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H.630

An act relating to boards of cooperative education services

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

\* \* \* Findings and Intent \* \* \*

Sec. 1. FINDINGS; INTENT

(a) Findings. The General Assembly finds that:

(1) Vermont's school districts are small by national and regional standards, which denies them some of the benefits of scale. As of 2021, Vermont was one of approximately nine states that did not have an established system of cooperative educational service agencies.

(2) Some specialized education services are higher in cost or intensity but lower in incidence. Collaborating to ensure quality education is more regionally available to serve students in the least restrictive environment, with a focus of reintegration into the classroom, may make providing such services more efficient and affordable.

(3) Students should be in the least restrictive setting to reach success. Some students require a higher level of care and access to peers that would not be available in an inclusive setting. Some students who are currently placed in substantially separate programs are not able to access their community, peers, or inclusive activities. Vermont is currently sending many of these students to programs that are geographically far away or out of state. Working

1 cooperatively could prevent these students from being transported such long  
2 distances. Staying closer to home will also afford these students greater  
3 opportunities for afterschool or community-based activities.

4 (4) Market concentration means single districts cannot always rely on  
5 competitive bidding to reduce costs and improve quality. Districts often all  
6 have separate contracts for the same service, with the same vendor or vendors,  
7 which is an avoidable duplicative cost.

8 (5) For services that all districts need, such as professional development  
9 and specialized settings for students with extraordinary needs, collaboration  
10 statewide ensures that the highest quality expertise and programming can be  
11 shared at scale in ways that benefit all students and districts.

12 (6) Collaborative management of some functions would yield the same  
13 outcome but at a lower price and with fewer demands on administrative time,  
14 such that districts can spend proportionally less of every dollar on  
15 noninstructional administrative tasks or duplicative services and capabilities.

16 (7) Examples of functions that can be challenging or less affordable  
17 given the small size of Vermont's districts are:

18 (A) applying for State, federal, and other grants;

19 (B) supporting staff and educator development, recruitment, and  
20 retention;

1           (C) supporting transformation of operations or implementation of  
2           new State initiatives or quality standards;

3           (D) providing high-quality, evidence- and science-based professional  
4           development in a coherent and consistent way;

5           (E) providing or ensuring access to regionally available specialized  
6           settings for students with unique needs or highly specialized needs in the least  
7           restrictive environment, with a focus on reintegration and early intervention;

8           (F) managing prekindergarten programs to ensure equitable access to  
9           high-quality prekindergarten programs;

10          (G) procurement of services to support education, from food service  
11          to transportation, given the lack of enough vendors to ensure competitive  
12          bidding;

13          (H) providing skilled facilities planning and management; and

14          (I) providing appropriate support and instruction for English learners.

15          (b) Intent. This act is one of the initial steps in ensuring the opportunity to  
16          transform Vermont's educational system. It is the intent of the General  
17          Assembly to address the delivery, governance, and financing of Vermont's  
18          education system, with the goal of transforming the educational system to  
19          ensure high-quality education for all Vermont students, sustainable and  
20          transparent use of public resources, and appropriate support and expertise from  
21          the Agency of Education.

1 Sec. 2. 16 V.S.A. chapter 10 is added to read:

2 CHAPTER 10. BOARDS OF COOPERATIVE EDUCATION SERVICES

3 § 601. POLICY

4 It is the policy of the State to allow and encourage supervisory unions to  
5 create boards of cooperative education services to provide shared programs  
6 and services on a regional and statewide level. Formation of a board of  
7 cooperative education services shall be designed to build upon the  
8 geographically focused cooperative regions used by Vermont superintendents  
9 as of July 1, 2024; maximize the impact of available dollars through  
10 collaborative funding; reduce duplication of programs, personnel, and services;  
11 and contribute to equalizing educational opportunities for all pupils.

12 § 602. DEFINITIONS

13 As used in this chapter:

14 (1) “Educator” means any:

15 (A) individual licensed under chapter 51 of this title, the majority of  
16 whose employed time in a public school district, supervisory union, or board of  
17 cooperative education services is assigned to furnish to students direct  
18 instructional or other educational services, as defined by rule of the Standards  
19 Board, or who is otherwise subject to licensing as determined by the Standards  
20 Board; or

1           (B) individual licensed under chapter 51 of this title, the majority of  
2           whose employed time in a public school, school district, or supervisory union  
3           is assigned to developing and managing school curriculum, evaluating and  
4           disciplining personnel, or supervising and managing a public school system or  
5           public school program.

6           (2) “Supervisory union” means an administrative, planning, and  
7           educational service unit created by the State Board under section 261 of this  
8           title that consists of two or more school districts. This term also means a  
9           supervisory district.

10       § 603. CREATION OF BOARD OF COOPERATIVE EDUCATION

11           SERVICES; ORGANIZATION; SECRETARY APPROVAL

12           (a) Establishment of boards of cooperative education services. When the  
13           boards of two or more supervisory unions vote to explore the advisability of  
14           entering into a written agreement to provide shared programs and services, the  
15           interested boards shall meet and discuss the terms of any such agreement. At  
16           this meeting or a subsequent meeting, the participating boards may enter into a  
17           proposed agreement to form an association of supervisory unions to deliver  
18           shared programs and services to complement the educational programs of  
19           member supervisory unions in a cost-effective manner. An association formed  
20           pursuant to this chapter shall be known as a board of cooperative education

1 services (BOCES) and shall be a body politic and corporate with the powers  
2 and duties afforded them under this chapter.

3 (b) Articles of agreement. Agreements to form a BOCES pursuant to this  
4 chapter shall take the form of articles of agreement and shall serve as the  
5 operating agreement for a BOCES. Agreements shall include a cost-benefit  
6 analysis outlining the projected financial savings or enhanced outcomes, or  
7 both, that the parties expect to realize through shared services or programs. No  
8 agreement or subsequent amendments shall take effect unless approved by the  
9 member supervisory union boards and the Secretary of Education. The  
10 Secretary shall approve articles of agreement if the Secretary finds that the  
11 formation of the proposed BOCES is in the best interests of the State, the  
12 students, and the member supervisory unions and aligns with the policy set  
13 forth in section 601 of this title, subject to the limitations of subsection (d) of  
14 this section. At a minimum, the articles of agreement shall state:

15 (1) the names of the participating supervisory unions;

16 (2) the mission, purpose, and focus of the BOCES;

17 (3) the programs or services to be offered by the BOCES;

18 (4) the financial terms and conditions of membership of the BOCES,  
19 including any applicable membership fee;

20 (5) the service fees for member supervisory unions and the service fees  
21 for nonmember supervisory unions, as applicable;

1           (6) the detailed procedure for the preparation and adoption of an annual  
2 budget with carryforward provisions;

3           (7) the method of termination of the BOCES and the withdrawal of  
4 member supervisory unions, which shall include the apportionment of assets  
5 and liabilities;

6           (8) the procedure for admitting new members and for amending the  
7 articles of agreement;

8           (9) the powers and duties of the board of directors of the BOCES to  
9 operate and manage the association, including:

10           (A) board meeting attendance requirements;

11           (B) consequences for failure to attend a board meeting;

12           (C) a conflict-of-interest policy; and

13           (D) a policy regarding board member salaries or stipends; and

14           (10) any other matter not incompatible with law that the member  
15 supervisory unions consider necessary to the formation of the BOCES.

16           (c) Board of directors. A BOCES shall be managed by a board of directors,  
17 which shall be composed of one person appointed annually by each member  
18 supervisory union board. Appointed persons shall be members of a member  
19 supervisory union board or the superintendent or designee of the member  
20 supervisory union. Each member of the BOCES board of directors shall be  
21 entitled to a vote. No member of the board of directors of a BOCES shall

1 serve as a member of a board of directors or as an officer or employee of any  
2 related for-profit or nonprofit organization. The board of directors shall elect a  
3 chair from its members and provide for such other officers as it may determine  
4 are necessary. The board of directors may also establish subcommittees and  
5 create board policies and procedures as it may determine are necessary. The  
6 board of directors shall meet not fewer than four times annually. Each member  
7 of the board of directors shall provide updates on the activities of the BOCES  
8 on a quarterly basis to the member's appointing supervisory union board at an  
9 open board meeting.

10 (d) Number of BOCESs. There shall be not more than seven BOCESs  
11 statewide. Supervisory unions shall not be a member of more than one  
12 BOCES but may seek services as a nonmember from other BOCESs.

13 (e) Agency of Education promotion. The Agency of Education shall  
14 promote the use of BOCESs as providers of education services and programs  
15 for local school districts and supervisory unions and shall include  
16 consideration of grant applications that include the use of education  
17 cooperatives for the purpose of procuring services and programs. The Agency  
18 may designate BOCESs as eligible recipients for any applicable federal or  
19 State grants for educational programs.



1     § 604. POWERS OF BOARDS OF COOPERATIVE EDUCATION

2             SERVICES

3             (a) In addition to any other powers granted by law, a BOCES shall have the  
4             power to provide educational programs, services, facilities, and professional  
5             and other staff that, in its discretion, best serve the needs of its members. A  
6             BOCES shall follow all applicable State and federal laws in its provision of  
7             services, including Section 504 of the Rehabilitation Act of 1973,  
8             29 U.S.C. § 794, and the Individuals with Disabilities Education Act,  
9             20 U.S.C. §§ 1400–1482.

10            (b) A BOCES may employ an executive director who shall serve under the  
11            general direction of the board and who shall be responsible for the care and  
12            supervision of the BOCES. The board shall annually evaluate the executive  
13            director’s performance and effectiveness in implementing the programs,  
14            policies, and goals of the BOCES. The executive director shall not serve as a  
15            board member, officer, or employee of any related for-profit or nonprofit  
16            organization.

17            (c) A BOCES shall be a body politic and corporate and shall have standing  
18            to sue and be sued to the same extent as a school district. A BOCES may enter  
19            into contracts for the purchase of supplies, materials, services, and for the  
20            purchase or leasing of land, buildings, and equipment as considered necessary  
21            by the board of directors. Section 559 of this title shall apply to the

1 procurement of services or items with costs that exceed \$40,000.00, as well as  
2 high-cost construction contracts, as defined by subsection 559(b) of this title.

3 (d) The board of directors of a BOCES may apply for State, federal, or  
4 private grants, for which a BOCES may be otherwise eligible, to obtain funds  
5 necessary to carry out the purpose for which the BOCES is established.

6 Nothing in this chapter is intended to create an entitlement to federal funds  
7 distributed by the Agency of Education to local education agencies.

8 § 605. FINANCING; BUDGETING; AND ACCOUNTING

9 (a) Education cooperative fund. A BOCES shall establish and manage a  
10 fund to be known as an education cooperative fund. All monies contributed by  
11 the member school districts and all grants or gifts from the federal government,  
12 State government, charitable foundations, private corporations, or any other  
13 source shall be deposited into the fund.

14 (b) Treasurer.

15 (1) A BOCES shall appoint a treasurer who may be a treasurer of a  
16 member school district and who shall be sworn in before entering the duties of  
17 the office.

18 (2) The treasurer may, subject to the direction of the board of directors,  
19 receive and disburse all money belonging to the board without further  
20 appropriation.

1           (3) The treasurer shall keep financial records of cash receipts and  
2           disbursements and shall make those records available to the board of directors  
3           upon request.

4           (4) The board of directors shall ensure that its blanket bond covers a  
5           newly appointed treasurer before the treasurer enters upon the duties of the  
6           office. In lieu of a blanket bond, a BOCES may choose to provide suitable  
7           crime insurance coverage. The board of directors may pay reasonable  
8           compensation to the treasurer for services rendered and shall evaluate the  
9           treasurer's performance annually.

10          (c) Financial accounting system. A BOCES shall use the uniform chart of  
11          accounts and financial reporting requirements used by supervisory unions as its  
12          financial accounting system.

13          (d) Audit. Annually, a BOCES shall cause an independent audit to be  
14          made of its financial statements consistent with generally accepted  
15          governmental auditing standards and shall discuss and vote to accept the audit  
16          report at an open meeting of the board. The board shall transmit a copy of  
17          each audit to the boards of its member supervisory unions.

18          (e) Annual statement. Annually, a BOCES shall prepare financial  
19          statements, including:

20               (1) a statement of net assets; and

21               (2) a statement of revenues, expenditures, and changes in net assets.

1       (f) Budget. A board of cooperative education services shall adopt a budget  
2       prior to the beginning of the fiscal year for which the budget is adopted.

3       (g) Loans. A BOCES may, upon approval of its members, negotiate or  
4       contract with any person, corporation, association, or company for a loan not to  
5       exceed the difference between the anticipated revenues for the current fiscal  
6       year for the budget of the BOCES and the amount credited to date to said  
7       budget in order to pay current obligations. Such loan shall be liquidated within  
8       six months thereafter from monies subsequently credited to said budget. The  
9       total principal, interest, and fees to be paid on such loan shall not exceed the  
10       total amount of the authorized budget for the same length of time.

11       § 606. ANNUAL REPORT; PUBLIC INFORMATION

12       (a) The board of a BOCES shall prepare an annual report concerning the  
13       affairs of the BOCES and have it printed and distributed to the boards of the  
14       member supervisory unions. The annual report shall include, at a minimum:

15               (1) information on the programs and services offered by the BOCES,  
16               including information on the cost-effectiveness of such programs and services  
17               and progress made towards achieving the objectives and purposes set forth in  
18               the articles of agreement; and

19               (2) audited financial statements and the independent auditor's report.

20       (b) A BOCES shall maintain an internet website that makes the following  
21       information available to the public at no cost:

- 1           (1) a list of the members of the board of directors of the BOCES;  
2           (2) copies of approved minutes of open meetings held by the board of  
3 the BOCES;  
4           (3) a copy of the articles of agreement and any subsequent amendments;  
5 and  
6           (4) a copy of the annual report required under subsection (a) of this  
7 section.

8 § 607. EMPLOYMENT

- 9           (a) A BOCES shall be considered to be a public employer and may employ  
10 personnel, including educators, to carry out the purposes and functions of the  
11 board. Annually, the board of a BOCES shall conduct an area survey of the  
12 salaries of the educators and staff employed by the BOCES's member  
13 supervisory unions and school districts.  
14           (b) No person shall be eligible for employment by a BOCES as an educator  
15 unless the person is appropriately licensed by the Standards Board for  
16 Professional Educators pursuant to chapter 51 of this title.  
17           (c) A person employed by a BOCES as an educator shall be a participant in  
18 the Vermont State Teachers' Retirement System pursuant to chapter 55 of this  
19 title.

1       (d) A person who is employed by a BOCES and who is not educator shall  
2       be a participant in the Vermont Municipal Employees' Retirement System  
3       pursuant to 24 V.S.A. chapter 125.

4       (e) Educators employed by a BOCES shall be entitled to organize pursuant  
5       to chapter 57 of this title.

6       (f) Employees employed by a BOCES and who are not educators shall be  
7       entitled to organize pursuant to 21 V.S.A. chapter 22.

8       (g) Educators and employees who are employed by a BOCES shall be  
9       provided health care benefits pursuant to chapter 61 of this title.

10      Sec. 3. TRANSITION; REPORT

11      (a) On or before July 1, 2026, each supervisory union board shall consider  
12      and vote on the desirability of establishing a board of cooperative education  
13      services pursuant to 16 V.S.A. chapter 10. There shall be not more than seven  
14      boards of cooperative service established statewide. Supervisory union boards  
15      that vote to establish a board of cooperative education services shall hold an  
16      organizational meeting pursuant to 16 V.S.A. § 603 on or before July 1, 2027.

17      (b) On or before July 1, 2028, the Secretary of Education shall review the  
18      boards of cooperative education services as they exist, or are anticipated to  
19      exist, on that date. On or before November 1, 2028, the Secretary shall issue a  
20      written report to the General Assembly and the State Board of Education with  
21      the following information and recommendations:

1           (1) the number of boards of cooperative education services in existence  
2           on July 1, 2028, including the names of member supervisory unions and  
3           services provided;

4           (2) the number of supervisory unions that are not members of boards of  
5           cooperative education services and information on why such supervisory  
6           unions have not joined a board of cooperative education services; and

7           (3) recommendations for expansion of the membership and powers of  
8           boards of cooperative education services, including recommendations for  
9           whether membership in such boards shall be mandatory.

10       Sec. 4. BOCES GRANT PROGRAM; APPROPRIATION

11           (a) There is established the Boards of Cooperative Education Services  
12           Start-up Grant Program, to be administered by the Agency of Education, from  
13           funds appropriated for this purpose, to award grants to boards of cooperative  
14           education services (BOCES) formed pursuant to 16 V.S.A. chapter 10 after  
15           July 1, 2024. BOCES shall be eligible for a single \$10,000.00 grant after the  
16           Secretary of Education approves the applicant's initial articles of agreement  
17           pursuant to 16 V.S.A. § 603(b). Grants may be used for start-up costs and may  
18           include reimbursement to member supervisory unions for costs incurred during  
19           the exploration and formation of the BOCES and articles of agreement.

20           (b) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the  
21           sum of \$70,000.00 is appropriated from the Education Fund to the Agency of

1 Education in fiscal year 2025 to fund the Boards of Cooperative Education  
2 Services Start-up Grant Program created in subsection (a) of this section.  
3 Unexpended appropriations shall carry forward into the subsequent fiscal year  
4 and remain available for use for this purpose.

5 \* \* \* Conforming Revisions \* \* \*

6 Sec. 5. 16 V.S.A. § 261a is amended to read:

7 § 261a. DUTIES OF SUPERVISORY UNION BOARD

8 \* \* \*

9 (b) Virtual merger. In order to ~~promote the efficient use of financial and~~  
10 ~~human resources~~ maximize the impact of available funding and resources, and  
11 to reduce duplication of educational programs, personnel, and services, and  
12 whenever legally permissible, supervisory unions are encouraged to reach  
13 agreements with other supervisory unions jointly to provide any service or  
14 perform any duty under this section pursuant to section 267 of this title, or to  
15 form boards of cooperative education services pursuant to chapter 10 of this  
16 title. Agreements between supervisory unions are not subject to the waiver  
17 requirement of subdivision (a)(8) of this section. Agreements shall include a  
18 cost-benefit analysis outlining the projected financial savings or enhanced  
19 outcomes, or both, that the parties expect to realize through shared services or  
20 programs.

21 \* \* \*



1 Sec. 6. 16 V.S.A. § 1691a is amended to read:

2 § 1691a. DEFINITIONS

3 As used in this chapter:

4 (1) “Administrator” means an individual licensed under this chapter the  
5 majority of whose employed time in a public school, school district, ~~or~~  
6 supervisory union, or board of cooperative education services is assigned to  
7 developing and managing school curriculum, evaluating and disciplining  
8 personnel, or supervising and managing a public school system or public  
9 school program.

10 \* \* \*

11 (10) “Teacher” means an individual licensed under this chapter the  
12 majority of whose employed time in a public school district ~~or~~, supervisory  
13 union, or board of cooperative education services is assigned to furnish to  
14 students direct instructional or other educational services, as defined by rule of  
15 the Standards Board, or who is otherwise subject to licensing as determined by  
16 the Standards Board.

17 Sec. 7. 16 V.S.A. § 1931(20) is amended to read:

18 (20) “Teacher” ~~shall mean~~ means any licensed teacher, principal,  
19 supervisor, superintendent, or any professional licensed by the Vermont  
20 Standards Board for Professional Educators who is regularly employed, or  
21 otherwise contracted if following retirement, for the full normal working time

1 for ~~his or her~~ the teacher's position in a public day school or school district  
2 within the State, or in any school or teacher-training institution located within  
3 the State, controlled by the State Board of Education, and supported wholly by  
4 the State; or in certain public independent schools designated for such purposes  
5 by the Board in accordance with section 1935 of this title; or who is regularly  
6 employed by a board of cooperative education services created in accordance  
7 with chapter 10 of this title. In all cases of doubt, the Board shall determine  
8 whether any person is a teacher as defined in this chapter. It ~~shall~~ does not  
9 mean a person who is teaching with an emergency license.

10 Sec. 8. 24 V.S.A. § 5051(10) is amended to read:

11 (10) "Employee" means the following persons employed on a regular  
12 basis by a school district ~~or~~, by a supervisory union, or by a board of  
13 cooperative education services for ~~no~~ not fewer than 1,040 hours in a year and  
14 for ~~no~~ not fewer than 30 hours a week for the school year, as defined in  
15 16 V.S.A. § 1071, or for ~~no~~ not fewer than 1,040 hours in a year and for ~~no~~ not  
16 fewer than 24 hours a week year-round; provided, however, that if a person  
17 who was employed on a regular basis by a school district as either a special  
18 education or transportation employee and who was transferred to and is  
19 working in a supervisory union or a board of cooperative education services in  
20 the same capacity pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) and if that  
21 person is also employed on a regular basis by a school district within the

1 supervisory union, then the person is an “employee” if these criteria are met by  
2 the combined hours worked for the supervisory union and school district. The  
3 term ~~shall~~ also ~~mean~~ means persons employed on a regular basis by a  
4 municipality other than a school district for ~~no~~ not fewer than 1,040 hours in a  
5 year and for ~~no~~ not fewer than 24 hours per week, including persons employed  
6 in a library at least one-half of whose operating expenses are met by municipal  
7 funding:

8 \* \* \*

9 Sec. 9. 16 V.S.A. § 1981 is amended to read:

10 § 1981. DEFINITIONS

11 As used in this chapter unless the context requires otherwise:

12 \* \* \*

13 (8) “School board negotiations council” means, for a supervisory  
14 district, its school board, and, for school districts within a supervisory union or  
15 board of cooperative education services, the body comprising representatives  
16 designated by each school board within the supervisory union or board of  
17 cooperative education services and by the supervisory union board or board of  
18 cooperative education services to engage in professional negotiations with a  
19 teachers’ or administrators’ organization.

20 (9) “Teachers’ organization negotiations council” or “administrators’  
21 organization negotiations council” means the body comprising representatives

1 designated by each teachers' organization or administrators' organization  
2 within a supervisory district ~~or~~ supervisory union, or board of cooperative  
3 education services to act as its representative for professional negotiations.

4 Sec. 10. 21 V.S.A. § 1722 is amended to read:

5 § 1722. DEFINITIONS

6 As used in this chapter:

7 \* \* \*

8 (18) "School board negotiations council" means, for a supervisory  
9 district, its school board, and, for school districts within a supervisory union or  
10 board of cooperative education services, the body comprising representatives  
11 designated by each school board within the supervisory union or board of  
12 cooperative education services and by the supervisory union board or board of  
13 cooperative education services to engage in collective bargaining with their  
14 school employees' negotiations council.

15 (19) "School employees' negotiations council" means the body  
16 comprising representatives designated by each exclusive bargaining agent  
17 within a supervisory district ~~or~~ supervisory union, or board of cooperative  
18 education services to engage in collective bargaining with its school board  
19 negotiations council.

20 (20) "Supervisory district" and "supervisory union" ~~shall~~ have the same  
21 ~~meaning~~ meanings as in 16 V.S.A. § 11.



