



1 chair of the Commission, and limit the number of alternate members. This bill  
2 also proposes to place a cap on the actuarial value of health benefit plans and  
3 to include a list of factors for the Commission's consideration in making its  
4 determinations. This bill also proposes to give the final arbiter of a dispute the  
5 option to modify the parties' last best offers or to draft an award of the  
6 arbitrator's design, in addition to selecting one of the parties' last best offers.  
7 This bill also proposes that the Secretary of Education contract with a single  
8 third-party provider to oversee any health reimbursement arrangement or  
9 health savings account for school employees.

10 An act relating to the Commission on Public School Employee Health  
11 Benefits

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

13 Sec. 1. 16 V.S.A. § 2102 is amended to read:

14 § 2102. COMMISSION ON PUBLIC SCHOOL EMPLOYEE HEALTH

15                   BENEFITS CREATED

16                   \* \* \*

17                   (b) Composition and appointment.

18                   (1) The Commission shall have ~~10~~ nine members, of whom ~~five~~ three  
19 shall be representatives of school employees and ~~five~~ three shall be  
20 representatives of school employers. The remaining members shall be:

8 (i) four two members appointed by the labor organization

9 representing the greatest number of school employees in this State; and

10 (ii) one member appointed by the labor organization representing  
11 the second-greatest number of school employees in this State.

12 (B) The five three representatives of school employers shall be  
13 appointed by the organization representing the majority of the public sch  
14 boards in this State.

15 (C) The appointing authorities shall select appointees who have an  
16 understanding of health care and employer-employee relations and who  
17 demonstrate a willingness to work collaboratively.

18 (D) The term of each member of the Commission shall be six years,  
19 provided that of the members first appointed by the labor organization  
20 described in subdivision (A)(i) of this subdivision (2), one appointee shall  
21 serve a term of two years and one appointee shall serve a term of four years,

1 and of the members first appointed by the organization representing the  
2 majority of the public school boards in this State, one appointee shall serve a  
3 term of two years and one appointee shall serve a term of four years.

4 (3) In the event of a vacancy, the appointing authority of the member  
5 whose seat becomes vacant shall appoint a successor to serve out the  
6 remainder of the member's term.

7 (c) Chairs. The Commission shall be chaired ~~jointly~~ by ~~one member~~  
8 ~~selected biennially by the representatives of school employees and one~~  
9 ~~member selected biennially by the representatives of school employers the~~  
10 Secretary of Education or designee.

11 (d) Removal of Commission members. Members of the Commission may  
12 be removed by the appointing authority of the member without cause.

13 (e) Decisions. All decisions of the Commission shall require the votes of a  
14 majority of the ~~representatives of school employees and a majority of the~~  
15 ~~representatives of school employers members present at the meeting, in person~~  
16 or virtually.

17 \* \* \*

18 (j) Alternate members.

19 (1) ~~Four alternate members may be appointed Any appointing authority~~  
20 may appoint one alternate member to the Commission.

4 (3) The term of each alternate member, if appointed, shall be six years.

14        § 2103. DUTIES OF THE COMMISSION

15 (a) The Commission shall determine the

16 individual, two-person, parent-child, and family coverage under a health  
17 benefit plan that shall be borne by each school employer and the percentage  
18 that shall be borne by participating employees.

19 (1) The premium responsibility percentages shall remain in effect for the  
20 entire plan year.

4 (3) [Repeated.]

5 (b)(1) The Commission shall determine the amount of participating  
6 employees' calendar year out-of-pocket expenses for which the school  
7 employer and the participating employees shall be responsible, and whether  
8 school employers shall establish a health reimbursement arrangement, a health  
9 savings account, both, or neither, for their participating employees.

15 (3) [Repealed.]

19 (c) The Commission may make recommendations regarding health benefit  
20 plan design to any intermunicipal insurance association that offers health

1 benefit plans to entities providing educational services pursuant to 24 V.S.A.  
2 chapter 121, subchapter 6.

3 (d) Pursuant to subsections (a)–(c) of this section, the Commission shall  
4 consider the following factors:

5       (1) the interests and welfare of the public;  
6       (2) the financial ability of the Education Fund and school districts across  
7 the State to pay the costs of the health benefit plan;  
8       (3) comparisons of the health benefit plans for school employees with  
9 the health benefit plans of employees in the public and private sector in  
10 Vermont;  
11       (4) the average consumer prices for goods and services commonly  
12 known as the cost of living;  
13       (5) prior and existing health care benefits and coverage for school  
14 employees;  
15       (6) the value and costs of the health benefit plans as compared to the  
16 health benefit plans available through Vermont Health Connect; and  
17       (7) the percentage increase or decrease in education spending that is  
18 likely to occur if the negotiated health benefit plans are implemented as  
19 compared to overall economic growth for the State of Vermont.

1        (e) The Commission shall not make any determinations regarding school  
2        employer or participating employee responsibilities with respect to stand-alone  
3        vision or dental benefits.

4        ~~(e)~~(f) The Commission may negotiate a statewide grievance procedure for  
5        disputes concerning public school employee health benefits.

6        ~~(f)~~(g) In no case shall a school employee receive cash in lieu of receipt of  
7        health care benefits from one school employer while simultaneously receiving  
8        health care benefits from the same or another school employer.

9        ~~(g)~~(h) Accommodations shall be made for school employees whose  
10       workload is shared between more than one school employer, and who may not  
11       otherwise qualify for health care benefits from only one school employer. The  
12       affected school employers shall determine the proportionate portion of the  
13       shared costs of the health benefits.

14       Sec. 3. 16 V.S.A. § 2105 is amended to read:

15       § 2105. DISPUTE RESOLUTION

16       (a)(1) If the Commission is unable to reach agreement by August 1, the  
17       Commission shall meet with the fact finder selected pursuant to section 2104  
18       of this chapter not later than August 15.

19       (2) The fact finder may schedule and hold additional meetings with the  
20       Commission as necessary. The Commission shall furnish the fact finder with

1 all records, papers, and information in its possession pertaining to any matter  
2 remaining in dispute.

3 (3) The fact finder shall, before issuing ~~his or her~~ the decision, attempt  
4 to mediate the matters remaining in dispute.

5 (4) If the mediation fails to produce an agreement, the fact finder shall,  
6 on or before September 15, submit a written report to the Commission  
7 recommending a reasonable basis for the settlement of the matters remaining in  
8 dispute.

9 (b)(1) If the Commission is unable to resolve all matters remaining in  
10 dispute within 30 days after receiving the fact finder's report, the Commission  
11 shall submit the matters remaining in dispute to the VLRB, arbitrator, or  
12 arbitrators selected pursuant to section 2104 of this chapter for resolution.

13 (2)(A) The representatives of school employees and the representatives  
14 of school employers shall submit to the VLRB, arbitrator, or arbitrators their  
15 last best offer on all issues remaining in dispute prior to the VLRB or  
16 arbitration hearing. The VLRB, arbitrator, or arbitrators shall ~~select one of the~~  
17 ~~last best offers without amendment, submitted by the parties prior to the VLRB~~  
18 ~~or arbitration hearing in its entirety without amendment~~ have the option to:

19 (i) select one of the last best offers submitted by the parties;  
20 (ii) modify one or both of the last best offers; or

3 (B) The parties shall not be permitted to modify their last best offers  
4 post hearing. Prior to the issuance of the decision of the VLRB, arbitrator, or  
5 arbitrators, nothing shall prohibit the parties from settling the matters in  
6 dispute.

14 (B) In reaching a decision, the VLRB, arbitrator, or arbitrators shall  
15 give weight to:

1                   (iii)(iv) comparisons of the health care benefits of school  
2 employees with the health care benefits of similar employees in the public and  
3 private sectors in Vermont;

4                   (iv)(v) the average consumer prices for goods and services  
5 commonly known as the cost of living; **and**  
6                   (v)(vi) prior and existing health care benefits and coverage for  
7 school employees;

8                   (vii) the value of the health benefits as compared to health plans  
9                   available through Vermont Heath Connect; and  
10                   (viii) the percentage increase or decrease in education spending  
11                   that is likely to occur as compared to overall economic growth for the State of  
12                   Vermont.

13                   (4) The VLRB, arbitrator, or arbitrators shall issue a written decision  
14 within 30 days after the hearing, providing a full explication explanation of the  
15 basis for the decision. The decision of the VLRB, arbitrator, or arbitrators  
16 shall be final and binding upon the Commission and all school employees and  
17 school employers. The decision shall not be subject to ratification.

18                   \* \* \*

19                   Sec. 4. 16 V.S.A. § 2108 is amended to read:

20                   § 2108. DUTIES OF SCHOOL EMPLOYERS

21                   (a) Each school employer shall:

1

\* \* \*

2

(b) The Agency of Education shall contract with a single third-party  
provider to be used by all school employers to oversee any health  
reimbursement arrangement or health savings account.

3

Sec. 5. EFFECTIVE DATE

4

This act shall take effect on July 1, 2026.