

1 Sec. 4. WITHDRAWAL ACTIONS APPROVED BY STATE BOARD;
2 NEW DISTRICTS WITH AN OPERATIONAL DATE ON OR
3 AFTER JULY 1, 2023

4 (a) Application of this section. This section shall apply solely to a
5 withdrawal action initiated pursuant to the provisions of 16 V.S.A. § 724 that
6 were in effect prior to the effective date of Sec. 3 of this act (former 16 V.S.A
7 § 724), if each of the following actions occurred prior to that effective date:

8 (1) the State Board of Education gave final approval to the voter-
9 approved and voter-ratified proposal to withdraw from the union school
10 district;

11 (2) the State Board declared a new school district to be reconstituted;

12 (3) the State Board established the new school district's operational date
13 as July 1, 2023 or after;

14 (4) the voters of the new school district elected school board members;

15 (5) the voters of the towns within the union district voted to approve the
16 financial terms of withdrawal negotiated by the boards of the new school
17 district and the union district; and

18 (6) the State Board charged the new school district and its board with
19 performing the transitional activities necessary to assume sole responsibility
20 for the education of resident students on the identified operational date.

1 (b) Status report. On or before the regular July 2022 State Board meeting,
2 the new school district shall submit a written status report to the Board
3 detailing the actions the district has taken and will take to ensure that, as of its
4 operational date, the district will be prepared to assume sole responsibility for
5 the education of its students in prekindergarten through grade 12 in a manner
6 that will meet educational quality standards as required by 16 V.S.A. § 165 and
7 to ensure the provision of supervisory union services. The status report shall
8 include a timeline indicating the date by which each action shall be complete.

9 (c) State Board review and findings.

10 (1) Review. The State Board shall consider the status report and provide
11 the board of the new school district an opportunity to be heard. The Board
12 may, in its discretion, take testimony from other individuals and entities,
13 including the union school district and the Agency of Education.

14 (2) Preparedness deemed likely. If the State Board determines that it is
15 likely the new school district will be prepared, on the identified operational
16 date, to assume full responsibility for the education of its resident students in a
17 manner that substantially complies with educational quality standards as
18 required by 16 V.S.A. § 165, and to ensure the provision of supervisory union
19 services, then the new school district, the union district, and, if applicable, the
20 supervisory union or unions shall continue to take all actions necessary to
21 prepare for the realignment of duties on the operational date.

1 (3) Preparedness deemed unlikely.

2 (A) If the State Board determines there is a reasonable risk that the
3 new district will not be able to be prepared, on the operational date, to assume
4 full responsibility for the education of its resident students in a manner that
5 substantially complies with educational quality standards as required by
6 16 V.S.A. § 165, and to ensure the provision of supervisory union services,
7 then the Board shall issue a written advisory statement detailing the factors
8 underlying its conclusion, which it shall post on its website and transmit
9 electronically to the board of the new school district.

10 (B) Upon receipt of an advisory opinion pursuant to subdivision
11 (c)(3)(A) of this section, the board of the new school district shall post the
12 document on its website and schedule the contents as a topic for public
13 discussion at a special or regular board meeting.

14 (C) At any point before the operational date and after public
15 discussion and any board deliberations:

16 (i) the board of the new school district may continue to take all
17 actions necessary to prepare for the realignment of duties on the operational
18 date; or

19 (ii) on its own motion, or if petitioned to do so by at least five
20 percent of the voters in the new school district who were eligible to vote at the
21 last annual or special school district meeting, the board of the new school

1 district may warn a vote to request the State Board to reverse its declaration
2 approving withdrawal and reconstituting the new school district.

3 (I) The question shall be decided by Australian ballot.

4 (II) Within 45 days after the vote or 15 days after a vote to
5 reconsider under 17 V.S.A. § 2661, whichever is later, the clerk of the new
6 school district shall certify the results of the vote to the Secretary of State who
7 shall record the certificate and give notice of the vote to the clerk of the union
8 district, the clerks of each of the other towns within the union district, and the
9 Secretary of Education. The clerk of the new school district shall submit the
10 certification regardless of whether the voters in the district voted to petition the
11 State Board to reverse its declarations.

12 (D) If the new school district requests the State Board to take action
13 under subdivision (C) of this subsection (c), then:

14 (i) the State Board shall reverse and void earlier declarations
15 approving withdrawal and reconstituting the new school district and the
16 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is
17 concluded; and

18 (ii) the union school district shall continue to be solely responsible
19 for the education of the students residing in the town that petitioned for
20 withdrawal; provided, however:

1 (I) the new school district and its board shall continue to exist
2 for up to six months after the day on which the State Board reverses and voids
3 its earlier declarations for the sole purpose of completing any outstanding
4 business that cannot legally be performed by another entity; and

5 (II) the State Board may make any declarations and take any
6 actions, including recording certifications with the Secretary of State, that are
7 necessary to support the consequences outlined in this subdivision (c)(3)(D).

8 (d) Repeal. This section is repealed on July 1, 2023.

9 Sec. 5. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD
10 HAS NOT TAKEN ACTION; ALTERNATIVE GOVERNANCE
11 PROPOSAL PREVIOUSLY PRESENTED

12 (a) Application of this section.

13 (1) For purposes of this section and notwithstanding any provision of
14 law to the contrary, the provisions of 16 V.S.A. § 724 that were in effect prior
15 to the effective date of Sec. 3 of this Act (former 16 V.S.A. § 724) are deemed
16 to authorize withdrawal from a unified union school district created by the
17 State Board of Education in its “Final Report of Decisions and Order on
18 Statewide School District Merger Decisions Pursuant to Act 46, Secs. 8(b) and
19 10” dated November 28, 2018 (Order).

20 (2) This section shall apply solely to a withdrawal action initiated by a
21 town within a union district (petitioning town) pursuant to the former

1 16 V.S.A. § 724 if each of the following actions occurred prior to the effective
2 date of Sec. 3 of this act:

3 (A) the State Board created the union district in its Order;

4 (B) prior to issuance of the Order, the districts that merged to form
5 the union district submitted a proposal to the Secretary of Education and the
6 State Board setting forth the details of their self-evaluation and a proposal for
7 an alternative governance structure pursuant to 2015 Acts and Resolves
8 No. 46, Sec. 9 (Section 9 proposal);

9 (C) the voters of the petitioning town approved a proposal to
10 withdraw from the union district;

11 (D) the voters of each of the other towns within the union district
12 ratified the petitioning town's proposal to withdraw; and

13 (E) the State Board of Education has not approved or taken action to
14 approve the withdrawal proposal or to declare that a new school district is
15 reconstituted.

16 (b) Report and plan. At any time after the effective date of this section, but
17 on or before the regular September 2022 State Board meeting, the self-selected
18 representatives of the petitioning town and the board of the union district shall
19 submit to the State Board in writing:

1 (1) a report explaining the ways in which the current plan of the
2 petitioning town and the union district for operation after withdrawal conforms
3 to or differs from the Section 9 proposal; and

4 (2) a plan, including a timeline, identifying the actions the petitioning
5 town and the union district have taken and will take to transition to the
6 proposed structure and to ensure that, as of an identified operational date, the
7 proposed new school district will be prepared to assume sole responsibility for
8 the education of its students in prekindergarten through grade 12 in a manner
9 that will meet educational quality standards as required by 16 V.S.A. § 165,
10 including the actions necessary to transition to the proposed method by which
11 supervisory union services would be provided. At a minimum, the plan and
12 timeline should include the actions identified in subsection (d) of this section.

13 (c) State Board review and action.

14 (1) Review. The State Board shall consider the report and plan and shall
15 provide the self-selected representatives of the petitioning town and the board
16 of the union district an opportunity to be heard. The Board may, in its
17 discretion, take testimony from other individuals and entities.

18 (2) Preparedness determination and vote to approve withdrawal. The
19 State Board shall determine if it is likely or unlikely the proposed new school
20 district, on the proposed operational date, will be prepared to assume full
21 responsibility for the education of its resident students in a manner that

1 substantially complies with educational quality standards as required by
2 16 V.S.A. § 165 and also whether it is likely or unlikely that supervisory union
3 services will be available to both the proposed new school district and the
4 union district on the operational date. If the State Board determines
5 preparedness is unlikely, it shall issue a written advisory statement detailing
6 the factors underlying its conclusion, which shall be posted on its website.
7 Upon making its preparedness determination, the State Board shall vote to:

8 (A) approve the withdrawal proposal;

9 (B) approve any motion necessary for the withdrawal process to
10 proceed pursuant to subsection (d) of this section, including a motion to create
11 a new school district as of the date of the motion in order to enable the election
12 of members to the board of the proposed new school district, negotiation and
13 voter approval of a withdrawal agreement pursuant to the former 16 V.S.A.
14 § 724(c), and preparation to assume full responsibility for the education of
15 resident students on the operational date;

16 (C) determine or set a schedule for determining the manner in which
17 supervisory union services will be provided to the proposed new school district
18 and, if appropriate, the union district to be effective on the proposed new
19 school district's operational date; and

20 (D) make any other findings or declarations and approve any other
21 motions that are related and necessary to the withdrawal proposal.

1 (d) Actions necessary to be fully operational. After the State Board makes
2 its determination of preparedness and approves the withdrawal process
3 pursuant to subdivision (c)(2) of this section, then the new school district, the
4 union district, and, if applicable, the supervisory union or unions shall take all
5 actions necessary to be fully operational on the operational date. At a
6 minimum, the required necessary actions shall include:

7 (1) election of initial school board members by the voters of the new
8 school district, whose terms of office shall be arranged so that one each expires
9 on the day of the second, third, and fourth annual meeting of the new school
10 district, and whose sole responsibility until the new school district's
11 operational date shall be to prepare for the district to assume sole responsibility
12 for the education of resident students on that date;

13 (2) negotiation of the proposed financial terms of withdrawal by the
14 board of the new school district and the board of the union district in order to
15 comply with the requirements of the former 16 V.S.A. § 724(c);

16 (3) approval by the voters of each town within the union district of the
17 negotiated proposed financial terms of withdrawal in order to comply with the
18 requirements of the former 16 V.S.A. § 724(c);

19 (4) preparation of a proposed budget by the board of the new school
20 district for the fiscal year beginning on the district's operational date, together
21 with presentation to and approval by the district's voters prior to that date;

1 (5) preparation for the provision of supervisory union services to the
2 new school district and, if applicable, for the transition of the union school
3 district from a supervisory district structure to a supervisory union structure;

4 and

5 (6) all other actions necessary to transition from one school district to
6 two districts and, if applicable, to transition from a supervisory district
7 structure to a supervisory union structure, including all actions necessary to
8 address the collectively bargained rights of employees of the current
9 employing entity.

10 (e) Preparedness deemed unlikely.

11 (1) If the State Board determines preparedness is unlikely and issues a
12 written advisory statement detailing the factors underlying its conclusion
13 pursuant to subdivision (c)(2) of this section, it shall electronically transmit the
14 advisory statement to the board of the new school district upon its election.

15 (2) Upon receipt of the advisory statement, the board of the new school
16 district shall post the document on its website and schedule the contents as a
17 topic for public discussion at a special or regular board meeting.

18 (3) At any point before the operational date and after public discussion
19 and any board deliberations:

1 (A) the board of the new school district may continue to take all
2 actions necessary to prepare for the realignment of duties on the operational
3 date; or

4 (B) on its own motion, or if petitioned to do so by at least five
5 percent of the voters in the new school district who were eligible to vote at the
6 last annual or special school district meeting, the board of the new school
7 district may warn a vote to request the State Board to reverse its declaration
8 approving withdrawal and reconstituting the new school district.

9 (i) The question shall be decided by Australian ballot.

10 (ii) Within 45 days after the vote or 15 days after a vote to
11 reconsider under 17 V.S.A. § 2661, whichever is later, the clerk of the new
12 school district shall certify the results of the vote to the Secretary of State who
13 shall record the certificate and give notice of the vote to the clerk of the union
14 district, the clerks of each of the other towns within the union district, and the
15 Secretary of Education. The clerk of the new school district shall submit the
16 certification regardless of whether the voters in the district voted to petition the
17 State Board to reverse its declarations.

18 (4) If the new school district requests the State Board to take action
19 under subdivision (3) of this subsection, then:

20 (A) the State Board shall reverse and void earlier declarations
21 approving withdrawal and reconstituting the new school district and the

1 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is
2 concluded; and

3 (B) the union school district shall continue to be solely responsible
4 for the education of the students residing in the town that petitioned for
5 withdrawal; provided, however:

6 (i) the new school district and its board shall continue to exist for
7 up to six months after the day on which the State Board reverses and voids its
8 earlier declarations for the sole purpose of completing any outstanding
9 business that cannot legally be performed by another entity; and

10 (ii) the State Board may make any declarations and take any
11 actions, including recording certifications with the Secretary of State, that are
12 necessary to support the consequences outlined in this subdivision (e)(4).

13 (f) Application of this section to withdrawal from a union elementary or
14 union high school district.

15 (1) The processes outlined in this section shall apply to an action of a
16 member school district to withdraw from a union elementary or union high
17 school district if the five elements set forth in subdivisions (A)–(E) of
18 subdivision (a)(2) are met.

19 (2) For purposes of applying the process in this section to withdrawal
20 from a union elementary or union high school district under this subsection, the
21 terms used in subsections (a) through (e) have the following meanings:

1 (A) “Petitioning town” means the member district of the union
2 elementary or union high school district that initiated the withdrawal process
3 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
4 effective date of Sec. 3 of this act.

5 (B) “Selectboard” means the board of the member district that
6 initiated the withdrawal process pursuant to the provisions of 16 V.S.A. § 721a
7 that were in effect prior to the effective date of Sec. 3 of this act.

8 (C) “Town within the union school district” means a member district
9 of the union elementary or union high school district.

10 (g) Repeal. This section is repealed on July 1, 2024.

11 Sec. 6. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD
12 HAS NOT TAKEN ACTION; UNION DISTRICT CREATED BY
13 THE ELECTORATE

14 (a) Application of this section. This section shall apply solely to a
15 withdrawal action initiated by a town within a union district (petitioning town)
16 pursuant to the provisions of 16 V.S.A. § 724 that were in effect prior to the
17 effective date of Sec. 3 of this act (former 16 V.S.A. § 724) if each of the
18 following actions occurred prior to that date:

19 (1) the union district formed pursuant to the provisions of 16 V.S.A.
20 §§ 706–706j that were in effect prior to the effective date of Sec. 3 of this act;

1 (2) the voters of the petitioning town approved a proposal to withdraw
2 from the union district;

3 (3) the voters of each of the other towns within the union district ratified
4 the petitioning town’s proposal to withdraw; and

5 (4) the State Board of Education has not approved or taken action to
6 approve the withdrawal proposal or to declare that a new school district is
7 reconstituted.

8 (b) Report and plan. At any time after the effective date of this section, but
9 on or before the regular September 2022 State Board meeting, the self-selected
10 representatives of the petitioning town shall submit a written report and plan to
11 the State Board.

12 (1) Report. The report shall describe the analysis that has been
13 performed by the petitioning town to evaluate the likely strengths and
14 challenges for the proposed new school district and for the reconfigured union
15 district if withdrawal is approved and the ways in which withdrawal would
16 enable both districts to provide for the education of their respective resident
17 students in a manner that will meet educational quality standards as required
18 by 16 V.S.A. § 165. The report **should** address:

19 (A) the educational advantages and disadvantages likely to result
20 from withdrawal for the students in the proposed new school district and the

1 students in the remaining towns within the union district and the ways in which
2 they are preferable to those of continuing in the current governance structure;

3 (B) the financial advantages and disadvantages likely to result from
4 withdrawal for the taxpayers in the proposed new school district and the
5 taxpayers in the remaining towns within the union district and the ways in
6 which they are preferable to those of continuing in the current governance
7 structure;

8 (C) the likely operational and financial viability and sustainability of
9 the proposed new school district and the union district after withdrawal of the
10 petitioning town;

11 (D) any other advantages and disadvantages of withdrawal, including
12 any advantages and disadvantages to the students and taxpayers of the region
13 and the State; and

14 (E) the potential source of supervisory union services for the new
15 school district and, if appropriate, for the union district, including discussions
16 with the board of any supervisory union to which the petitioning town
17 proposes assignment.

18 (2) Plan. The plan shall describe the actions that the petitioning town
19 has taken and will take to ensure that, as of its proposed operational date, the
20 proposed new district will be prepared to assume sole responsibility for the
21 education of its students in prekindergarten through grade 12 in a manner that

1 will meet educational quality standards as required by 16 V.S.A. § 165,
2 including the actions necessary to transition to the proposed method by which
3 supervisory union services would be provided. The plan shall include a
4 timeline indicating the date by which each action will be complete. At a
5 minimum, the plan and timeline should include the actions identified in
6 subsection (d) of this section.

7 (c) State Board review and action.

8 (1) Review. The State Board shall consider the report and plan and shall
9 provide the self-selected representatives of the petitioning town and the board
10 of the union district an opportunity to be heard. The Board may, in its
11 discretion, take testimony from other individuals and entities.

12 (2) Preparedness determination and vote to approve withdrawal. The
13 State Board shall determine if it is likely or unlikely the proposed new school
14 district will be prepared to assume full responsibility for the education of its
15 resident students in a manner that substantially complies with educational
16 quality standards as required by 16 V.S.A. § 165 and whether it is likely or
17 unlikely that supervisory union services will be available to the proposed new
18 school district on the operational date. If the State Board determines
19 preparedness is unlikely, it shall issue a written advisory statement detailing
20 the factors underlying its conclusion, which shall be posted on its website.
21 Upon making its preparedness determination, the State Board shall vote to:

1 (A) approve the withdrawal proposal;

2 (B) approve any motion necessary for the withdrawal process to
3 proceed pursuant to subsection (d) of this section, including a motion to create
4 a new school district as of the date of the motion in order to enable the election
5 of members to the board of the proposed new school district, negotiation and
6 voter approval of a withdrawal agreement pursuant to the former 16 V.S.A.
7 § 724(c), and preparation to assume full responsibility for the education of
8 resident students on the operational date;

9 (C) determine or set a schedule for determining the manner in which
10 supervisory union services will be provided to the proposed new school district
11 and, if appropriate, the union district, to be effective on the proposed new
12 school district's operational date; and

13 (D) make any other findings or declarations and approve any other
14 motions that are related and necessary to the withdrawal proposal.

15 (d) Actions necessary to be fully operational. After the State Board makes
16 its determination of preparedness and approves the withdrawal process
17 pursuant to subdivision (c)(2) of this section, then the new school district, the
18 union district, and, if applicable, the supervisory union or unions shall take all
19 actions necessary to be fully operational on the identified operational date. At
20 a minimum, the required necessary actions shall include:

1 (1) election of initial school board members by the voters of the new
2 school district, whose terms of office shall be arranged so that one each expires
3 on the day of the second, third, and fourth annual meeting of the new school
4 district and whose sole responsibility until the new school district's operational
5 date shall be to prepare for the district to assume sole responsibility for the
6 education of resident students on that date;

7 (2) negotiation by the board of the new school district and the board of
8 the union district of the proposed financial terms of withdrawal in order to
9 comply with the requirements of the former 16 V.S.A. § 724(c);

10 (3) approval by the voters of each town within the union district of the
11 negotiated proposed financial terms of withdrawal in order to comply with the
12 requirements of the former 16 V.S.A. § 724(c);

13 (4) preparation of a proposed budget by the board of the new school
14 district for the fiscal year beginning on the district's operational date, together
15 with presentation to and approval by the district's voters prior to that date;

16 (5) preparation for the provision of supervisory union services to the
17 new school district and, if applicable, for the transition of the union school
18 district from a supervisory district structure to a supervisory union structure;
19 and

20 (6) all other actions necessary to transition from one school district to
21 two districts and, if applicable, to transition from a supervisory district

1 structure to a supervisory union structure, including any actions necessary to
2 address the collectively bargained rights of employees of the former employing
3 entity.

4 (e) Preparedness deemed unlikely.

5 (1) If the State Board determines preparedness is unlikely and issues a
6 written advisory statement detailing the factors underlying its conclusion
7 pursuant to subdivision (c)(2) of this section, it shall electronically transmit the
8 advisory statement to the board of the new school district upon its election.

9 (2) Upon receipt of the advisory statement, the board of the new school
10 district shall post the document on its website and schedule the contents as a
11 topic for public discussion at a special or regular board meeting.

12 (3) At any point before the operational date and after public discussion
13 and any board deliberations:

14 (A) the board of the new school district may continue to take all
15 actions necessary to prepare for the realignment of duties on the operational
16 date; or

17 (B) on its own motion, or if petitioned to do so by at least five
18 percent of the voters in the new school district who were eligible to vote at the
19 last annual or special school district meeting, the board of the new school
20 district may warn a vote to request the State Board to reverse its declaration
21 approving withdrawal and reconstituting the new school district.

1 (i) The question shall be decided by Australian ballot.

2 (ii) Within 45 days after the vote or 15 days after a vote to
3 reconsider under 17 V.S.A. § 2661, whichever is later, the clerk of the new
4 school district shall certify the results of the vote to the Secretary of State who
5 shall record the certificate and give notice of the vote to the clerk of the union
6 district, the clerks of each of the other towns within the union district, and the
7 Secretary of Education. The clerk of the new school district shall submit the
8 certification regardless of whether the voters in the district voted to petition the
9 State Board to reverse its declarations.

10 (4) If the new school district requests the State Board to take action
11 under subdivision (3) of this subsection, then:

12 (A) the State Board shall reverse and void earlier declarations
13 approving withdrawal and reconstituting the new school district and the
14 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is
15 concluded; and

16 (B) the union school district shall continue to be solely responsible
17 for the education of the students residing in the town that petitioned for
18 withdrawal; provided, however:

19 (i) the new school district and its board shall continue to exist for
20 up to six months after the day on which the State Board reverses and voids its

1 earlier declarations for the sole purpose of completing any outstanding
2 business that cannot legally be performed by another entity; and

3 (ii) the State Board may make any declarations and take any
4 actions, including recording certifications with the Secretary of State, that are
5 necessary to support the consequences outlined in this subdivision (e)(4).

6 (f) Application of this section to withdrawal from a union elementary or
7 union high school district.

8 (1) The processes outlined in this section shall apply to an action of a
9 member school district to withdraw from a union elementary or union high
10 school district if the four elements set forth in subdivisions (1)–(4) of
11 subdivision (a) are met.

12 (2) For purposes of applying the process in this section to withdrawal
13 from a union elementary or union high school district under this subsection, the
14 terms used in subsections (a) through (d) of this section have the following
15 meanings:

16 (A) “Petitioning town” means the member district of the union
17 elementary or union high school district that initiated the withdrawal process
18 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
19 effective date of Sec. 3 of this act.

1 (B) “Selectboard” means the board of the member district that
2 initiated the withdrawal process pursuant to the provisions of 16 V.S.A. § 721a
3 that were in effect prior to the effective date of Sec. 3 of this act.

4 (C) “Town within the union school district” means a member district
5 of the union elementary or union high school district.

6 (f) Repeal. This section is repealed on July 1, 2024.

7 Sec. 7. WITHDRAWAL PROPOSALS; NO FINAL RATIFICATION

8 VOTES

9 (a) Unified union school districts. If a town within a unified union school
10 district voted to withdraw from the union district pursuant to the provisions of
11 16 V.S.A. § 724 that were in effect prior to the effective date of Sec. 3 of this
12 act, and if the voters of each of the other towns within the union district have
13 not voted whether to ratify the withdrawal proposal prior to the effective date
14 of this section or if they each voted but the votes are not final prior to the
15 effective date, then the withdrawal action is deemed to have been withdrawn.
16 The voters residing in any town within the union district may initiate new
17 withdrawal procedures pursuant to the process set forth in Sec. 3, 16 V.S.A.
18 § 724, of this act.

19 (b) Union elementary and union high school districts. If a member district
20 of a union elementary or union high school district voted to withdraw from the
21 union district pursuant to the provisions of 16 V.S.A. § 721a that were in effect

1 prior to the effective date of Sec. 3 of this act, and if the voters of each of the
2 other member districts of the union district have not voted whether to ratify the
3 withdrawal proposal prior to the effective date of this section or if they each
4 voted but the votes are not final prior to the effective date, then the withdrawal
5 action is deemed to have been withdrawn. The voters residing in any member
6 district of the union district may initiate new withdrawal procedures pursuant
7 to the process set forth in Sec. 3, 16 V.S.A. § 725, of this act.