

1 Introduced by Committee on Finance

2 Date:

3 Subject: Education; student equity; pupil weighting

4 Statement of purpose of bill as introduced: This bill proposes to: (1) improve  
5 student equity by adjusting and adding pupil weights beginning in fiscal year  
6 2024 with a five-year transition period; (2) create the Education Fund Advisory  
7 Committee to monitor Vermont’s education financing system, conduct  
8 analyses, recalculate and recalibrate the pupil weights and categorical aid  
9 amounts as necessary, and make annual recommendations reporting its  
10 findings to the General Assembly; (3) add six Agency of Education staff  
11 positions to support school districts in the provision of English Language  
12 Learner services, to support school food programs and the development of the  
13 universal income declaration form, and to provide financial and data support to  
14 the Agency and the Education Fund Advisory Committee; and (4) require that  
15 the State Auditor conduct a performance audit, conducted under Generally  
16 Accepted Government Auditing Standards, that identifies the successes and  
17 failures of the implementation of this act.

1 An act relating to improving student equity by adjusting the school funding  
2 formula and providing education quality and funding oversight

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

4 \* \* \* Findings and Goals \* \* \*

5 Sec. 1. FINDINGS

6 (a) The Vermont Supreme Court, in *Brigham v. State*, 166 Vt. 246 (1997),  
7 held that education in Vermont is “a constitutionally mandated right” and that  
8 to “keep a democracy competitive and thriving, students must be afforded  
9 equal access to all that our educational system has to offer.” Therefore, the  
10 Court held that in order to “fulfill its constitutional obligation the [S]tate must  
11 ensure substantial equality of educational opportunity throughout Vermont.”

12 (b) The General Assembly reflected this holding in statute, 16 V.S.A. § 1,  
13 stating that “the right to education is fundamental for the success of Vermont’s  
14 children in a rapidly-changing society and global marketplace as well as for the  
15 State’s own economic and social prosperity. To keep Vermont’s democracy  
16 competitive and thriving, Vermont students must be afforded substantially  
17 equal access to a quality basic education...it is the policy of the State that all  
18 Vermont children will be afforded educational opportunities that are  
19 substantially equal although educational programs may vary from district to  
20 district.”

21 (c) Students come to school with dissimilar learning needs and  
22 socioeconomic backgrounds that may require different types and levels of

1 educational support for them to achieve common standards or outcomes.

2 Similarly, schools in different contexts may also require different levels of  
3 resources due to their scale of operations or the price they must pay for key  
4 resources. Therefore, school districts with similar education property tax rates  
5 may achieve significantly different student outcomes.

6 (d) 2018 Acts and Resolves No. 173, Sec. 11 directed the Agency of  
7 Education to study the efficacy of the current pupil weighting factors, which  
8 are used in Vermont’s school funding formula to provide equitable tax capacity  
9 to local school districts for spending on various student needs, and to consider  
10 whether increased or additional weighting factors should be included in the  
11 equalized pupil count.

12 (e) On December 24, 2019, the Agency issued its Pupil Weighting Factors  
13 Report, which was produced by a University of Vermont-Rutgers University  
14 team of researchers. The Report found that neither the cost factors  
15 incorporated in the weighing formula nor the values of the current weights  
16 reflect contemporary educational circumstances and costs and that stakeholders  
17 viewed the existing approach as “outdated.” The Report found that values for  
18 the existing weights have weak ties, if any, with evidence describing  
19 differences in the costs for educating students with disparate needs or operating  
20 schools in different contexts and recommended that the General Assembly  
21 increase certain existing weights and add certain new weighting factors.

1       (f) 2021 Acts and Resolves No. 59 created the Task Force on the  
2       Implementation of the Pupil Weighting Factors Report composed of eight  
3       members of the General Assembly, four senators and four representatives, to  
4       recommend to the General Assembly an action plan and proposed legislation to  
5       ensure that all public school students have equitable access to educational  
6       opportunities, taking into account the Weighting Report. The Task Force  
7       unanimously recommended two systemic change options and a series of  
8       related provisions for either updating the weights or adopting a cost equity  
9       payment approach to providing direct aid to school districts as set out in its  
10       “Report Prepared in Accordance with Act No. 59 of the 2021 Legislative  
11       Session” dated December 17, 2021.

12       Sec. 2. GOALS

13       By enacting this legislation, the General Assembly intends to fulfill  
14       Vermont’s constitutional mandate to ensure that all students receive substantial  
15       equality of educational opportunity throughout the State. The legislation is  
16       designed to:

17               (1) increase educational equity by ensuring that the financial resources  
18       available to local school districts for educating students living in poverty,  
19       students with English language learning needs, students in small rural schools,  
20       students in sparsely populated school districts, and students in middle and high  
21       schools are sufficient to meet the cost of educating these students;

1           (2) improve educational outcomes of students in the circumstances and  
2           categories identified under subdivision (1) of this subsection by ensuring that  
3           financial resources tied to the cost of educating these students are available to  
4           local school districts;

5           (3) improve transparency in the distribution of financial resources to  
6           school districts by simplifying the school funding formula and better tying  
7           educational expenditures to student needs;

8           (4) enhance educational and financial accountability by ensuring that  
9           equitable resources are budgeted and expended for the education of students in  
10           these circumstances or categories and that regular evaluation mechanisms are  
11           utilized to assess educational equity and outcomes; and

12           (5) improve oversight of Vermont’s kindergarten–grade 12 public  
13           education funding system by creating a new advisory body with expertise to  
14           monitor and recommend improvements to the system.

15                           \* \* \* Determination of Weighted Membership \* \* \*

16           Sec. 3. 16 V.S.A. § 4001(7) is amended to read:

17           (7) “Long-term membership” of a school district in any school year  
18           means the:

19           (A) mean average of the district’s average daily membership,  
20           excluding full-time equivalent enrollment of State-placed students, over two  
21           school years, the latter of which is the current school year; provided that

1 students enrolled in a small school shall be counted using the average two-year  
2 enrollment calculation under section 4010(a)(5)(B) of this title; plus

3 (B) full-time equivalent enrollment of State-placed students for the  
4 most recent of the two years.

5 Sec. 4. 16 V.S.A. § 4001(8) is amended to read:

6 (8) ~~“Poverty ratio” means the number of persons in the school district~~  
7 ~~who are aged six through 17 and who are from economically deprived~~  
8 ~~backgrounds, divided by the long term membership of the school district. A~~  
9 ~~person “Pupil from an economically deprived economically deprived~~  
10 ~~background” means a person pupil who resides with a family unit receiving~~  
11 ~~nutrition benefits. A person who does not reside with a family unit receiving~~  
12 ~~nutrition benefits but for whom English is not the primary language shall also~~  
13 ~~be counted in the numerator of the ratio. The Secretary shall use a method of~~  
14 ~~measuring the nutrition benefits population that produces data reasonably~~  
15 ~~representative of long term trends. Persons for whom English is not the~~  
16 ~~primary language shall be identified pursuant to subsection 4010(e) of this title~~  
17 is eligible for free or reduced-price lunch under the National School Lunch  
18 Act, 42 U.S.C. § 1751 et seq., and in the Child Nutrition Act, 42 U.S.C. § 1771  
19 et seq., each as amended.

1       Sec. 5. UNIVERSAL INCOME DECLARATION FORM

2           It is the intention of the General Assembly that the determination of  
3       whether a pupil is from an economically deprived background be changed  
4       from eligibility for free or reduced-price school meals to a measurement  
5       determined by the General Assembly, but not lower than 185 percent of the  
6       current year Federal Poverty Level, with data collected from a universal  
7       income declaration form. This form is used by some other states and school  
8       districts in Vermont with universal school meals programs to collect household  
9       size and income information that was previously collected using the Free and  
10       Reduced-Price Meal Application. The form may be required by states to  
11       collect income bracket information from all families and thereby reduces  
12       stigma and collects more accurate pupil eligibility counts throughout a school  
13       district. The Agency of Education shall convene a working group on or before  
14       October 1, 2022, including school staff and hunger and nutrition experts, to  
15       develop a new form that is fully accessible to families before statewide  
16       implementation of the form for the 2023–24 school year.

17       Sec. 6. 16 V.S.A. § 4010 is amended to read:

18       § 4010. DETERMINATION OF WEIGHTED MEMBERSHIP

19           (a) Determination of average daily membership and subgroup lists.

20           (1) On or before the first day of December during each school year, the  
21       Secretary shall determine the average daily membership, as defined in

1 subdivision 4001(1) of this title, of each school district for the current school  
2 year. The determination shall list separately:

3 ~~(1)(A) resident prekindergarten children pupils in prekindergarten;~~

4 ~~(2)(B) resident students being provided elementary or kindergarten~~  
5 ~~education pupils in kindergarten through grade five; and~~

6 ~~(3)(C) resident students being provided secondary education pupils in~~  
7 ~~grades six through eight; and~~

8 ~~(D) resident pupils in grades nine through 12.~~

9 (2) On or before the first day of December during each school year, the  
10 Secretary shall identify resident pupils from economically deprived  
11 backgrounds, as defined in subdivision 4001(8) of this title, in each school  
12 district for the current school year.

13 (3) On or before the first day of December during each school year, the  
14 Secretary shall identify resident pupils who are English Language learners, as  
15 defined in section 4013 of this title, in each school district for the current  
16 school year.

17 (4)(A) On or before the first day of December during each school year,  
18 the Secretary shall list all school districts that have a population density,  
19 measured by the number of persons per square mile residing within the  
20 geographic boundaries of the district as of July 1 of that year, equaling:

21 (i) fewer than 36 persons per square mile;



1                   (ii) 36 to 54 persons per square mile; or

2                   (iii) 55 to 100 persons per square mile.

3                   (B) Population density data shall be based on the most recent U.S.

4 Census data as provided to the Agency of Education by the Vermont Center for

5 Geographic Information.

6                   (5)(A) On or before the first day of December during each school year,

7 the Secretary shall list all school districts that have one or more schools that

8 have an average two-year enrollment of:

9                   (i) fewer than 100 enrolled pupils; or

10                  (ii) 100 to 250 enrolled pupils.

11                  (B) As used in this subdivision (5) and in subdivision (c)(5) of this

12 section, “average two-year enrollment” means the average enrollment of the

13 two most recently completed school years, and “enrollment” means the number

14 of pupils who are enrolled in a school operated by the district on October 1. A

15 pupil shall be counted as one whether the pupil is enrolled as a full-time or

16 part-time student.

17                  (b) Determination of long-term membership. The Secretary shall

18 determine the long-term membership, as defined in subdivision 4001(7) of this

19 title, for each school district for each ~~student~~ pupil group described in

20 subsection (a) of this section. ~~The Secretary shall use the actual average daily~~

1 membership over two consecutive years, the latter of which is the current  
2 school year.

3 (c) Determination of weighted long-term membership. The Secretary shall  
4 determine the weighted long-term membership, as defined in subdivision  
5 4001(12) of this title, for each school district ~~using the long-term membership~~  
6 ~~from subsection (b) of this section and the following weights for each class:~~

7 ~~Prekindergarten 0.46~~

8 ~~Elementary or kindergarten 1.0~~

9 ~~Secondary 1.13.~~

10 (1) The Secretary shall first apply grade level weights. Each pupil  
11 included in long-term membership from subsection (b) of this section shall  
12 count as one, multiplied by the following amounts:

13 (A) prekindergarten—negative 0.54;

14 (B) grades six through eight—0.36; and

15 (C) grades nine through 12—0.39.

16 (2) The Secretary shall next apply a weight for pupils from  
17 economically deprived backgrounds. Each pupil included in long-term  
18 membership from subsection (b) of this section shall receive an additional  
19 weighting amount of 1.03.

1           (3) The Secretary shall next apply a weight for ELL pupils. Each ELL  
2           pupil included in long-term membership from subsection (b) of this section  
3           shall receive an additional weighting amount of 2.49.

4           (4) The Secretary shall then apply a weight for pupils living in low  
5           population density school districts. Each pupil included in long-term  
6           membership from subsection (b) of this section residing in a low population  
7           density school district shall receive an additional weighting amount of:

8                   (A) 0.15, where the number of persons per square mile in the school  
9                   district is 35 or fewer;

10                   (B) 0.12, where the number of persons per square mile in the school  
11                   district is 36 or more but fewer than 56; or

12                   (C) 0.07, where the number of persons per square mile in the school  
13                   district is 56 or more but fewer than 101.

14           (5) The Secretary shall lastly apply a weight for pupils who attend a  
15           small school. If the number of persons per square mile in a school district is 55  
16           or fewer and the school district has a school with an average two-year  
17           enrollment of:

18                   (A) fewer than 100 pupils, then the school district shall receive an  
19                   additional weighting amount of 0.21 for each pupil included in the small  
20                   school's average two-year enrollment; or

1           (B) 100 or more but fewer than 251 pupils, then the school district  
2           shall receive an additional weighting amount of 0.07 for each pupil included in  
3           the small school’s average two-year enrollment.

4           (6) A school district’s weighted long-term membership shall equal long-  
5           term membership as determined under subsection (b) of this section plus the  
6           cumulation of the weights assigned by the Secretary under this subsection.

7           ~~(d) The weighted long term membership calculated under subsection (c) of~~  
8           ~~this section shall be increased for each school district to compensate for~~  
9           ~~additional costs imposed by students from economically deprived~~  
10           ~~backgrounds. The adjustment shall be equal to the total from subsection (c) of~~  
11           ~~this section, multiplied by 25 percent, and further multiplied by the poverty~~  
12           ~~ratio of the district. [Repealed.]~~

13           ~~(e) The weighted long term membership calculated under subsection (c) of~~  
14           ~~this section shall be further increased by 0.2 for each student in average daily~~  
15           ~~membership for whom English is not the primary language. [Repealed.]~~

16           (f) Hold harmless. For purposes of determining weighted membership  
17           under this section, a district’s equalized pupils shall in no case be less than  
18           96 and one-half percent of the actual number of equalized pupils in the district  
19           in the previous year, prior to making any adjustment under this section.

20           (g) Guidelines. The Secretary shall develop guidelines to enable clear and  
21           consistent identification of ~~students~~ pupils to be counted under this section.



1 (h) Determination of equalized pupils. On December 1 each year, the  
2 Secretary shall determine the equalized pupil count for the next fiscal year for  
3 district review. This equalized pupil count shall equal the average of the  
4 equalized pupil count for the year of calculation with the equalized pupil  
5 counts for the preceding two fiscal years. The Secretary shall make any  
6 necessary corrections on or before December 15, on which date the count shall  
7 become final for that year.

8 \* \* \*

9 Sec. 6b. PROSPECTIVE AND CONDITIONAL REPEALS

10 If, on or before July 1, 2027, the General Assembly has not revised the  
11 weighting factors under 16 V.S.A. § 4010 to reflect changes in cost factors  
12 from which the weights are derived after receiving a recommendation of the  
13 Education Fund Advisory Committee created under Sec. 14 of this act to do so,  
14 then:

15 (1) 16 V.S.A. § 4010 is repealed on July 1, 2027; and

16 (2) Sec. 6a of this act is repealed on July 1, 2027.

17 Sec. 7. 16 V.S.A. § 4013 is added to read:

18 § 4013. ENGLISH LANGUAGE LEARNERS; STATE AID

19 (a) Definitions. In this section:

20 (1) “ELL students” mean students who are English language learners

21 and for whom English is not their primary language.

1           (2) “ELL services” means instructional and support personnel and  
2           services that are required under the Equal Education Opportunity Act, 20  
3           U.S.C. §1703, for ELL students and their families, which shall include:

4           (A) licensed teachers, paraprofessionals, translators, and cultural  
5           liaisons;

6           (B) high quality instructional materials such as books and digital  
7           resources;

8           (C) family support and education, with assistance from cultural  
9           liaisons who speak the student’s native language; and

10          (D) community outreach, education and engagement.

11          (b) Required ELL services. Each school districts shall:

12           (1) provide ELL services;

13           (2) budget sufficient resources through a combination of State and  
14           federal categorical aid and local education spending to provide ELL services;

15           (3) report expenditures on ELL services annually to the Agency of  
16           Education through the financial reporting system as required by the Agency;  
17           and

18           (4) report on educational outcomes of ELL students as required by the  
19           Agency.

20          (c) Agency of Education support and quality assurance. The Agency of  
21          Education shall:

1           (1) provide guidance and program support to all school districts with  
2           ELL students as required under the Equal Education Opportunity Act,  
3           including:

4                   (A) professional development for ELL instructors and support  
5           personnel; and

6                   (B) information on best practices and WIDA language development  
7           standards; and

8           (2) prescribe, collect, and analyze financial and student outcome data  
9           from school districts to ensure that districts are providing high quality ELL  
10          services and expending sufficient resources to provide these services.

11          (d) Categorical aid. In addition to the ELL weight under section 4010 of  
12          this title, a school district that has, as determined annually on October 1 of the  
13          year:

14                   (1) one to five ELL students enrolled, shall receive State aid of  
15          \$25,000.00 for that school year; or

16                   (2) six to 25 ELL students enrolled, shall receive State aid of \$50,000.00  
17          for that school year.

18          (e) Annual appropriation. Annually, the General Assembly shall include in  
19          its appropriation for statewide education spending under section 4011(a) of this  
20          title an appropriation to provide aid to school districts for ELL services under  
21          this section.



1           (f) Payment. On or before November 1 of each year, the State Treasurer  
2           shall withdraw from the Education Fund, based on warrant of the  
3           Commissioner of Finance and Management, and shall forward to each school  
4           district the aid amount it is owed under this section.

5                           \* \* \* Merger Support for Merged Districts \* \* \*

6           Sec. 8. 16 V.S.A. § 4015 is amended to read:

7           § 4015. ~~SMALL SCHOOL~~ MERGER SUPPORT FOR MERGED  
8                           DISTRICTS

9           ~~(a) In this section:~~

10           ~~(1) “Eligible school district” means a school district that:~~

11                           ~~(A) operates at least one school with an average grade size of 20 or~~  
12           ~~fewer; and~~

13                           ~~(B) has been determined by the State Board, on an annual basis, to be~~  
14           ~~eligible due to either:~~

15                           ~~(i) the lengthy driving times or inhospitable travel routes between~~  
16           ~~the school and the nearest school in which there is excess capacity; or~~

17                           ~~(ii) the academic excellence and operational efficiency of the~~  
18           ~~school, which shall be based upon consideration of:~~

19                           ~~(I) the school’s measurable success in providing a variety of~~  
20           ~~high-quality educational opportunities that meet or exceed the educational~~

1 ~~quality standards adopted by the State Board pursuant to section 165 of this~~  
2 ~~title;~~

3 ~~(II) the percentage of students from economically deprived~~  
4 ~~backgrounds, as identified pursuant to subsection 4010(d) of this title, and~~  
5 ~~those students' measurable success in achieving positive outcomes;~~

6 ~~(III) the school's high student to staff ratios; and~~

7 ~~(IV) the district's participation in a merger study and~~  
8 ~~submission of a merger report to the State Board pursuant to chapter 11 of this~~  
9 ~~title or otherwise.~~

10 ~~(2) "Enrollment" means the number of students who are enrolled in a~~  
11 ~~school operated by the district on October 1. A student shall be counted as one~~  
12 ~~whether the student is enrolled as a full-time or part-time student.~~

13 ~~(3) "Two-year average enrollment" means the average enrollment of the~~  
14 ~~two most recently completed school years.~~

15 ~~(4) "Average grade size" means two-year average enrollment divided by~~  
16 ~~the number of grades taught in the district on October 1. For purposes of this~~  
17 ~~calculation, kindergarten and prekindergarten programs shall be counted~~  
18 ~~together as one grade.~~

19 ~~(5) "AGS factor" means the following factors for each average grade~~  
20 ~~size:~~

21 ~~Average grade size~~

	<del>More than:</del>	<del>but less than or equal to:</del>	<del>Factor:</del>
1			
2	<del>0</del>	<del>7</del>	<del>0.19</del>
3	<del>7</del>	<del>9</del>	<del>0.175</del>
4	<del>9</del>	<del>10</del>	<del>0.16</del>
5	<del>10</del>	<del>11</del>	<del>0.145</del>
6	<del>11</del>	<del>12</del>	<del>0.13</del>
7	<del>12</del>	<del>13</del>	<del>0.115</del>
8	<del>13</del>	<del>14</del>	<del>0.10</del>
9	<del>14</del>	<del>15</del>	<del>0.085</del>
10	<del>15</del>	<del>16</del>	<del>0.070</del>
11	<del>16</del>	<del>17</del>	<del>0.055</del>
12	<del>17</del>	<del>18</del>	<del>0.040</del>
13	<del>18</del>	<del>19</del>	<del>0.025</del>
14	<del>19</del>	<del>20</del>	<del>0.015</del>

15           ~~(6) “School district” means a town, city, incorporated, interstate, or~~  
16           ~~union school district or a joint contract school established under chapter 11,~~  
17           ~~subchapter 1 of this title.~~

18           ~~(b) Small schools support grant. Annually, the Secretary shall pay a small~~  
19           ~~schools support grant to any eligible school district. The amount of the grant~~  
20           ~~shall be the greater of:~~

1           ~~(1) the amount determined by multiplying the two-year average~~  
2           ~~enrollment in the district by \$500.00 and subtracting the product from~~  
3           ~~\$50,000.00, with a maximum grant of \$2,500.00 per enrolled student; or~~

4           ~~(2) the amount of 87 percent of the base education amount for the~~  
5           ~~current year, multiplied by the two-year average enrollment, multiplied by the~~  
6           ~~AGS factor.~~

7           ~~(c) [Repealed.]~~

8           ~~(d) [Repealed.]~~

9           ~~(e) In the event that a school or schools that have received a grant under~~  
10           ~~this section merge in any year following receipt of a grant, and the~~  
11           ~~consolidated school is not eligible for a grant under this section or the small~~  
12           ~~school grant for the consolidated school is less than the total amount of grant~~  
13           ~~aid the schools would have received if they had not combined, the consolidated~~  
14           ~~school shall continue to receive a grant for three years following consolidation.~~  
15           ~~The amount of the annual grant shall be:~~

16           ~~(1) in the first year following consolidation, an amount equal to the~~  
17           ~~amount received by the school or schools in the last year of eligibility;~~

18           ~~(2) in the second year following consolidation, an amount equal to two-~~  
19           ~~thirds of the amount received in the previous year; and~~

20           ~~(3) in the third year following consolidation, an amount equal to one-~~  
21           ~~third of the amount received in the first year following consolidation.~~

1       ~~(f)(1) Notwithstanding anything to the contrary in this section, a school~~  
2       ~~district that received a small schools grant in fiscal year 2020 shall continue to~~  
3       ~~receive an annual small schools grant.~~

4       ~~(2) Payment of the grant under this subsection shall continue annually~~  
5       ~~unless explicitly repealed by the General Assembly; provided, however, that~~  
6       ~~the Secretary shall discontinue payment of the grant in the fiscal year~~  
7       ~~following the cessation of operations of the school that made the district~~  
8       ~~eligible for the small schools grant, and further provided that if the building~~  
9       ~~that houses the school that made the district eligible for the small schools grant~~  
10       ~~is consolidated with another school into a renovated or new school building,~~  
11       ~~then the Secretary shall continue to pay the grant during the repayment term of~~  
12       ~~any bonded indebtedness incurred in connection with the consolidation-related~~  
13       ~~renovation or construction.~~

14       ~~(3) A school district that is eligible to receive an annual small schools~~  
15       ~~grant under this subsection shall not also be eligible to receive a small school~~  
16       ~~grant or its equivalent under subsection (b) of this section or under any other~~  
17       ~~provision of law.~~

18       (a) A school district that was voluntarily formed under 2010 Acts and  
19       Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and  
20       Resolves No. 46, each as amended, and received a merger support grant shall

1 continue to receive that merger support grant, subject to the provisions in  
2 subsection (c) of this section.

3 (b) A school district that was involuntarily formed under the Final Report  
4 of Decisions and Order on Statewide School District Merger Decisions  
5 Pursuant to Act 46, Secs. 8(b) and 10 dated November 28, 2018 and that  
6 received a small schools grant in fiscal year 2020 shall receive an annual  
7 merger support grant in that amount, subject to the provisions in subsection (c)  
8 of this section.

9 (c)(1) Payment of a merger support grant under this section shall not be  
10 made in any year that the school district receives a small school weight under  
11 section 4010 of this title.

12 (2) Payment of a merger support grant under this section shall continue  
13 annually unless explicitly repealed by the General Assembly; provided,  
14 however, that the Secretary shall discontinue payment of the grant in the fiscal  
15 year following the cessation of operations of the school that made the district  
16 originally eligible for the grant, and further provided that if the building that  
17 houses the school that made the district originally eligible for the grant is  
18 consolidated with another school into a renovated or new school building, then  
19 the Secretary shall continue to pay the grant during the repayment term of any  
20 bonded indebtedness incurred in connection with the consolidation-related  
21 renovation or construction.

1 Sec. 9. 16 V.S.A. § 4030 is amended to read:

2 § 4030. DATA SUBMISSION; CORRECTIONS

3 \* \* \*

4 (b) The Secretary shall use data submitted on or before January 15 prior to  
5 the fiscal year that begins the following July 1, in order to calculate the  
6 amounts due each school district for any fiscal year for ~~the following:~~

7 ~~(1) transportation aid due under section 4016 of this title; and~~

8 ~~(2) the small school support grant due under section 4015 of this title.~~

9 \* \* \*

10 Sec. 10. 16 V.S.A. § 1531 is amended to read:

11 § 1531. RESPONSIBILITY OF STATE BOARD

12 \* \* \*

13 (c) For a school district that is geographically isolated from a Vermont  
14 career technical center, the State Board may approve a career technical center  
15 in another state as the career technical center that district students may attend.  
16 In this case, the school district shall receive transportation assistance pursuant  
17 to section 1563 of this title and tuition assistance pursuant to ~~section~~ subsection  
18 1561(c) of this title. Any student who is a resident in the Windham Southwest  
19 Supervisory Union and who is enrolled at public expense in the Charles H.  
20 McCann Technical School or the Franklin County Technical School shall be  
21 considered to be attending an approved career technical center in another state

1 pursuant to this subsection, and, if the student is from a school district eligible  
2 for a ~~small schools merger~~ support grant pursuant to section 4015 of this title  
3 or a small school weighting adjustment pursuant to section 4010 of this title,  
4 the student’s full-time equivalency shall be computed according to time  
5 attending the school.

6 \* \* \* Transition \* \* \*

7 Sec. 11. TRANSITION; CALCULATION OF EQUALIZED PUPILS

8 (a) For fiscal years 2024, 2025, and 2026, the number of equalized pupils  
9 in a school district shall be determined by averaging the equalized pupil count  
10 for the year of calculation with the equalized pupil counts for the preceding  
11 four fiscal years.

12 (b) For fiscal year 2027, the number of equalized pupils in a school district  
13 shall be determined by averaging the equalized pupil count for the year of  
14 calculation with the equalized pupil counts for the preceding three fiscal years.

15 (c) For fiscal year 2028, the number of equalized pupils in a school district  
16 shall be determined by averaging the equalized pupil count for the year of  
17 calculation with the equalized pupil counts for the preceding two fiscal years.



1 Sec. 12. TRANSITION; SUSPENSION OF EXCESS SPENDING

2 PENALTY AND HOLD HARMLESS PROVISION

3 (a) Notwithstanding any provision of law to the contrary, for fiscal  
4 years 2024, 2025, 2026, 2027, and 2028, the excess spending penalty under  
5 16 V.S.A. § 4001(6)(B) and 32 V.S.A. § 5401(12) is suspended.

6 (b) Notwithstanding any provision of law to the contrary, for fiscal  
7 years 2024, 2025, 2026, 2027, and 2028, the hold harmless provision under  
8 16 V.S.A. § 4010(f) is suspended.

9 Sec. 13. VERMONT CENTER FOR GEOGRAPHIC INFORMATION

10 The Vermont Center for Geographic Information created under 3 V.S.A.  
11 § 2475 shall assist the Agency of Education in determining the number of  
12 persons per square mile residing within the geographic boundaries of each  
13 school district in the State.

14 \* \* \* Evaluation and Reporting \* \* \*

15 Sec. 14. EVALUATION AND REPORTING

16 (a)(1) On or before December 15, 2029, the State Auditor shall submit to  
17 the House and Senate Committees on Education, the House Committee on  
18 Ways and Means, the Senate Committee on Finance, the Agency of Education,  
19 and the Education Tax Advisory Committee a performance audit, conducted  
20 under Generally Accepted Government Auditing Standards, that identifies the  
21 successes and failures of the implementation of this act, including:

1           (A) whether, and the extent to which, each of the act’s five goals  
2           under Sec. 2 of this act have been met;

3           (B) if a goal has not been met, the reasons why and recommendations  
4           to achieve that goal; and

5           (C) the fiscal impact of the act, including the cost of implementation.

6           (2) On or before December 15, 2024, the Auditor, the Agency of  
7           Education, and the Education Fund Advisory Committee created under Sec. 15  
8           of this act shall jointly agree to the statement of work for the audit, including  
9           how to measure whether the act’s five goals have been met, and submit the  
10           statement of work to the House and Senate Committees on Education, the  
11           House Committee on Ways and Means, and the Senate Committee on Finance.

12           (b) The audit shall be carried out by the State Auditor or a contracted  
13           designee of the State Auditor who, in order to maintain independence, has not  
14           consulted on, or contracted to provide services in relation to, the Pupil  
15           Weighting Factors Report dated December 24, 2019 or the Report Prepared in  
16           Accordance with Act No. 59 of the 2021 Legislative Session dated  
17           December 17, 2021. The audit shall cover the period beginning on July 1,  
18           2024 and ending on June 30, 2028. The audit shall take into account such  
19           metrics as the Auditor, the Agency of Education, and the Education Fund  
20           Advisory Committee jointly determine appropriate, which shall include:

1           (1) school district progress on meeting the Education Quality Standards  
2           set out in 16 V.S.A. § 165 and other relevant education standards, such as the  
3           WIDA Consortium standards for English-language education, Common Core  
4           State Standards, and Next Generation Science Standards;

5           (2) student performance progress on proficiency-based learning  
6           assessments and graduation requirements;

7           (3) student performance progress on standardized tests, such as the  
8           Smarter Balanced Assessment Consortium, New England Common  
9           Assessment Program, Vermont Alternate Assessment Portfolio, WIDA multi-  
10          lingual learner assessments, and TOEFL English-language proficiency  
11          assessment, comparable across demographic categories;

12          (4) Vermont Youth Risk Behavior Surveys results as reported by the  
13          Department of Health;

14          (5) graduation and post-secondary education enrollment rates;

15          (6) education spending and homestead tax rates;

16          (7) educator compensation levels and full licensure status; and

17          (8) academic, extracurricular, and student support resources across  
18          school districts.

19                                   \* \* \* Education Fund Advisory Committee \* \* \*

1 Sec. 15. 32 V.S.A. § 5413 is added to read:

2 § 5413. CREATION; EDUCATION FUND ADVISORY COMMITTEE

3 (a) Creation. There is created the Education Fund Advisory Committee to  
4 monitor Vermont’s education financing system, conduct analyses, and to  
5 perform the duties under subsection (c) of this section.

6 (b) Membership. The Committee shall be composed of the following seven  
7 members:

8 (1) the Commissioner of Taxes or designee;

9 (2) the Secretary of Education or designee;

10 (3) two members of the public with expertise in education financing,  
11 who shall be appointed by the Speaker of the House;

12 (4) two members of the public with expertise in education financing,  
13 who shall be appointed by the Committee on Committees; and

14 (5) one member of the public with expertise in education financing, who  
15 shall be appointed by the Governor.

16 (c)(1) Powers and duties. Annually, on or before January 15, the  
17 Committee shall make recommendations to the General Assembly regarding:

18 (A) updating the weighting factors, which may include recalibration,  
19 recalculation, adding or eliminating weights, or any combination of these  
20 actions, as necessary;

1           (B) changes to, or the addition of new or elimination of existing,

2           categorical aid, as necessary;

3           (C) the property dollar equivalent yield;

4           (D) the income dollar equivalent yield;

5           (E) the nonhomestead property tax rate;

6           (F) the excess spending threshold; and

7           (G) the amount of the stabilization reserve.

8           (2) The Committee shall recommend updated weights and categorical

9           aid to the General Assembly at least every five years, which may include a

10           recommendation not to make changes where appropriate.

11           (d) Assistance. The Committee shall have the administrative, technical,  
12           and legal assistance of the Department of Taxes, the Agency of Education, the  
13           Joint Fiscal Office, the Office of Legislative Counsel, and the Office of  
14           Legislative Operations.

15           (e) Meetings.

16           (1) The Commissioner of Taxes shall call the first meeting of the  
17           Committee to occur on or before July 15, 2022.

18           (2) The Committee shall select a chair from among its members at the  
19           first meeting.

20           (3) A majority of the membership shall constitute a quorum.

1        (f) Compensation and reimbursement. Members of the Committee shall be  
2        entitled to per diem compensation and reimbursement of expenses as permitted  
3        under section 1010 of this title for up to eight meetings per year.

4        **Sec. 15a. APPROPRIATION; EDUCATION FUND ADVISORY**

5        **COMMITTEE**

6        The sum of \$5,000.00 is appropriated from the General Fund in fiscal year  
7        2023 for per diem and reimbursement of expenses for members of the  
8        Education Fund Advisory Committee.

9        **Sec. 16. COLLABORATION BY THE AGENCY OF EDUCATION AND**

10        **JOINT FISCAL OFFICE**

11        The Agency of Education and the Joint Fiscal Office shall:

12        (1) on or before August 1, 2022, enter into a memorandum of  
13        understanding to share data, models, and other information that is needed to  
14        update the weighting factors;

15        (2) each host the statistical model used to provide modeling for the  
16        Weighting Report dated December 24, 2019, and for ensuing memos, and  
17        ensure that this model is updated and maintained on both systems in parallel;  
18        and

19        (3) recommend, based on their consensus view, recalibrated weights to  
20        the Education Fund Advisory Committee on a scheduled and periodic basis to  
21        account for cost changes, including changes in the costs associated with

1 providing substantially equal educational opportunity, demographics, and  
2 school district configurations.

3 \* \* \* Agency of Education; Staffing \* \* \*

4 Sec. 17. AGENCY OF EDUCATION; STAFFING

5 (a) The following six positions are created in the Agency of Education:

6 (1) two full-time, classified positions to provide guidance and support to  
7 school districts for English language learners for whom English is not their  
8 primary language;

9 (2) one full-time, classified position to provide guidance and support on  
10 school food programs to school districts and to develop and maintain the  
11 universal household income declaration form; and

12 (3) three full-time, classified positions to provide financial and data  
13 analysis for the Agency of Education and the Education Fund Advisory  
14 Committee created under Sec. 15 of this act.

15 (b) There is appropriated to the Agency of Education from the General  
16 Fund for fiscal year 2023 the amount of \$600,000.00 for salaries, benefits, and  
17 operating expenses for the positions created under subsection (a) of this  
18 section.

19 \* \* \* Technical and Conforming Changes \* \* \*

20 Sec. 18. 16 V.S.A. § 4001(6)(B) is amended to read:

1 (B) For purposes of calculating excess spending pursuant to  
2 32 V.S.A. § 5401(12), “education spending” shall not include:

3 \* \* \*

4 (iv) ~~Spending attributable to the cost of planning the merger of a~~  
5 ~~small school, which for purposes of this subdivision means a school with an~~  
6 ~~average grade size of 20 or fewer students, with one or more other schools.~~

7 [Repealed.]

8 \* \* \*

9 (x) ~~School district costs associated with dual enrollment and early~~  
10 ~~college programs.~~ [Repealed.]

11 \* \* \*

12 Sec. 19. 16 V.S.A. § 4001(3) is amended to read:

13 (3) “Equalized pupils” means, for the school year for which it is  
14 calculated, the long-term weighted average daily membership multiplied by the  
15 ratio of the statewide long-term average daily membership to the statewide  
16 long-term weighted average daily membership.

17 Sec. 20. 16 V.S.A. § 563 is amended to read:

18 § 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

19 The school board of a school district, in addition to other duties and  
20 authority specifically assigned by law:

21 \* \* \*





1           (a) The following sections shall take effect on passage:

2           (1) Sec. 1 (findings);

3           (2) Sec. 2 (goals);

4           (3) Sec. 5 (universal income declaration form);

5           (4) Sec. 13 (Vermont Center for Geographic Information);

6           (5) Sec. 15 (creation; Education Fund Advisory Committee);

7           (6) Sec. 15a (Appropriation; Education Fund Advisory Committee);

8           (7) Sec. 16 (collaboration by the Agency of Education and Joint Fiscal  
9           Office);

10           (8) Sec. 17 (Agency of Education; staffing);

11           (9) Sec. 18 (amendment to 16 V.S.A. § 4001(6)(B); excess spending  
12           threshold);

13           (10) Sec. 19 (amendment to 16 V.S.A. § 4001(3); definition of  
14           “equalized pupils”);

15           (11) Sec. 20 (amendment to 16 V.S.A. § 563; powers of school boards;  
16           form of vote); and

17           (12) this section (effective dates).

18           (b) The following sections shall take effect on July 1, 2023:

19           (1) Sec. 3 (amendment to 16 V.S.A. § 4001(7); definition of “long-term  
20           membership”);

- 1           (2) Sec. 4 (amendment to 16 V.S.A. § 4001(8); definition of “pupil from  
2           an economically deprived background”);
- 3           (3) Sec. 6 (amendment to 16 V.S.A. § 4010; determination of weighted  
4           membership);
- 5           (4) Sec. 6b (prospective and conditional repeals);
- 6           (5) Sec. 7 (adding 16 V.S.A. § 4013; ELL; State Aid);
- 7           (6) Sec. 8 (amendment to 16 V.S.A. § 4015; small school support);
- 8           (7) Sec. 9 (amendment to 16 V.S.A. § 4030; data submission;  
9           corrections);
- 10           (8) Sec. 10 (amendment to 16 V.S.A. § 1531; responsibility of State  
11           Board);
- 12           (9) Sec. 11 (transition; calculation of equalized pupils);
- 13           (10) Sec. 12 (transition; suspension of excess spending penalty); and
- 14           (11) Sec. 14 (evaluation and reporting).
- 15           (c) Sec. 6a (amendment to 16 V.S.A. § 4010; determination of weighted  
16           membership) shall take effect on July 1, 2028 unless repealed under Sec. 6b of  
17           this act.