economically disadvantaged backgrounds, those receiving special education services, English learners, and students with limited or interrupted formal education.[3]

2. What revenues make up school districts' funding?

Including state, local, and federal dollars, school districts in Vermont collectively had $2.14 billion to spend in 2023, or $25,732 per pupil.[4] The state provided 91 percent of this funding, a function of Vermont's unusual system of pooling all property tax revenues at the state level before allocating funding to districts.



Source: NCES School District Finance Survey (F-33), 2023.



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Notes

1. Vermont Legislative Joint Fiscal Office, “FY 2026 Big Bill Conference Web Report,” September 2, 2025, https://ljfo.vermont.gov/custom_reports/reports/BigBill/v1/FY%202026%20Big%20Bill%20Conference%20Web%20Report%202025-09-02%201017am.html.
2. Vermont Agency of Education, *Vermont’s Education Funding System: Explained and Compared to Other States* (Vermont Agency of Education, November 15, 2024), https://education.vermont.gov/sites/aoe/files/documents/edu-vermont-education-funding-system-explained-2024.pdf
3. State of Vermont, Agency of Education, “Weighted Student Funding Formula,” September 5, 2025, https://education.vermont.gov/content/weighted-student-funding-formula.
4. United States Census Bureau, *Summary Tables: Public Elementary-Secondary Education Finances: Fiscal Year 2023* (updated April 2025), distributed by the United States Census Bureau, https://www2.census.gov/programs-surveys/school-finances/tables/2023/secondary-education-finance/elsec23_sumtables.xlsx.