

Journal of the House

Thursday, April 16, 2026

At one o'clock in the afternoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. Tiff Bluemle of Burlington.

Message from the Governor

“April 15, 2026

The Honorable Jill Krowinski
Speaker of the House
115 State Street, Drawer 33
Montpelier, Vermont 05633-2301

Dear Speaker Krowinski:

I have the honor to inform you that I have appointed Rep. Scully of Burlington, Vermont to serve in the General Assembly representing House District Chittenden-18.

Sincerely,

Philip B. Scott
Governor

PBS/fc

cc: Sarah Copeland Hanzas, Secretary of State
BetsyAnn Wrask, Clerk of the House”

New Member Announced, Seated, and Appointed to Committee

Rep. Scully of Burlington, who was recently appointed by the Governor to fill the vacancy caused by the resignation of Rep. Hooper of Burlington, having taken and subscribed the oath administered by the Clerk, as required by the Constitution and laws of the State, was seated and then appointed by the Speaker to the Committee on Government Operations and Military Affairs.

Bill Referred to Committee on Appropriations**S. 239**

Senate bill, entitled

An act relating to the Child Abuse and Neglect Reporting Working Group

Appearing on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Pending Entry on the Notice Calendar**Bill Referred to the Committee on Ways and Means****S. 157**

Senate bill, entitled

An act relating to recovery residence certification

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), affecting the revenue of the State, was referred to the Committee on Ways and Means.

Ceremonial Readings**H.C.R. 231**

Offered by Representative Quimby of Lyndon

House concurrent resolution honoring the outstanding achievements of the federal TRIO programs in Vermont

Whereas, at seven Vermont colleges and through the Vermont Student Assistance Corporation, students who aspire to be their families' first college graduate but lack the requisite funds can avail themselves of these federal educational support programs, and

Whereas, in 1964, in the Economic Opportunity Act, Congress established Upward Bound, the original federal college incentive program for financially disadvantaged students; in the Higher Education Act of 1965, Congress created Talent Search to assist these students applying for newly established federal financial aid support; and in 1968, the 1965 law was amended to include the Special Services for Disadvantaged Students program (now known as Student Support Services), and together these three services became commonly referred to as the federal TRIO programs, and

Whereas, subsequent amendments to the 1965 legislation created the Educational Opportunities Centers and Veterans Upward Bound (1972); the Ronald E. McNair Post-Baccalaureate Achievement Program (1986); and

Upward Bound Math-Science (1990), which is a division of Upward Bound, and

Whereas, in 1992, Congress officially renamed and combined these programs as the federal TRIO programs, and they continue to be a special gateway for financially disadvantaged students to pursue their college dream, and

Whereas, students and administrators representing the federal TRIO programs in Vermont are visiting the State House today, Thursday, April 16, 2026, and their visit serves as an opportunity to recognize the educational and societal roles of the federal TRIO programs, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly honors the outstanding achievements of the federal TRIO programs in Vermont, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Board of Directors of the Vermont Educational Opportunity Programs.

Having been adopted in concurrence on Friday, March 27, 2026 in accord with Joint Rule 16b, was read.

H.C.R. 245

Offered by Representatives Duke of Burlington, Austin of Colchester, Bishop of Colchester, Bluemle of Burlington, Brown of Richmond, Campbell of St. Johnsbury, Cooper of Pownal, Dodge of Essex, Durfee of Shaftsbury, Goslant of Northfield, Gregoire of Fairfield, Hango of Berkshire, Houghton of Essex Junction, James of Manchester, Keyser of Rutland City, Krasnow of South Burlington, Luneau of St. Albans City, Marcotte of Coventry, McCann of Montpelier, Nugent of South Burlington, Page of Newport City, Pezzo of Colchester, Priestley of Bradford, Rachelson of Burlington, Sabilia of Dover, Sweeney of Shelburne, Torre of Moretown, White of Bethel, and Wood of Waterbury

Offered by Senators Collamore, Gulick, Hardy, Perchlik, Ram Hinsdale, and Weeks

House concurrent resolution celebrating the importance of the Vermont visitor economy and recognizing April 16, 2026, as Tourism Economy Day at the State House

Whereas, Vermont is a world-class destination for outdoor recreation, dining, lodging, art, and history that attracts visitors and new residents, incentivizes Vermonters to stay, and creates business opportunities, and

Whereas, Vermont's visitor economy has a \$4.2 billion economic impact and employs more than 10 percent of Vermont's workforce, and

Whereas, in 2024, 16 million people visited Vermont, contributing an estimated \$293.5 million dollars in State and local taxes, and

Whereas, tourism and hospitality are two of the largest industries in Vermont, creating 31,780 jobs, and

Whereas, tourism and hospitality are vital to the sustainability of rural and urban communities alike, across all 14 counties, and

Whereas, meaningful representation and inclusion are essential to ensure Vermont is welcoming to individuals from all backgrounds so that they can experience the joy of visiting the State, and

Whereas, industry leaders who prioritize community values in their work and promote destination stewardship benefit Vermonters and the State's economy, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly celebrates the importance of the Vermont visitor economy and recognizes April 16, 2026, as Tourism Economy Day at the State House, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Vermont Chamber of Commerce and Ski Vermont.

Having been adopted in concurrence on Friday, April 3, 2026 in accord with Joint Rule 16b, was read.

H.C.R. 250

Offered by Representatives Stevens of Waterbury, Bluemle of Burlington, Burrows of West Windsor, Krasnow of South Burlington, Burkhardt of South Burlington, LaLonde of South Burlington, Minier of South Burlington, and Nugent of South Burlington

Offered by Senator Chittenden

House concurrent resolution honoring the extraordinary life and artistic achievements of former Representative John Killacky of South Burlington

Whereas, John Killacky, the much-honored artistic administrator and commentator; filmmaker; visual artist; former legislator; gay activist; and, perhaps most importantly, dancer and athlete, who became a paraplegic due to a surgical mishap, has persevered and maximized life's opportunities, and

Whereas, his innovative and stellar leadership as an artistic administrator began as a program officer at the Pew Charitable Trusts; continued as the performing arts curator at the Walker Art Center in Minneapolis, Minnesota; and proceeded west to California, where he served as the executive director of the Yerba Buena Center for the Arts in San Francisco and later served as the program director of the San Francisco Foundation, one of the nation's largest community foundations, and

Whereas, John Killacky; his husband, Larry Connolly; and John's beloved Shetland pony, Pacific Raindrop, next headed east to Vermont, where he assumed a new challenge as the executive director of Burlington's Flynn Center for the Performing Arts (2010–2018), and his abundant creativity fostered programs for young students, promoting inclusivity, artistic excitement, and excellence while not exceeding budgetary limitations, and

Whereas, for two terms (2019–2022), John Killacky represented his South Burlington neighbors in the General Assembly, serving on the House Committee on General and Housing and advocating for inclusivity, environmental protection, and a more just society, and

Whereas, recently, his 2025 film *Corpus*, “a meditative reflection of our bodies that have been demonized, weaponized, [and] politicized,” in conjunction with a floor covering and wall-hanging shroud were featured in the recent Burlington City Arts Center exhibit, *Do We Say Goodbye? Grief, Loss, and Mourning*; the two visual pieces and another film, *Stillpoint*, have been exhibited in galleries in Philadelphia and West Virginia; his film on the Fluxus art movement was shown at England's De Montfort University's Leicester Gallery; three of his recent films will be televised on Vermont Public and Maine Public; and he is eagerly anticipating a residency to sculpt at the Vermont Studio Center in Johnson, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly honors the extraordinary life and artistic achievements of former Representative John Killacky of South Burlington, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to John Killacky.

Having been adopted in concurrence on Friday, April 10, 2026 in accord with Joint Rule 16b, was read.

Senate Proposal of Amendment Concurred in**H. 237**

The Senate proposed to the House to amend House bill, entitled

An act relating to prescribing by doctoral-level psychologists

The Senate proposed to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 26 V.S.A. § 3001 is amended to read:

§ 3001. DEFINITIONS

As used in this chapter:

(1) “Practice of psychology” means rendering or offering to render to individuals, groups, or organizations, for a consideration, any service involving the application of principles, methods, and procedures of understanding, predicting, and influencing behavior that are primarily drawn from the science of psychology. The science of psychology includes assessment, diagnosis, prevention, and amelioration of adjustment problems and emotional and mental disorders of individuals and groups.

(2) “Psychologist” or “practicing psychologist” means a person who is licensed to practice psychology under this chapter.

(3) “Psychologist-doctorate” means a person who is so licensed under this chapter.

(4) “Psychologist-master” means a person who is so licensed under this chapter.

(5) “Board” means the Board of Psychological Examiners established under this chapter.

* * *

(12) “Collaborating practitioner” means a physician licensed to practice medicine pursuant to chapter 23 or 33 of this title with a specialty in psychiatry.

(13) “Drug” has the same meaning as in section 2022 of this title.

(14) “DSM” means the Diagnostic and Statistical Manual of Mental Disorders current at the time of practice.

(15) “Prescribing psychologist” means a licensed, doctoral-level psychologist who has undergone specialized training, has passed an examination as determined by rule, and has received a current prescribing

specialty under section 3019 of this title that has not been revoked or suspended by the Board.

(16) "Prescription drug" has the same meaning as in section 2022 of this title.

(17) "Prescriptive authority" means the authority to prescribe or discontinue prescription drugs solely for the purpose of diagnosing, treating, or managing a condition recognized in the DSM. Prescriptive authority excludes the authority to:

(A) dispense, administer, or distribute prescription drugs; and

(B) prescribe or discontinue prescription drugs for patients who are less than 18 years of age, over 80 years of age, or pregnant.

Sec. 2. 26 V.S.A. § 3009a is amended to read:

§ 3009a. POWERS AND DUTIES OF BOARD

(a) The Board shall adopt rules necessary to perform its duties under this chapter, including rules that:

(1) specify educational and other prerequisites for obtaining licensure;

~~(2) explain complaint and appeal procedures to licensees, applicants, and the public;~~

~~(3) explain continuing education requirements; and~~

(3) regulate prescribing psychologist licensees pursuant to section 3019 of this title, including:

(A) the settings of clinical rotations;

(B) the minimum requirements for the curriculum of a postdoctoral psychopharmacology program; and

(C) prescriptive authority, including the designation of conditions and drugs excluded from that authority, as well as requirements for the prescribing of particular drugs; and

~~(4) explain how the Board shall investigate suspected unprofessional conduct~~ regulate collaborative practice agreements pursuant to section 3019 of this title, including collaborating practitioner qualifications and annual competency evaluations.

* * *

Sec. 3. 26 V.S.A. § 3019 is added to read:

§ 3019. PRESCRIBING BY DOCTORAL-LEVEL PSYCHOLOGISTS
SPECIALTY

(a) Prescribing psychologist specialty. A psychologist-doctorate may apply to the Board for a prescribing psychologist specialty. The application shall be made in a manner approved by the Board and include the payment of any required fees.

(b) Specialty by examination. A psychologist-doctorate shall be eligible for the prescribing specialty if the psychologist-doctorate:

(1) holds a current license to practice psychology at the doctoral level in the State;

(2) has successfully completed a postdoctoral training program in psychopharmacology designated by the American Psychological Association or its successor;

(3) has completed clinical rotations over a total of not less than 14 months in not less than five practice settings, to include psychiatry, geriatrics, family or internal medicine, emergency medicine, and neurology;

(4) has completed a national certifying exam, as determined by rule; and

(5) meets all other requirements for obtaining a prescribing psychologist specialty, as determined by rule.

(c) Criteria for prescribing medication.

(1) A written collaborative agreement is required for all prescribing psychologists practicing under a prescribing psychologist specialty issued pursuant to this section.

(2) The issuance of prescriptive authority by a collaborating practitioner to a prescribing psychologist shall only include prescription drugs for the treatment of mental health conditions that the collaborating practitioner generally provides to patients in the normal course of practice.

(3) The collaborating practitioner shall file the collaborative agreement with the Board and notice of any termination of the agreement.

(4) Issuance of prescribing authority for Schedule II–V controlled substances shall identify the specific controlled substance by brand name or generic name. Prescription or administration of a controlled substance by injection shall not be allowed.

(d) Specialty by endorsement. The Director of the Board may, upon payment of any required fee, grant a prescribing specialty without examination if:

(1) the applicant holds active psychologist prescribing authority in another U.S. or Canadian jurisdiction; and

(2) the requirements for psychologist prescribing authority in that jurisdiction are, in the judgment of the Director, substantially equivalent to the requirements of this section.

Sec. 4. REPORT; PRESCRIBING PSYCHOLOGISTS

On or before November 15, 2032, the Office of Professional Regulation shall submit a written report to the House Committee on Health Care and to the Senate Committee on Health and Welfare regarding:

(1) the number of psychologists with a prescribing specialty pursuant to 26 V.S.A. § 3019;

(2) the status of available collaborative practitioners; and

(3) whether any updates to the qualifications of prescribing psychologists are necessary to expand access to care while also ensuring public protection.

Sec. 5. EFFECTIVE DATES

(a) This section and Sec. 2 (power and duties of the Board) shall take effect on July 1, 2026.

(b) All remaining sections shall take effect on July 1, 2029.

Which proposal of amendment was considered and concurred in.

Message from the Senate No. 43

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered a bill originating in the House of the following title:

H. 626. An act relating to sexual extortion, voyeurism, and disclosure of sexually explicit images without consent.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the House is requested.

The Senate has considered bills originating in the House of the following titles:

H. 744. An act relating to procedures for release after arrest.

H. 849. An act relating to a civil action for damages for deprivation of federal constitutional rights by any government official.

And has passed the same in concurrence.

**Committee Bill; Second Reading; Bill Amended; Amendments Offered;
Third Reading Ordered**

H. 955

Rep. Conlon of Cornwall spoke for the Committee on Education.

House bill, entitled

An act relating to next steps in transforming Vermont's education system

Rep. Kornheiser of Brattleboro, for the Committee on Ways and Means, recommended the bill ought to pass when amended as follows::

First: In Sec. 4, 2024 Acts and Resolves No. 168, Sec. 4, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$30,000.00 shall be used to provide additional funding to the Cooperative Educational Service Area Start-up Grant Program created in subsection (a) of this section.

Second: In Sec. 13, union school district creation consultation and facilitation, in subdivision (b)(1)(A), following "contained in Sec. 14 as guidance," by inserting "and taking into consideration grand list values, accounting for the homestead exemption and current education spending,"

Third: In Sec. 13, union school district creation consultation and facilitation, in subsection (b), by adding a new subdivision to be subdivision (6) to read as follows:

(6) Facilitators shall monitor the work of the General Assembly related to education transformation and share the most up-to-date fiscal modeling with the study committees.

Fourth: By striking out Sec. 17, study committee reimbursement grants; CESA executive director grants; reports; appropriations, in its entirety and inserting in lieu thereof a new Sec. 17 to read as follows:

Sec. 17. STUDY COMMITTEE REIMBURSEMENT GRANTS; CESA
EXECUTIVE DIRECTOR GRANTS; REPORTS; FUNDING

(a) Study committee reimbursement grant; appropriation.

(1) The Agency of Education shall pay up to \$10,000.00 to a study committee formed pursuant to Sec. 13 of this act to reimburse participating school districts for legal and other services necessary for the analysis and report required pursuant to 16 V.S.A. § 708(c) and Sec. 13(b)(3)(D) or (E) of this act, as applicable. The study committee shall forward invoices to the Agency on a quarterly basis. The Agency shall reimburse one-half of the total amount reflected in each set of invoices upon receipt and the remaining one-half upon completion of the final report required pursuant to Sec. 13(b)(3)(D) or (E) of this act, as applicable; provided, however, that no payment shall cause the total amount of funds paid to a study committee to exceed the \$10,000.00 limit.

(2) Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$210,000.00 shall be used for the purpose of awarding study committee reimbursement grants to the study committees formed pursuant to Sec. 13 of this act in accordance with subdivision (1) of this subsection.

(b) Facilitator appropriation; reports. Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$442,000.00 shall be granted to the Vermont Learning Collaborative (VTLC) within 45 days following the passage of this act for the purpose of hiring or contracting for seven facilitators and one lead facilitator pursuant to Sec. 13(a) of this act, as well as for administrative costs associated with contracting for the facilitators. The VTLC may use up to \$32,000.00 of the funds appropriated pursuant to this subsection for administrative costs.

(c) CESA executive director grant; appropriation.

(1) From funds appropriated to the Agency of Education for this purpose, the Agency shall award a grant in the amount of \$50,000.00 to each CESA created in 16 V.S.A. § 603(a) to be used by the CESA to hire an executive director; provided, however, that the VTLC shall not be eligible for a grant under this subsection.

(2) Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$300,000.00 shall be used for the purpose of awarding CESA executive director grants in accordance with subdivision (1) of this subsection.

Fifth: By striking out Sec. 18, 2025 Acts and Resolves No. 73, Sec. 70, in its entirety and inserting in lieu thereof a new Sec. 18 to read as follows:

Sec. 18. 2025 Acts and Resolves No. 73, Sec. 70 is amended to read:

Sec. 70. EFFECTIVE DATES

* * *

(d) Sec. 48 (December 1 letter) shall take effect on July 1, ~~2027~~ 2029.

* * *

~~(f)(1) The following sections enumerated in subdivision (2) of this subsection shall take effect on July 1, 2028 2030, provided that the new school districts contemplated by this act have assumed responsibility for the education of all resident students and that the expert tasked with developing a cost-factor foundation formula has provided to the General Assembly the report pursuant to Sec. 45a to provide the General Assembly an opportunity to enact legislation in consideration of the report following conditions have been met:~~

(A) school districts have had an opportunity to study the advisability of forming a new unified union school district and the clerk of each school district voting on a proposal to form a unified union school district on or before November 7, 2028, pursuant to legislation enacted by the General Assembly in 2026 that requires each school board to participate on a study committee to study the advisability of forming a unified union school district, has certified the results of any such vote, to the extent that any such votes occurred, to the Secretary of Education pursuant to 16 V.S.A. § 713(a);

(B) the expert tasked with developing a cost-factor foundation formula has provided to the General Assembly the report required pursuant to Sec. 45a;

(C) on or before December 15, 2029, the Joint Fiscal Office has provided the General Assembly with an analysis, using fiscal year 2027 data, that compares the total appropriated State funds each school district received under Vermont's existing education funding formula with those the school district would have received under the foundation formula established in 2025 Acts and Resolves No. 73, as amended; and

(D) legislation has been enacted that addresses:

(i) suitable geographic measures for determining sparsity within the foundation formula;

(ii) whether it costs more to educate a secondary student than an elementary student in Vermont and, if so, an appropriate weight to capture the cost differential of educating secondary students;

(iii) how to account for the provision of career and technical education within Vermont's foundation formula;

(iv) how to account for regional differences in operating costs, including those driven by regional differences in cost of living and legacy collective bargaining agreements within the foundation formula; and

(v) how to fund special education services; school construction, renovation, and repayment of school district debt; transportation; and universal prekindergarten.

~~(1)(2)(A) In Sec. 27, 16 V.S.A. § 823(a) and (d);~~

~~(2)(B) Sec. 28 (tuition repeals);~~

~~(3)(C) Secs. 34–43 (transition to cost-factor foundation formula);~~

~~(4)(D) Sec. 45b (educational opportunity payment transition); [Deleted.]~~

~~(5)(E) Secs. 46, 47, 49, and 50 (statewide education tax; supplemental district spending tax); and~~

~~(6)(F) Sec. 46a (supplemental district spending tax; cap; transition); [Deleted.]~~

~~(7)(G) Sec. 48a (tax rate transition); [Deleted.]~~

~~(8)(H) Secs. 51, 52, and 54–56 (property tax credit repeal; creation of homestead exemption);~~

~~(9)(I) Sec. 57 (Education Fund Advisory Committee; review of foundation formula); and [Deleted.]~~

~~(10)(J) Secs. 60 and 61 (property tax classifications). [Deleted.]~~

(g) In Sec. 27, 16 V.S.A. § 823(b) and (c) shall take effect on July 1, 2028 July 1, 2030, provided that the new school districts contemplated by this act have assumed responsibility for the education of all resident students school districts have had an opportunity to study the advisability of forming a new unified union school district and the clerk of each school district voting on a proposal to form a unified union school district on or before November 7, 2028, pursuant to legislation enacted by the General Assembly in 2026 that

requires each school board to participate on a study committee to study the advisability of forming a unified union school district, has certified the results of any such vote, to the extent that any such votes occurred, to the Secretary of Education pursuant to 16 V.S.A. § 713(a) and that the cost-factor foundation formula report required pursuant to Sec. 45a contains evidence that it costs more to educate students in grades nine through 12 but the General Assembly has failed to enact legislation to add a secondary student weight.

~~(h) Sec. 62 (regional assessment districts) shall take effect on January 1, 2029. [Deleted.]~~

Sixth: By striking out Sec. 21, Joint Fiscal Office; prekindergarten; report; appropriation, and inserting in lieu thereof a new Sec. 21 to read as follows:

Sec. 21. PREKINDERGARTEN EDUCATION FUNDING; REPORTS;
APPROPRIATION

(a) Legislative intent. It is the intent of the General Assembly to, in the 2027 legislative session, establish a funding structure for prekindergarten education that:

(1) supports achieving access for every prekindergarten child, as that term is defined in 16 V.S.A. § 829, with equitable payments and equitable educational standards for public and private providers;

(2) ensures the cost of prekindergarten education is included in the full cost of education;

(3) increases access and participation in areas of the State where access or participation is limited; and

(4) continues to support a mixed delivery system.

(b) Data and reports.

(1) The Agency of Education, Department for Children and Families, and Building Bright Futures (BBF) shall establish a system to jointly monitor and evaluate prekindergarten education programs to promote optimal results for children that support the relevant population-level outcomes set forth in 3 V.S.A. § 2311 and to collect data that will inform future decisions. BBF, in consultation with the Agency of Education and the Department for Children and Families, shall be required to report annually to the General Assembly in January.

(2)(A) On or before December 1, 2026, BBF, in consultation with the Agency of Education and the Department for Children and Families, shall submit a written report to the House Committees on Education, on Human Services, and on Ways and Means and the Senate Committees on Education, on Health and Welfare, and on Finance with the following information:

(i) status of BBF's work under the federal Preschool Development Grant and data collection;

(ii) initial or updated data findings including prekindergarten student demographics and number of hours by prekindergarten program by district;

(iii) outstanding questions or gaps in data; and

(iv) recommendations for legislative action and other considerations.

(B) BBF shall also provide an update on progress of its work under the federal Preschool Development Grant to the Joint Fiscal Committee on or before October 1, 2026.

(3)(A) The Joint Fiscal Office shall contract with a contractor with expertise in Vermont's education funding system to conduct an updated cost of care analysis to account for the provision of prekindergarten education within Vermont's education finance system. The contractor shall utilize results of recent cost modeling studies, including the Vermont Early Care and Education Financing Study conducted pursuant to 2021 Acts and Resolves No. 45, Sec. 14; the 2026 Vermont Cost Modeling Report issued by First Children's Finance; and the statewide tuition rate for prekindergarten education, and collaborate with the Child Development Division, Agency of Education, and BBF to ensure necessary data and appropriate factors are included in financial modeling. This study shall provide estimates for the current full cost of providing prekindergarten education for children three, four, and five years of age, not yet eligible to enroll in kindergarten.

(B) The sum of \$75,000.00 is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2027 to hire a contractor to make recommendations in accordance with subdivision (3)(A) of this subsection (b).

(4) The Joint Fiscal Office shall provide the General Assembly with considerations on or before December 15, 2026, regarding different funding mechanisms that may be used to distribute funds for education costs within the new financing formula, including grants, inclusion within the Education Opportunity Payment, and different forms of categorical aid.

Seventh: By adding a new section to be Sec. 21a to read as follows:

Sec. 21a. 16 V.S.A. § 829 is amended to read:

§ 829. PREKINDERGARTEN EDUCATION

* * *

(d) Tuition, budgets, and average daily membership.

* * *

(5) As part of the data reporting process required pursuant to subsection 4010(c) of this title, a district of residence shall also report annually to the Agency of Education the number of hours of prekindergarten education received by each prekindergarten child for whom it has provided prekindergarten education or on whose behalf it has paid tuition pursuant to this section.

(e) Rules. The Secretary of Education and the Commissioner for Children and Families shall jointly develop and agree to rules and present them to the State Board for adoption under 3 V.S.A. chapter 25 as follows:

* * *

(10) To establish a system by which the Agency of Education ~~and~~ Department for Children and Families, and Building Bright Futures shall jointly monitor and evaluate prekindergarten education programs to promote optimal results for children that support the relevant population-level outcomes set forth in 3 V.S.A. § 2311 and to collect data that will inform future decisions. The Agency and Department shall be required to report annually to the General Assembly in January. At a minimum, the system shall monitor and evaluate:

* * *

Eighth: By striking out Sec. 22, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof new reader assistance headings and 71 new sections to be Secs. 22–86 to read as follows:

* * * Data Collection * * *

Sec. 22. 16 V.S.A. § 4010(c) is amended to read:

(c) Reporting on weighting categories to the Agency of Education. Each school district shall annually report to the Agency of Education by a date established by the Agency the information needed in order for the Agency to compute the weighting categories under subsection (b) of this section for that district, for all resident students in prekindergarten through grade 12. In order to fulfill this obligation, a school district that pays public tuition on behalf of a

resident student (sending district) to a public school in another school district, an approved independent school, or an out-of-state school, or a prequalified private prekindergarten education provider (each a receiving school) may request the receiving school to collect this information on the sending district's resident student, and if requested, the receiving school shall provide this information to the sending district in a timely manner shall require each resident student in prekindergarten through grade 12 on whose behalf the district pays tuition to complete a form or forms developed by the Agency of Education in order to obtain the information needed in order for the Agency to compute the weighting categories under subsection (b) of this section for all students residing in that district, including students that are educated by a receiving school. The form shall be included with any residency verification forms and requests for public tuition funding forms required by a school district.

* * * Special Education Funding * * *

Sec. 23. SPECIAL EDUCATION FUNDING SAFEGUARDS;

LEGISLATIVE INTENT

(a) Maintenance of effort. It is the intent of the General Assembly to ensure that Vermont complies with federal maintenance of effort requirements in any education funding reform. Nothing in 2025 Acts and Resolves No. 73 (Act 73), nor the implementation of Act 73, shall be construed to permit a reduction in State or local funding for special education and related services in a manner that would violate the maintenance of effort requirements of the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1485.

(b) Separate and supplemental funding structure. It is the intent of the General Assembly that the State shall maintain an education funding structure in which:

(1) general education is funded through a formula-based mechanism established by law; and

(2) special education is funded through a supplemental reimbursement, weighted student count, or grant model that reflects eligible special education costs and preserves compliance with federal maintenance of effort requirements.

(c) Protection of educational rights. It is the intent of the General Assembly that implementation of Act 73 or any future education funding reform shall not limit the right of students with disabilities to a Free Appropriate Public Education (FAPE), including access to individualized services in the least restrictive environment as required by federal and State law.

(d) Proportional effects. A school district shall not implement programmatic reductions, staffing changes, or budgetary actions that disproportionately affect students with disabilities or impair the district's ability to meet its obligations to provide FAPE.

(e) Impact analysis. School districts shall assess and document the impact of significant programming changes on students with disabilities, in accordance with guidance issued by the Agency of Education.

(f) Guidance. The Agency of Education shall issue guidance to ensure school districts implement Act 73 in a manner consistent with this section and with federal special education requirements. The Agency shall also issue guidance regarding the assessment and documentation requirements of subsection (e) of this section.

* * * Tuition * * *

Sec. 24. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

* * *

(e)(1) A school eligible to receive tuition pursuant to this section shall be prohibited from requiring tuition or fees of any kind from a student attending the school, according to the provisions of this chapter, above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter.

(2) A public school located in Vermont that receives tuition pursuant to section 823 of this chapter shall be prohibited from charging any student attending the school a fee of any kind above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter, regardless of whether the student is a resident student or a student attending the school on tuition.

Sec. 24a. PROHIBITION ON CHARGING FEES BEYOND TUITION;

LEGISLATIVE INTENT

It is the intent of the General Assembly that the prohibition created in Sec. 24 of this act, which prohibits a receiving school from requiring tuition or fees of any kind from a student attending the school on public tuition, above the amount of tuition paid by a sending school district, shall take effect at the same time the foundation formula and other tax changes envisioned in this act shall take effect, provided that any applicable contingency has been met.

* * * Union School District Study Committee Budgets * * *

Sec. 25. 16 V.S.A. § 707 is amended to read:

§ 707. APPROVAL OF STUDY BUDGET; APPOINTMENT OF STUDY COMMITTEE; PARTICIPATION

(a) Proposed budget exceeding ~~\$50,000.00~~ \$500,000.00.

(1) If the proposed budget established in section 706 of this chapter exceeds ~~\$50,000.00~~ \$500,000.00, then subject to the provisions of that section the board of each potentially participating school district shall warn the district’s voters to meet at an annual or special school district meeting to vote whether to appropriate funds necessary to support the district’s financial share of a study committee’s costs. The meeting in each school district shall be warned for the same date. The warning in each school district shall contain an identical article in substantially the following form:

“Shall the school district of _____ appropriate funds necessary to support the school district’s financial share of a study to determine the advisability of forming a union school district with some or all of the following school districts: _____, _____, _____ and _____? It is estimated that the school district’s share, if all of the identified school districts vote to participate, will be \$ _____. The total proposed budget, to be shared by all participating school districts is \$ _____.”

(2) If the vote in subdivision (1) of this subsection is in the affirmative in two or more school districts, then the boards of the affirming school districts shall appoint a study committee consisting of the number of persons determined pursuant to section 706 (proposed study committee budget and membership) of this chapter. At least one current board member from each participating school district shall be appointed to the study committee. The board of a school district appointing more than one person to the study committee may appoint residents of the school district who are not members of the board to any of the remaining seats.

(3) The sums expended for study purposes under this section shall be considered part of the approved cost of any project in which the union school district, if created, participates pursuant to chapter 123 of this title.

(b) Proposed budget not exceeding ~~\$50,000.00~~ \$500,000.00.

(1) If the proposed budget established in section 706 of this chapter does not exceed ~~\$50,000.00~~ \$500,000.00, then the boards of the participating school districts shall appoint a study committee consisting of the number of persons determined under that section. At least one current board member from each participating school district shall be appointed to the study committee. The board of a school district appointing more than one person to the study committee may appoint residents of the school district who are not members of the board to any of the remaining seats.

(2) The sums expended for study purposes under this section shall be considered part of the approved cost of any project in which the union school district, if created, participates pursuant to chapter 123 of this title.

(c) Additional costs.

(1) If the voters approve a budget that exceeds ~~\$50,000.00~~ \$500,000.00 but the study committee later determines that its budget is likely to exceed the projected, voter-approved amount, then the boards of all participating school districts shall obtain voter approval for the amounts exceeding the previously approved budget in the manner set forth in subdivision (a)(1) of this section before the study committee obligates or expends sums in excess of the initial voter-approved amount.

(2) If a proposed budget does not exceed ~~\$50,000.00~~ \$500,000.00 at the time the school boards appoint members to the study committee, but the study committee later determines that its total budget is likely to exceed ~~\$50,000.00~~ \$500,000.00, then the boards of all participating school districts shall obtain voter approval for the amounts exceeding ~~\$50,000.00~~ \$500,000.00 in the manner set forth in subdivision (a)(1) of this section before the study committee obligates or expends funds in excess of ~~\$50,000.00~~ \$500,000.00.

(d) Grants. Costs to be paid by State, federal, or private grants shall not be included when calculating whether a study committee's budget or proposed budget exceeds ~~\$50,000.00~~ \$500,000.00.

* * *

* * * Rulemaking, Forms, and Reports * * *

Sec. 26. SMALL AND SPARSE SCHOOLS; STATE BOARD OF
EDUCATION; EDUCATION QUALITY STANDARDS;
RULEMAKING

The State Board of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to Agency of Education,

State Board Rule 2000 Education Quality Standards (CVR 22-000-003) to establish criteria for identifying schools as small by necessity or sparse by necessity, or both, pursuant to 3 V.S.A. § 843 on or before March 31, 2027. Such rules shall be consistent with the work of the Small and Sparse School Committee of the State Board of Education and the recommendations of the Committee dated December 17, 2025.

Sec. 27. INTRADISTRICT BUDGETING; AGENCY OF EDUCATION;

DISTRICT QUALITY STANDARDS; RULEMAKING

The Agency of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to the district quality standards contained in Agency of Education, District Quality Standards (CVR 22-000-039) to establish criteria for intradistrict budgeting, pursuant to 3 V.S.A. § 843 on or before March 31, 2027. The criteria shall provide guidelines for intradistrict budgeting that ensure resources are allocated across schools within each district in a way that supports the State’s goal that “all Vermont children will be afforded educational opportunities that are substantially equal in quality” and enable them to achieve or exceed the education quality standards approved by the State Board of Education.

Sec. 27a. 2024 Acts and Resolves No. 183, Sec. 7 is amended to read:

Sec. 7. RESERVE FUND ACCOUNT STANDARDS; DISTRICT

QUALITY STANDARDS; RULEMAKING

On or before January 1, 2025 March 31, 2027, the Agency of Education, in collaboration with the Vermont Association of School Business Officials, the Vermont Superintendents Association, and the Vermont School Boards Association, shall initiate complete rulemaking pursuant to 3 V.S.A. chapter 25 to update the District Quality Standards rules contained in Agency of Education, District Quality Standards (CVR 23-020), to include recommended reserve fund account standards. Prior to initiating rulemaking, the Agency shall consult with local school officials. The Agency shall specifically adopt rules to:

(1) prescribe minimum and maximum balance levels for a reserve fund, taking into consideration revenue predictability and expenditure volatility, exposure to significant one-time expenses, and impact on credit ratings;

(2) specify acceptable conditions that warrant use of the reserve fund and the period within which funds may be used;

(3) establish best practices for replenishing a depleted reserve fund, including the period over which the reserve fund should be replenished;

(4) define appropriate accounting terms to facilitate data consistency and improve data quality across the State; and

(5) identify conditions that may justify deviation from any broadly applicable standards adopted pursuant to this section.

Sec. 27b. SCHOOL TRANSPORTATION GRANTS; REPORT

On or before December 1, 2026, the Agency of Education shall submit a written report to the House Committees on Education, on Transportation, and on Ways and Means and the Senate Committees on Education, on Transportation, and on Finance regarding school transportation. School districts shall comply with requests from the Agency to assist data collections necessary to complete the reporting requirements in this section.

(1) The report shall include information on the following:

(A) the current landscape of education transportation for each school district, including:

(i) the grades operated by the school district;

(ii) the grades for which the school district provides transportation;

(iii) whether the vehicles used to provide students with transportation are owned or leased by the school district;

(iv) whether the school district relies on public transportation to provide education transportation to its resident students and, if so, associated costs borne by all parties;

(v) the method by which resident students arrive to and leave from each school a resident student attends, regardless of whether it is a school operated by the school district or a receiving school not operated by the school district, such as whether students rely on school district provided transportation, receiving school provided transportation, or transportation provided or arranged by a resident family, as well as whether there is any district reimbursement to resident families for privately incurred expenses related to student transportation; and

(vi) bus driver pay and benefits; and

(B) the aggregate cost of the current education transportation system, on a per-school-district basis, including:

(i) the total transportation grant award from the State;

(ii) the total local funds spent on transportation;

(iii) per-mile expenditures for transportation to and from career technical education programming;

(iv) transportation costs associated with the requirements of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. § 11431–11435;

(v) transportation costs associated with extraordinary special education expenditures; and

(vi) transportation costs associated with individualized education programs.

(2) The report shall also include recommendations regarding:

(A) the geographic radius around a school within which a school district shall not be required to provide transportation, for both urban and rural schools;

(B) definitions for the terms “distant students” and “safe walking routes”;

(C) how regionalized transportation services may work under a cooperative education service area (CESA) model, including with a CESA serving as the fiscal agent for contracts, as well as information regarding the availability of transportation vendors in the CESA regions created in this act;

(D) how cocurricular and afterschool travel could be included in a district’s transportation services and what consistent standards should be proposed for such service statewide;

(E) whether a weighted sparsity categorical grant or a per-mile reimbursement model would be more beneficial to districts or CESAs under a foundation formula, and what the approximate difference in cost would be as compared to the current funding system;

(F) legislative updates to 16 V.S.A. § 4016 (reimbursement for transportation expenditures) and any related rules; and

(G) how to ensure a student who attends a career technical education (CTE) center other than the student’s assigned regional CTE center, due to enrollment constraints, program availability, or some other barrier, has access to transportation to the same extent as students attending an assigned CTE center as provided pursuant to 16 V.S.A. § 1541a(a)(2), and the costs associated with any such recommendations.

Sec. 27c. STUDENT PROFILE FORM

On or before September 1, 2026, the Agency of Education, in consultation with school business officials, shall develop a student profile form to be used

by school districts to collect the information necessary in order for the Agency to compute the weighting categories under 16 V.S.A. § 4010(b) for students in prekindergarten through grade 12 on whose behalf a school district pays tuition. The student profile form shall be fully accessible to all Vermont families both in paper form and electronically.

Sec. 27d. LENGTH OF SCHOOL DAY; RULEMAKING

The State Board of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to Agency of Education, 2300 Length of School Day and Year—Specific Program Requirements for Public Schools (CVR 22-000-005) to update the criteria for the length of a school day for each grade, prekindergarten through grade 12, consistent with the definition of school day contained in 16 V.S.A. § 11(41).

* * * Small and Sparse Schools * * *

Sec. 28. REPEAL

2025 Acts and Resolves No. 73, Sec. 37 (16 V.S.A. § 4019) is repealed.

Sec. 29. 16 V.S.A. § 4019 is added to read:

§ 4019. SMALL SCHOOLS; SPARSE SCHOOLS; SUPPORT GRANTS

(a) Definitions. As used in this section:

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

(2) “Small school” means a public school that:

(A) has fewer than 100 pupils in two-year average enrollment; and

(B) has been determined by the Agency of Education, on an annual basis, to be “small by necessity” under standards consistent with State Board of Education rule.

(3) “Sparse area” means a city, town, or incorporated village where the number of persons per square mile residing within the land area of the geographic boundaries of the city, town, or incorporated village as of July 1 of the year of determination is fewer than 55 persons.

(4) “Sparse school” means a public school that:

(A) is within a sparse area; and

(B) has been determined by the Agency of Education, on an annual basis, to be “sparse by necessity” under standards consistent with State Board of Education rule.

(5) “Two-year average enrollment” means the average enrollment of the two most recently completed school years.

(b) Small schools support grant. Annually, the Secretary shall pay a small schools support grant to each school district for each small school operated by the school district in an amount determined by multiplying the two-year average enrollment in the small school by \$3,157.00.

(c) Sparse schools support grant. Annually, the Secretary shall pay a sparse schools support grant to each school district for each sparse school operated by the school district in an amount determined by multiplying the two-year average enrollment in the sparse school by \$1,954.00.

(d) Inflationary adjustment. Each dollar amount under subsections (b) and (c) of this section shall be adjusted for inflation annually on or before November 15 by the Secretary. As used in this subsection, “adjusted for inflation” means adjusting the dollar amount by the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures and gross investment published by the U.S. Department of Commerce, Bureau of Economic Analysis, from fiscal year 2025 through the fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount.

* * * Definitions * * *

Sec. 29a. 16 V.S.A. § 11 is amended to read:

§ 11. CLASSIFICATIONS AND DEFINITIONS

(a) As used in this title, unless the context otherwise clearly requires:

* * *

(36) “Average class size” means the total number of students enrolled across all classes included in a grade band or content area, as applicable, divided by the total number of individual classes contained in a grade band or content area, as applicable, calculated separately for each school and each grade band or content area, as specified in subdivision 165(a)(9) of this title.

(37) “Class” means a group of students, taught by a single teacher or team of teachers, organized for instruction in specific subjects or grade levels, for a defined period during the regular school day. Each course section shall be counted as a separate class. A class with more than one teacher of record shall be counted as a single class.

(38) “Content area” means a grouping of courses aligned to a single educator endorsement area as defined by the Vermont Standards Board for Professional Educators.

(39) “Full-time equivalent class” means the proportion of instructional time relative to a full school year.

(40) “School” means a public or independent educational institution with assigned staff, including teachers and administrators, that serves students within a dedicated building and that is identified by a unique state school identification number assigned by the National Center for Education Statistics.

(41) “School day” means the hours between the latest time at which a student may arrive at school and not be considered late and the time a student is dismissed from school, on a student attendance day.

(42) “Student” means a pupil enrolled in and assigned to a school as of October 1.

(43) “Teacher of record” means the educator primarily responsible for delivering instruction, assessing student learning, and assigning grades for a class, as designated in a school district’s student information system.

* * *

* * * Regional Assessment Districts * * *

Sec. 30. 32 V.S.A. chapter 121, subchapter 1A is added to read:

Subchapter 1A. Regional Assessment Districts

§ 3415. LEGISLATIVE INTENT

It is the intent of the General Assembly in adopting this subchapter to create regional assessment districts so that:

(1) properties on grand lists are regularly reappraised;

(2) property data collection is consistent and standardized across the State; and

(3) property valuation is conducted by trained and certified individuals and firms.

§ 3416. REGIONAL ASSESSMENT DISTRICTS; ESTABLISHMENT

(a) Member municipalities of a regional assessment district shall fully reappraise their grand lists every six years pursuant to subsection 3417(b) of this subchapter. Member municipalities may contract jointly with one or more third parties to conduct the reappraisals.

(b) For the first full reappraisal conducted simultaneously by member municipalities as part of a regional assessment district, each municipality may, at its discretion, conduct a reappraisal jointly with one or more other member municipalities. For all subsequent simultaneous full reappraisals by member municipalities as part of a regional assessment district, as determined pursuant to subsection 3417(c) of this subchapter, a municipality shall conduct a reappraisal jointly with one or more other member municipalities.

§ 3417. STANDARD GUIDELINES; PROCEDURES; RULEMAKING

(a) The Director of Property Valuation and Review shall establish standard guidelines and procedures, and may adopt rules, for regional assessment districts, including:

(1) guidelines for contracting with third parties to conduct or assist with reappraisals, including standard reappraisal contract terms;

(2) standards for the collection and recordation of parcel data;

(3) requirements relating to information technology, including standards for data software contracts and computer-assisted mass appraisal systems; and

(4) standardized practices for a full reappraisal, including cases in which physical inspections are unnecessary and how technology is to be utilized.

(b) The Director of Property Valuation and Review shall establish a schedule for each regional assessment district to fully reappraise every six years. The Director, at the Director's discretion, may alter the reappraisal schedule for a regional assessment district or for one or more of a regional assessment district's member municipalities. If a municipality or a regional assessment district fails to reappraise on the schedule established by the Director under this subsection, the State may withhold funds from the municipality until the Director certifies that the municipality or regional assessment district has complied with this subsection.

(c) The Director shall determine when the first simultaneous full reappraisal has been completed by the member municipalities of each regional assessment district.

§ 3418. REGIONAL ASSESSMENT DISTRICT APPEALS BOARD;

ESTABLISHMENT

(a) There are hereby established regional assessment district appeals boards for each regional assessment district established pursuant to section 3416 of this subchapter. A board shall hear appeals of valuations within its regional assessment district. The Division of Property Valuation and Review shall

provide training and technical assistance to the board. Other staffing and funding for a board shall be provided by its member municipalities.

(b) All municipalities within the jurisdiction of a board shall be considered municipal members of the board. A board shall contain at least one representative appointed from each member municipality and representatives shall be appointed for a term of three years by the legislative body of such municipality. A municipality may appoint one board member per 1,000 parcels in the municipality, rounded up to the nearest 1,000 parcels. All board members may be compensated and reimbursed by their respective municipalities for necessary and reasonable expenses.

(c) A board shall elect an executive board of five board members to facilitate meetings and oversee operations. The executive board shall have a chair, a vice chair, a secretary, and any other position deemed necessary by a majority vote of the executive board.

§ 3419. APPEALS TO REGIONAL ASSESSMENT DISTRICT APPEALS

BOARD

(a) Within 30 days following the date of notice, a person aggrieved by the final valuation decision of an assessing official may appeal in writing to the district's regional assessment district appeals board. An appeal of a valuation decision conducted pursuant to section 3416 of this subchapter that is erroneously made to a municipality shall be considered timely if it would have been timely if made to the regional assessment district. A municipality shall forward any such erroneously filed appeal to the board within 14 days.

(1) The board shall schedule meetings to hear and determine appeals made under this subsection not later than 30 days after the last date allowed for notice of appeal. Notice of the time and place of the hearing shall be given by posting a warning in three or more public places in each municipality in the district's jurisdiction and by mailing a copy of such warning to the legislative bodies of such municipalities and to all appellants.

(2) Hearings shall be conducted before a panel of three board members. When conducting a hearing under this subsection, the board shall issue a written determination addressing all questions and objections heard. A written determination shall only be issued if approved by a majority of those members present and voting. Unless waived by both parties, the property subject to appeal shall be inspected internally and externally by the three board panelists and an inspection report shall be issued within 30 days following the hearing on appeal and before a final determination is issued.

(A) The appellant shall be provided notice of the inspection and the appeal shall be deemed withdrawn if the appellant refuses to allow an inspection under this subdivision (2).

(B) During a declared state of emergency under 20 V.S.A. chapter 1, a board working within a municipality affected by an all-hazards event shall not be required to physically inspect any property that is the subject of an appeal. If the appellant requests in writing that the property be inspected for purposes of the appeal, the board shall conduct the inspection through electronic means. If the appellant does not facilitate the inspection through electronic means, the appeal shall be deemed withdrawn. As used in this subdivision (B), "electronic means" means the transmittal of video or photographic evidence by the appellant at the direction of the staff conducting the inspection.

(3) The board shall, within 15 days following the time of the inspection report, issue the written determination and shall file it with the clerk of the municipality in which the underlying property is located. At the same time, the board shall send a copy of the determination by certified mail to the appellant. The grand list shall be amended pursuant to the written determination.

(4) Notwithstanding any provision of law to the contrary, if the board does not substantially comply with the requirements of this subsection, and if the appeal is not withdrawn by filing written notice of withdrawal with the board, or deemed withdrawn as provided in subdivision (2) of this subsection, the grand list value of the property subject to appeal shall be set at a value that will produce a tax liability equal to the tax liability for the preceding year.

(b) Not more than two board members shall be panelists for a hearing involving a property located in the municipality for which the members are representatives.

(c) This section shall not be construed to prevent or alter the process for taxpayers to bring and resolve grievances to a municipal assessing official under section 4111 of this title.

(d) Notwithstanding subsection (a) of this section, appeals of valuations conducted by the Division of Property Valuation and Review pursuant to sections 3602a, 3602b, 3602c, and 3621 of this title shall be made directly to the Commissioner or Superior Court pursuant to section 3420 of this subchapter.

§ 3420. APPEALS TO COMMISSIONER OR TO SUPERIOR COURT

(a) A taxpayer or the legislative body of a municipality aggrieved by a written determination of a regional assessment district appeals board under

section 3419 of this chapter, or a taxpayer aggrieved by a valuation and elected to bypass a board decision under subsection 3419(a) of this subchapter, may appeal to either the Commissioner of Taxes or the Superior Court of the county in which the property is located. The appeal to the Superior Court shall be heard without a jury. For an appeal from the board, the appeal shall be commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil Procedure within 30 days after entry of the decision of the board. For an appeal that bypassed the board, the appeal may be commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil Procedure within 30 days following the date of notice of a final valuation decision of an assessing official. The date of mailing of notice of the board's determination to the taxpayer shall be deemed the date of entry of the board's determination. The board shall transmit a copy of the notice to the Commissioner or the Superior Court and shall forward the notice to the applicable municipal clerk, who shall record or attach a copy of the notice in the grand list book. The entry fee for an appeal to the Commissioner is \$70.00; provided, however, that the Commissioner may waive, reduce, or refund the entry fee in cases of hardship or to join appeals regarding the same parcel. If, in the opinion of the Commissioner, an appeal under this subsection involves a complex or unique property or valuation that would be best adjudicated by the Superior Court, the Commissioner may decline to hear the appeal and shall forward the appeal to the Superior Court of the county in which the property is located, where it shall be heard. An appeal forwarded by the Commissioner under this subsection shall be considered timely filed in the Superior Court if it was timely appealed to the Commissioner.

(b) On or before the last day on which appeals may be taken from the determination of the regional assessment district appeals board, an agent designated by the legislative body of the municipality, in the name of the municipality, on written application of one or more taxpayers of the municipality whose combined grand list represents at least three percent of the grand list of the municipality for the preceding year, shall appeal to the Superior Court from any action of the regional assessment district board of appeal not involving appeals of the applying taxpayers. However, the agent designated by the legislative body shall, in any event, have at least six business days after receipt of such taxpayers' application for appeal in which to take the appeal, and the date for the taking of such appeal shall accordingly be extended, if necessary, until the six business days shall have elapsed. The \$70.00 entry fee shall be paid by the applicants with respect to each individual property thus being appealed that is separately listed in the grand list. Fees collected under subsection (a) of this section or under this subsection shall be credited to a special fund established and managed pursuant to chapter 7,

subchapter 5 of this title and shall be available to the Commissioner of Taxes to offset the costs of providing those services.

(c) When a taxpayer, a legislative body of the municipality, or an agent designated by the legislative body of the municipality claims that an appeal to the Commissioner is in any manner defective or was not lawfully taken, on or before 30 days after mailing of the notice of receipt of the appeal by the Director, the taxpayer, agent, or legislative body of the municipality shall file objections in writing with the Commissioner and furnish the appellant or appellant's attorney with a copy of the objections. When the taxpayer, agent, or legislative body so requests, the Commissioner shall thereupon fix a time and place for hearing the objections and shall notify all parties thereof, by mail or otherwise. Upon hearing or otherwise, the Commissioner shall pass upon the objections and make such order in relation thereto as is required by law. The order shall be recorded or attached in the municipal clerk's office in the book wherein the appeal is recorded.

(d) On application to the Commissioner, an appellant may request leave to withdraw the appellant's appeal at any time before it is heard. When an appeal is withdrawn, the Commissioner shall certify the withdrawal to the clerk of the municipality in which the underlying property is located, and the clerk shall record the certificate of withdrawal of the appeal. At the same time, the Commissioner shall notify the applicable regional assessment district board of appeal. The appraisal from which the appeal was taken shall then become a part of the appraisal or grand list of the taxpayer.

(e) When an appeal to the Commissioner is not withdrawn or forwarded by the Commissioner to the Superior Court pursuant to subsection (a) of this section, the Commissioner shall conduct a hearing in accordance with 3 V.S.A. chapter 25.

(f) The Commissioner or court shall proceed de novo on all appeals and determine the correct valuation of the property as promptly as practicable and determine a homestead and a housesite value if a homestead has been declared with respect to the property for the year in which the appeal is taken. The Commissioner or court shall take into account the requirements of law as to valuation and the provisions of Chapter I, Article 9 of the Vermont Constitution and the 14th Amendment to the U.S. Constitution.

(1) If the Commissioner or court finds that the listed value of the property subject to appeal does not correspond to the listed value of comparable properties within the municipality, the Commissioner or court shall set the property in the list at a corresponding value. The findings and determinations of the Commissioner shall be made in writing and shall be available to the appellant.

(2) If the appeal is taken to the Commissioner, the Commissioner may order an inspection of the property prior to making a determination. If one of the parties requests an inspection, the Commissioner shall order an inspection of the property prior to making a determination. Within 10 days following the appeal being filed with the Commissioner, the Commissioner shall notify the property owner in writing of the Commissioner's option to request an inspection under this section.

(3) During a declared state of emergency under 20 V.S.A. chapter 1, the Commissioner shall not be required to have any property subject to appeal to be physically inspected. If the appellant requests in writing that the property be inspected for purposes of the appeal, the Commissioner shall conduct the inspection through electronic means. If the appellant does not facilitate the inspection through electronic means, then the appeal shall be deemed withdrawn. As used in this subdivision, "electronic means" means the transmittal of video or photographic evidence by the appellant at the direction of the person conducting the inspection.

(g) The Commissioner or clerk of the court shall forward by certified mail one copy of the determination to the taxpayer, one copy to the applicable regional assessment district board of appeal, and one copy to the town clerk, who shall record the same in the book in which the appeal was recorded under subsection (a) of this section. The appraisal so fixed by the Commissioner or court shall become the basis for the grand list of the taxpayer for the year in which the appeal is taken and, if the appraisal relates to real property, for the two next ensuing years, except that if the real property is enrolled in use value appraisal under chapter 124 of this title, the value of enrolled land, prior to its being equalized, shall be the per-acre value set annually by the Current Use Advisory Board multiplied by the number of acres enrolled. The appraisal, however, may be changed in the ensuing two years if the taxpayer's property is materially altered, changed, or damaged or if the regional assessment district of the municipality in which the property is located has undergone a full reappraisal.

Sec. 31. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

* * *

~~(b) If the Director of Property Valuation and Review determines that a municipality's education grand list has a coefficient of dispersion greater than 20 or that a municipality has not timely reappraised pursuant to subsection (d) of this section, the municipality shall reappraise its education grand list properties. If the Director orders a reappraisal, the Director shall send the~~

~~municipality written notice of the decision. The municipality shall be given 30 days to contest the finding under procedural rules adopted by the Director or to develop a compliance plan, or both. If the Director accepts a proposed compliance plan submitted by the municipality, the Director shall not order commencement of the reappraisal until the municipality has had one year to carry out that plan. [Repealed.]~~

~~(c) If a municipality fails to submit an acceptable plan or fails to carry out the plan, pursuant to subsection (b) of this section, the State shall withhold the education, transportation, and other funds from the municipality until the Director certifies that the town has carried out that plan. [Repealed.]~~

~~(d) Each municipality shall commence a full reappraisal not later than six years after the commencement of the municipality's most recent full reappraisal unless a longer period of time is approved by the Director. [Repealed.]~~

~~(e) The Director shall adopt rules necessary for administration of this section. [Repealed.]~~

Sec. 32. 32 V.S.A. § 5405 is amended to read:

§ 5405. DETERMINATION OF EQUALIZED EDUCATION PROPERTY

TAX GRAND LIST AND COEFFICIENT OF DISPERSION

(a)(1) Annually, on or before April 1, the Commissioner shall determine the equalized education property tax grand list and coefficient of dispersion for each municipality in the State; provided, however, that for purposes of equalizing grand lists pursuant to this section, the equalized education property tax grand list of a municipality that establishes a tax increment financing district shall include the fair market value of the property in the district and not the original taxable value of the property, and further provided that the unified towns and gores of Essex County may be treated as one municipality for the purpose of determining an equalized education property grand list and a coefficient of dispersion, if the Director determines that all such entities have a uniform appraisal schedule and uniform appraisal practices.

(2) All municipalities within a regional assessment district shall be treated as a single entity for purposes of the equalization process under this section, provided at least one simultaneous full reappraisal has been completed by the member municipalities of the regional assessment district as determined by the Director under subsection 3417(c) of this title.

* * *

Sec. 33. 32 V.S.A. § 3602c is added to read:

§ 3602c. VALUATIONS; PUBLIC UTILITIES

(a) On or before May 1 of each year, the Division of Property Valuation and Review of the Department of Taxes shall furnish the listers in each town or city with the valuation of all taxable property of any public utility situated therein as reported by such utility to the Division.

(b) Each public utility shall furnish to the Division not later than March 31 in each year a sworn inventory of all its taxable property in such form as will show the valuation of its property in each town, city, or other municipality.

(c) The Division shall prescribe the form of such report and the officer or officers who shall make oath thereto.

(d) The valuations furnished under this section shall be considered along with any other information as may reasonably be required by listers in determining and fixing the valuations of property for the purposes of property taxation. The Division may require that each municipality use certain valuations furnished under this section. The valuations provided by the Division for property used for the transmission and distribution of electricity shall be used by the listers as the valuations of that property for purposes of property taxation.

Sec. 34. REPEALS

(a) 2025 Acts and Resolves No. 73, Secs. 62 (regional assessment districts) and 63 (transition provisions) are repealed.

(b) 32 V.S.A. chapter 131 (appeals) is repealed.

Sec. 35. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

(a)(1) A municipality shall be paid \$8.50 per grand list parcel per year from the General Fund to be used only for reappraisal and costs related to reappraisal of its grand list properties and for maintenance of the grand list.

(2) During the year in which a municipality is scheduled to fully reappraise pursuant to subsection 3417(b) of this title, a municipality may notify the Commissioner in writing that it is prepared to commence the full appraisal. Within 30 days, the Commissioner shall estimate the cost of the municipality's full reappraisal and transfer to the municipality the lesser of two-thirds of the estimated cost or \$66.00 per grand list parcel in the municipality.

* * *

Sec. 36. [Deleted.]

* * * Conforming Changes; Repeal of 32 V.S.A. Chapter 131 * * *

Sec. 37. 24 V.S.A. § 3616(d) is amended to read:

(d) Where one of the bases of a rent, rate, or charge is the appraised value and the premises to be appraised are tax exempt, the board may cause the listers to appraise the property, including State property, for the purpose of determining the rates, rents, or charges. The right of appeal from the appraisal shall be the same as provided in 32 V.S.A. ~~chapter 131~~ § 3419. The Commissioner of Finance and Management is authorized to issue warrants for rates, rents, or charges against State property and transmit to the State Treasurer who shall draw a voucher in payment of the rates, rents, or charges. No charge so established and no tax levied under the provisions of section 3615 of this title shall be considered to be a part of any tax authorized to be assessed by the legislative body of any municipality for general purposes but shall be in addition to any such tax so authorized to be assessed.

Sec. 38. 24 App. V.S.A. ch. 3, § 92 is amended to read:

§ 92. BOARD OF TAX APPEALS TO HEAR APPEALS; DEADLINE FOR HEARINGS; MANNER OF CONDUCTING; ~~POSSIBLE BOARD OF CIVIL AUTHORITY REVIEW~~

(a) The Board of Tax Appeals shall meet, hear, and determine all appeals in the manner set forth in this section, notwithstanding 32 V.S.A. § 4404 ~~3419~~. All such appeals shall be heard and determined ~~no~~ not later than December 31 of that year. Hearings and inspections of the property shall be conducted by the entire panel as described in this section.

(b)(1) The City Assessor shall have the right to request and the Board shall have the right to issue a subpoena for all records of the taxpayer that are material to a determination of the appeal.

(2) Such records shall be regarded as confidential, shall not be further distributed, and shall be utilized only for the purpose of deciding the appeal; provided that no subpoena shall issue unless and until a taxpayer has appealed to the Board of Tax Appeals.

(3) If the taxpayer fails to provide requested records in response to a subpoena properly issued hereunder or refuses to allow an inspection of ~~his or her~~ the taxpayer's property, the appeal shall be deemed withdrawn or dismissed and no further appeal shall be available to such taxpayer.

(c) The Board shall hear and decide appeals by three member hearing panels, the membership of such panels to be rotated on a periodic basis. All three members must be present and voting, and at least two of the three members of the hearing panel must join in the decision in order for it to be valid.

(d) Either a taxpayer or the City Assessor aggrieved by the decision of the Board of Tax Appeals may file an appeal of a decision of the Board of Tax Appeals directly with the ~~Director of the Division of Property Valuation and Review~~ Commissioner of the Vermont Department of Taxes or the Superior Court pursuant to 32 V.S.A. § 4461 ~~3420~~ within 30 days of after the mailing of the Board of Tax Appeals' decision to the taxpayer.

(e) The decision of the Board of Tax Appeals, if not further appealed, shall become the basis for the grand list of the taxpayer for the year in question plus the next two years unless new information of a material nature about the property is discovered, the property is materially changed, or the City undertakes a rolling or complete reevaluation of real estate that includes the property in question.

Sec. 39. 24 App. V.S.A. ch. 3, § 330 is amended to read:

§ 330. BOARD OF TAX APPEALS

A Board of Tax Appeals, constituted in the manner set forth in section 91 of this charter, is created. The Board shall have the same duties and proceed in the same manner to hear and determine tax appeals as a ~~board of civil authority under 32 V.S.A. chapter 131, subchapter 1~~ regional assessment district appeals board under 32 V.S.A. § 3419 except as otherwise provided in this charter. Appeals from decisions of the Board of Tax Appeals ~~or from the Board of Civil Authority as referenced in section 92 of this charter~~ shall be controlled by 32 V.S.A. ~~chapter 131, subchapter 2~~ chapter 121, subchapter 1A, except that the City Assessor may appeal subject to the approval of the City Board of Finance. The Board shall organize each year by the election of a Chair, Vice-Chair, and Clerk. The manner of removal of Board members and filling of vacancies shall be as provided in sections 129 and 130 of this charter and the Board members shall, except as otherwise herein expressly provided, be subject to all other provisions of this charter relating to public officers.

Sec. 40. 24 App. V.S.A. ch. 103, § 510(d) is amended to read:

(d) In the case of any property used for both residential and nonresidential purposes within the District as of April 1, the Board of Listers (Board) shall adjust the listed value for the purposes of determining the District tax under this section to exclude the value of that portion of the property used for residential purposes. The Board shall determine the adjusted grand list value

of the business portion of the property and give notice of the same as provided under 32 V.S.A. ~~chapter 131~~ § 3419. Any property owner may file a grievance with the Board and appeal the decision of the Board as provided for under 32 V.S.A. ~~chapter 131~~ § 3419; however, the filing of an appeal of the determination of the Board and pendency of the appeal shall not vacate the lien on the property assessed, and the District taxes must be paid and continue to be paid as they become due.

Sec. 41. 24 App. V.S.A. ch. 151, § 507(d) is amended to read:

(d) In the case of any property used for both residential and nonresidential purposes within the District as of April 1, the Department of Assessment shall adjust the listed value for the purposes of determining the District tax under this section to exclude the value of that portion of the property used for residential purposes. The Department of Assessment shall determine the adjusted grand list value of the business portion of the property and give notice of the same as provided under 32 V.S.A. ~~chapter 131~~ § 3419. Any property owner may file a grievance with the Board and appeal the decision of the Board as provided for under 32 V.S.A. ~~chapter 131~~ § 3419; however, the filing of an appeal of the determination of the Board and pendency of the appeal shall not vacate the lien on the property assessed, and the District taxes must be paid and continue to be paid as they become due.

Sec. 42. 24 App. V.S.A. ch. 151, § 707 is amended to read:

§ 707. APPEALS

A person aggrieved by the final decision of the Department of Assessment under the provisions of section 706 of this charter may appeal in writing under the provisions of 32 V.S.A. ~~chapter 131~~ § 3419.

Sec. 43. 32 V.S.A. § 3613 is amended to read:

§ 3613. APPEAL

The State of Vermont shall have the same right to appeal from the appraisal of the listers and assessors and from the decision of the ~~Board of Civil Authority~~ regional assessment district appeals board as is given to any interested individual as provided by ~~chapter 131~~ section 3419 of this title.

Sec. 44. 32 V.S.A. § 3757(c) is amended to read:

(c) For the purposes of the land use change tax, the determination of the fair market value of the land shall be made by the local assessing officials in accordance with the provisions of subsection (b) of this section and divided by the municipality's most recent common level of appraisal as determined by the Director. The determination shall be made within 30 days after the Director notifies the local assessing officials of the date that the owner has petitioned

for withdrawal from use value appraisal or that the Director or local assessing official has determined that development has occurred. The local assessing officials shall notify the Director and the owner of their determination, and the provisions for appeal relating to property tax assessments in ~~chapter 131~~ chapter 121, subchapter 1A of this title shall apply.

Sec. 45. 32 V.S.A. § 3758(d) is amended to read:

(d) Any owner who is aggrieved by a decision of the Department of Forests, Parks and Recreation concerning the filing of an adverse inspection report, a denial of approval of a management plan, or a certification to the Director with respect to land for which a wastewater permit is issued may appeal to the Commissioner of Forests, Parks and Recreation within 60 days of following the filing of the adverse inspection report, the decision to deny approval, or the certification to the Director. An appeal of this decision of the Commissioner may be taken to the Superior Court in the same manner and under the same procedures as an appeal from a decision of a ~~Board of Civil Authority~~ regional assessment district appeals board, as set forth in ~~chapter 131, subchapter 2~~ section 3420 of this title.

Sec. 46. 32 V.S.A. § 3760(a)(2) is amended to read:

(2) The Director of Property Valuation and Review shall determine the amount of the available funds under this section to be paid to each municipality, and a municipality may appeal the Director's decision in the same manner and under the same procedures as an appeal from a decision of a ~~Board of Civil Authority~~ regional assessment district appeals board, as set forth in ~~chapter 131, subchapter 2~~ section 3420 of this title.

Sec. 47. 32 V.S.A. § 3846(d) is amended to read:

(d) Whenever the assessing officials deny in whole or in part any application for classification as farmland or ~~forest land~~ forestland or grant a different classification than that applied for, or fix an erroneous use value appraisal for eligible land, the aggrieved owner may appeal the decision in accordance with the provisions set forth in ~~chapter 131~~ section 3419 of this title. The appeal shall be heard in the same manner and under the same procedures as other appeals relating to real property appraisals and taxation.

Sec. 48. 32 V.S.A. § 4006 is amended to read:

§ 4006. FAILURE TO RETURN INVENTORY

Failure of a taxpayer to make and return a signed, sworn to, or affirmed inventory within 45 days after the mailing of such inventory by the town listers or assessors shall bar the taxpayer from any statutory appeal under this chapter or ~~chapter 131~~ chapter 121, subchapter 1A of this title, unless such failure is

due to factors beyond the taxpayer's control. In addition, a taxpayer who fails to submit an inventory within the time and in the form prescribed may be fined not more than \$100.00 for each violation.

Sec. 49. 32 V.S.A. § 5136(b) is amended to read:

(b) Whenever a municipality votes to collect interest on overdue taxes pursuant to this section, interest in like amount shall be paid by the municipality to any person making any overpayment of taxes occurring as a result of a redetermination of the grand list of the taxpayer on appeal provided by chapter ~~131~~ 121, subchapter 1A of this title.

Sec. 50. 32 V.S.A. § 5409(3)(B) is amended to read:

(B) Persons aggrieved by decisions of the listers or assessors may appeal in the manner provided for property tax appeals in chapter ~~131~~ 121, subchapter 1A of this title, and the Commissioner of Taxes shall have all the powers described in chapter 133 of this title.

Sec. 51. 32 V.S.A. § 5410(j) is amended to read:

(j) A taxpayer may appeal a determination of domicile for purposes of a homestead declaration or an assessment of fraud penalty under this section to the Commissioner in the same manner as an appeal under chapter 151 of this title. A taxpayer may appeal an assessment of any other penalty under this section to the listers within 14 days after the date of mailing of notice of the penalty, and from the listers to the ~~board of civil authority~~ regional assessment district appeals board, and thereafter to the courts or Commissioner, in the same manner as an appraisal appeal under chapter ~~131~~ 121, subchapter 1A of this title. The legislative body of a municipality shall have authority in cases of hardship to abate all or any portion of a penalty appealable to the listers under this section and any tax, penalty, and interest arising out of a corrected property classification under this section, and shall state in detail in writing the reasons for its grant or denial of the requested abatement. The legislative body may delegate this abatement authority to the board of civil authority or the board of abatement for the municipality. Requests for abatement shall be made to the municipal treasurer or other person designated to collect current taxes, and that person shall forward all requests, with that person's recommendation, to the body authorized to grant or deny abatement.

Sec. 52. 32 V.S.A. § 5412 is amended to read:

§ 5412. REDUCTION OF LISTED VALUE AND RECALCULATION OF
EDUCATION TAX LIABILITY

(a)(1) If a listed value is reduced as the result of an appeal or court action made pursuant to section ~~4461~~ 3420 of this title, a municipality may submit a

request for the Director of Property Valuation and Review to recalculate its education property tax liability for the education grand list value lost due to a determination, declaratory judgment, or settlement. The Director shall recalculate the municipality's education property tax liability for each year at issue, in accord with the reduced valuation, provided that:

(A) The reduction in valuation is the result of an appeal under chapter ~~131~~ 121, subchapter 1A of this title to the ~~Director of Property Valuation and Review~~ Commissioner or to a court, with no further appeal available with regard to that valuation, or any judicial decision with no further right of appeal, or a settlement of either an appeal or court action if the Director determines that the settlement value is the fair market value of the parcel. The Director may waive the requirement of continuing an appeal or court action until there is no further right of appeal if the Director concludes that the value determined by an adjudicated decision is a reasonable representation of the fair market value of the parcel.

(B) The municipality submits the request on or before January 15 for a request involving an appeal or court action resolved within the previous calendar year.

(C) [Repealed.]

(D) The Director determines that the municipality's actions were consistent with best practices published by the Property Valuation and Review in consultation with the Vermont Assessors and Listers Association. The municipality shall have the burden of showing that its actions were consistent with the Director's best practices.

(2) A determination of the Director made under subdivision (1) of this subsection may be appealed within 30 days by an aggrieved municipality to the Commissioner for a hearing to be held in accordance with 3 V.S.A. §§ 809–813. The Commissioner's determination may be further appealed to Superior Court, which shall review the Commissioner's determination using the record that was before the Commissioner. The Commissioner's determination may only be overturned for abuse of discretion.

(3) Upon the Director's request, a municipality submitting a request under subdivision (1) of this subsection shall include a copy of the agreement, determination, or final order, and any other documentation necessary to show the existence of these conditions.

(b) To the extent that the municipality has paid that liability, the Director shall allow a credit for any reduction in education tax liability against the next ensuing year's education tax liability.

(c) If a listed value is increased as the result of an appeal under chapter 134-121, subchapter 1A of this title or court action, whether adjudicated or settled, and the Director determines that the settlement value is the fair market value of the parcel with no further appeal available with regard to that valuation, the Director shall recalculate the municipality's education property tax for each year at issue, in accord with the increased valuation, and shall assess the municipality for the additional tax at the same time the Director assesses the municipality's education tax liability for the next ensuing year, unless the resulting assessment would be less than \$300.00. Payment under this section shall be due with the municipality's education tax liability for the next ensuing year.

* * *

* * * Regional Assessment District Transition * * *

Sec. 53. TRANSITION; ANNUAL PROGRESS REPORT

(a) Notwithstanding 32 V.S.A. § 4041a or any other provision of law to the contrary:

(1) the Director of Property Valuation and Review shall not order any new municipal reappraisals of grand list properties that are not part of a regionalized reappraisal system on and after January 1, 2028;

(2) reappraisal orders for which a municipality does not have a contract in place before January 1, 2031, shall no longer have the force and effect of law on and after January 1, 2031, except for those that are part of a regionalized reappraisal system; and

(3) a municipality shall not enter into new reappraisal contracts on or after January 1, 2028, except for those that are part of a regionalized reappraisal system.

(b) On or before every January 15 from January 15, 2028, to January 15, 2031, the Commissioner of Taxes shall submit a report to the House Committee on Ways and Means and the Senate Committee on Finance relating to the progress made in preparing for the implementation of regional assessment districts pursuant to this act.

Sec. 54. REGIONAL ASSESSMENT DISTRICT BOUNDARIES

(a) The Commissioner of Taxes shall identify and submit proposed geographic boundaries for regional assessment districts that are aligned with school district boundaries and have a minimum of 10,000 parcels to the House Committees on Government Operations and on Ways and Means and to the Senate Committees on Finance and on Government Operations.

(b) Notwithstanding subsection (a) of this section, the Commissioner may, at the Commissioner's discretion, identify a regional assessment district boundary that includes more than one school district or identify more than one regional assessment district boundary within one school district.

(c) It is the intent of the General Assembly to enact regional assessment district boundaries based on the Commissioner's geographic boundaries proposed under this section.

* * * Municipal Reimbursement for Abatement Due to Valuation Errors * * *

Sec. 55. 32 V.S.A. § 5402(c) is amended to read:

(c)(1) The treasurer of each municipality shall by December 1 of the year in which the tax is levied and on June 1 of the following year pay to the State Treasurer for deposit in the Education Fund one-half of the municipality's statewide education tax, as determined under subdivision (b)(1) of this section.

(2) The Secretary of Education shall determine each municipality's net education tax payment to the State based on grand list information received by the Secretary not later than the March 15 prior to the June 1 net payment. Payment shall be accompanied by a return prescribed by the Secretary of Education. Each municipality may retain 0.225 of one percent of the total education tax collected, only upon timely remittance of net payment to the State Treasurer or to the applicable school district or districts.

(3) For education taxes assessed in the current year only, a municipality may request reimbursement from the Commissioner of Taxes for education taxes abated under 24 V.S.A. § 1535(a)(4) in which there was a clear or obvious error or a mistake of the listers, provided the municipality abated municipal tax in the same proportion as it abated education tax and the abatement was for taxes assessed after the application of any homestead exemption allowed under chapter 154 of this title. The Commissioner may deny a request if the Commissioner finds that the requirements of this subdivision were not met. Notwithstanding any provision of law to the contrary, the Secretary of Education has the authority to make reimbursements approved by the Commissioner under this subdivision by either reducing the amount of State education property tax payments that a municipality owes under this subsection and 16 V.S.A. § 426 or reconciling the reimbursements with any State education property tax payments that a municipality has already made under this subsection and 16 V.S.A. § 426.

* * * Valuation of Certain Property in a Limited Equity Cooperative * * *

Sec. 56. 32 V.S.A. § 3411 is amended to read:

§ 3411. POWERS OF THE DIVISION OF PROPERTY VALUATION AND
REVIEW

The Division of Property Valuation and Review shall through its Director:

* * *

(10) assist municipalities in administration of property taxes, including the appraisal of classes of property difficult to appraise, such as industrial and utility properties; ~~and~~

(11) appraise property required by law to be appraised by the Director, including railroad property under chapter 211 of this title; and

(12) issue guidance to ensure consistent and accurate appraisal of the fair market value of properties in manufactured home parks in a limited equity cooperative, taking into consideration the limitations under 11 V.S.A. § 1598.

Sec. 57. 32 V.S.A. § 4152 is amended to read:

§ 4152. CONTENTS

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(10) A separate column listing the number of dwelling units, as defined pursuant to subdivision 4152a(c)(2) of this title.

* * *

Sec. 58. 32 V.S.A. § 4152a is added to read:

§ 4152a. PROPERTY TAX CLASSIFICATIONS

(a) Establishment. Each parcel of real estate shall be classified as one or more of the classifications listed under subsection (b) of this section and based on information and guidance provided by the Commissioner of Taxes under this section and rules adopted pursuant section 5410 of this title.

(b) Classifications. A parcel shall be assigned one or more of the following general classes:

(1) homestead;

(2) nonhomestead nonresidential; and

(3) nonhomestead residential.

(c) Definitions. As used in this section:

(1) “Commissioner” means the Commissioner of Taxes.

(2) “ Dwelling unit” means a building or part of a building, including a single-family home, a unit within a multifamily building, an apartment, a condominium, or other similar property or structure containing a separate means of ingress and egress that:

(A) is designed or intended to be used for occupancy by one or more persons in a household, including providing living facilities for sleeping, cooking, and sanitary needs; and

(B) is fit for year-round habitation as determined by the Commissioner.

(3) “Homestead” has the same meaning as in subdivision 5401(7) of this title and means a parcel, or portion of a parcel, declared as a homestead on or before October 15 in accordance with section 5410 of this title for the current year.

(4)(A) “Long-term rental” means:

(i) a dwelling unit for which rent is paid for the right of occupancy for periods of at least 30 days;

(ii) a dwelling unit with combined rental periods in the current calendar year that total at least six calendar months, which need not be consecutive; and

(iii) there is a bona fide landlord-tenant relationship between the parties.

(B) “Long-term rental” also means a dwelling unit used by an employer to house the employer’s employees for at least six calendar months, which need not be consecutive, in the current calendar year. As used in this section, “employee” means an individual who is reported by an employer for purposes of complying with Vermont unemployment compensation law pursuant to 21 V.S.A. chapter 17 or a farm employee as defined by 9 V.S.A. § 4469a(a)(1), without regard for whether the farm employee is reported pursuant to 21 V.S.A. chapter 17.

(5) “Nonhomestead nonresidential” means a parcel, or portion of a parcel, that does not qualify as “homestead” or “nonhomestead residential” under this section.

(6) “Nonhomestead residential” means a parcel, or portion of a parcel, with a dwelling unit that is not:

(A) a homestead;

(B) rented out as a long-term rental; or

(C) a mobile home, as defined under 10 V.S.A. § 6201(1), but not including other types of manufactured homes.

(d) Mixed-use parcels. A parcel with two or more portions qualifying as different classifications shall be classified proportionally as follows:

(1) Buildings shall be classified proportionally based on the percentage of finished floor space used. Improvements and structures on a nonhomestead residential parcel shall be classified as nonhomestead residential unless used for a business purpose.

(2) Underlying land, including improvements or fixtures that lack floor space, shall be classified proportionally based on the same percentage as the finished floor space of the buildings.

(3) Notwithstanding any provision of this subsection to the contrary, the entire parcel of land surrounding a homestead shall be classified as homestead in accordance with subdivision 5401(7) of this title, including any improvements or structures considered part of a homestead under subdivision 5401(7)(F) of this title.

(4) If a portion of floor space is used for more than one purpose, the use for which the floor space is most often used shall be considered the primary use and the floor space shall be dedicated to that use for purposes of tax classification, except as provided for a homestead under subdivision 5401(7) of this title.

(e) Forms. The Commissioner shall amend existing forms, and publish new forms, as needed to gather the necessary attestations and declarations required under this section.

(f) Use value appraisal. Nothing in this section shall be construed to alter the tax treatment or enrollment eligibility of property as it relates to use value appraisal under chapter 124 of this title.

(g) Appeals.

(1) Persons aggrieved by a decision of an assessing official relating to how a property is classified for taxation purposes under this section may appeal in the manner provided for property valuation appeals under this title. The Commissioner shall provide written guidance for municipalities to follow

when hearing such appeals and technical assistance if requested by a municipal official responsible for such appeals.

(2) Notwithstanding subdivision (1) of this subsection, appeals of a decision of the Commissioner to classify property shall be made to the Commissioner in the same manner as an appeal under chapter 151 of this title.

(3) A timely filed appeal made pursuant to this subsection that is erroneously made to the Commissioner instead of the municipality, or to a municipality instead of the Commissioner, shall be considered timely. The recipient of the erroneously filed appeal shall forward the appeal to the Commissioner or the correct municipality within 14 days.

Sec. 59. 32 V.S.A. § 5410 is amended to read:

§ 5410. DECLARATION OF HOMESTEAD; DWELLING USE

ATTESTATION

* * *

(g) If the property identified in a declaration under subsection (b) of this section is not the taxpayer's homestead ~~or if the owner of a homestead fails to declare a homestead as required under this section~~, the Commissioner shall notify the municipality, and the municipality shall issue a corrected tax bill that may, as determined by the governing body of the municipality, include a penalty of up to ~~three~~ five percent of the education tax on the property. ~~However, if the property incorrectly declared as a homestead is located in a municipality that has a lower homestead tax rate than the nonhomestead tax rate or if an undeclared homestead is located in a municipality that has a lower nonhomestead tax rate than the homestead tax rate, then the governing body of the municipality may include a penalty of up to eight percent of the education tax liability on the property.~~ If the Commissioner determines that the declaration or failure to declare was with fraudulent intent, then the ~~municipality~~ Commissioner shall assess the taxpayer a penalty in an amount equal to 100 percent of the education tax on the property, plus any interest and late-payment fee or commission that may be due. Any penalty imposed under this section by a municipality and any additional property tax interest and late-payment fee or commission shall be assessed and collected by the municipality in the same manner as a property tax under chapter 133 of this title. Notwithstanding section 4772 of this title, issuance of a corrected bill issued under this section does not extend the time for payment of the original bill nor relieve the taxpayer of any interest or penalties associated with the original bill. If the owner of a homestead fails to declare a homestead as required under this section, the Commissioner shall notify the municipality, and the municipality shall issue a corrected tax bill. If the corrected bill is less than

the original bill and there are also no unpaid current year taxes, interest, or penalties and no past year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

* * *

(i) An owner filing a new or corrected declaration or dwelling use attestation or rescinding an erroneous declaration or dwelling use attestation after October 15 shall not be entitled to a refund resulting from the correct property classification, and any additional property tax and interest that would result from the correct classification shall not be assessed as tax and interest, but shall instead constitute an additional penalty to be assessed and collected in the same manner as penalties under subsection (g) of this section. Any change in property classification under this subsection shall not be entered on the grand list.

(j) A taxpayer may appeal a determination of domicile for purposes of a homestead declaration or an assessment of fraud penalty under this section to the Commissioner in the same manner as an appeal under chapter 151 of this title. A taxpayer may appeal an assessment of any other penalty under this section to the listers within 14 days after the date of mailing of notice of the penalty, and from the listers to the board of civil authority, and thereafter to the courts, in the same manner as an appraisal appeal under chapter 131 of this title. The legislative body of a municipality shall have authority in cases of hardship to abate all or any portion of a penalty appealable to the listers under this section and any tax, penalty, and interest arising out of a corrected property classification under this section, and shall state in detail in writing the reasons for its grant or denial of the requested abatement. The legislative body may delegate this abatement authority to the board of civil authority or the board of abatement for the municipality. Requests for abatement shall be made to the municipal treasurer or other person designated to collect current taxes, and that person shall forward all requests, with that person's recommendation, to the body authorized to grant or deny abatement.

(k) A municipality may retain any penalties and interest assessed and collected in accord with this section.

(l) "Hardship" under this section means an owner's inability to pay as certified by the Commissioner of Taxes, in the Commissioner's discretion, or means an owner filing an incorrect, or failing to file a correct, homestead declaration or dwelling use attestation due to one or more of the following:

- (1) full-time active military duty of the declarant outside the State;
- (2) serious illness or disability of the declarant;

(3) serious illness, disability, or death of an immediate family member of the declarant; and

(4) fire, flood, or other disaster.

(m)(1) Annually, on or before the due date for filing the Vermont income tax return, without extension, each owner of a property with a dwelling unit, as defined under subdivision 4152a(c)(2) of this title, that is not declared as a homestead pursuant to this section, may file a dwelling use attestation describing how the dwelling unit will be used in the current year for purposes of assigning a tax classification under section 4152a of this title. Properties with a dwelling unit for which no homestead declaration or dwelling use attestation have been filed shall be assigned the tax classification with the highest statewide education tax rate multiplier under section 5402(a) of this title. The Commissioner may collect any additional information through the attestation as required to administer the classification of properties pursuant to section 4152a of this title.

(2) If the Commissioner determines that a filed dwelling use attestation contains errors or omissions but does not find that the filing was made with fraudulent intent, the Commissioner shall notify the municipality, and the municipality shall issue a corrected tax bill that may, as determined by the governing body of the municipality, include a penalty of up to five percent of the education tax on the property. Any penalty imposed under this subdivision and any additional property tax interest and late-payment fee or commission shall be assessed and collected by the municipality in the same manner as a property tax under chapter 133 of this title. The municipality assessing and collecting any fee, interest, or commission under this subdivision shall retain it to pay for municipal services.

(3) If the Commissioner determines that a filed dwelling use attestation contains errors or omissions and further finds that the filing was made with fraudulent intent, then the Commissioner shall assess the taxpayer a penalty in an amount equal to 100 percent of the education tax on the property, plus any interest and late-payment fee that may be due. The Commissioner shall further notify the municipality, and the municipality shall issue a corrected tax bill. Any penalty imposed under this subdivision and any additional property tax interest and late-payment fee shall be assessed and collected by the Commissioner.

Sec. 60. PROPERTY TAX CLASSIFICATIONS; TRANSITION; DATA COLLECTION

For calendar year 2029, the Commissioner of Taxes shall amend and create forms so that taxpayers report information on the use of their property for such

property to be classified as homestead, nonhomestead residential, nonhomestead nonresidential, or a proportional classification of those uses. The information collected, and classifications determined, shall align with the definitions and requirements of this act. The Commissioner shall use the information to determine and assign a tax classification for every grand list parcel, and on or before October 1, 2029, the Commissioner shall provide that information to the Joint Fiscal Office.

Sec. 61. REPEALS

2025 Acts and Resolves No. 73, Secs. 60 (grand list contents), 61 (property tax classifications), 61a (transition; data collection), 61c (rate multipliers; intent), and 61d (prospective repeal) are repealed.

Sec. 62. TAX CLASSIFICATIONS; RATE MULTIPLIERS; INTENT

It is the intent of the General Assembly that the creation of a tax classification system, and the specific tax classifications to be used by that system, will be reevaluated at the same time as any further amendment of the tax rate multipliers created under 32 V.S.A. § 6066(a) as amended by 2025 Acts and Resolves No. 73.

Sec. 63. PROSPECTIVE REPEAL

In order to ensure the successful implementation of education finance reform as set forth in this act, in the absence of legislative action on or before July 1, 2030, that creates a new tax rate multiplier to be used in a tax classification system, Secs. 58, 59 and 64 of this act are repealed on July 1, 2030.

Sec. 64. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(7) “Homestead”:

(A) “Homestead” means the principal dwelling and parcel of land surrounding the dwelling, owned and occupied by a resident individual as the individual’s domicile or owned and fully leased on April 1, provided the property is not leased for more than 182 days out of the calendar year or, for purposes of the renter credit under subsection 6066(b) of this title, is rented and occupied by a resident individual as the individual’s domicile.

(B) The parcel of land surrounding the dwelling shall be determined without regard to any road that intersects the land. If the parcel of land surrounding the dwelling is owned by a cooperative housing corporation incorporated under 11 V.S.A. chapter 14 or owned by a nonprofit land conservation corporation or community land trust with exempt status under 26 U.S.C. § 501(c)(3), the homestead includes a pro rata part of the land upon which the dwelling is built, as determined by the cooperative corporation, nonprofit corporation, or land trust.

(C) A homestead may consist of a part of a multidwelling or multipurpose building, including cooperative property occupied as a permanent residence by a member of a cooperative housing corporation incorporated under 11 V.S.A. chapter 14. A mobile home may constitute a principal dwelling for purposes of this chapter.

(D) A dwelling owned by a trust may qualify as a homestead if it meets the requirements of subsection 6062(e) of this title.

(E)(i) A homestead also includes a dwelling on the homestead parcel owned by a farmer as defined under section 3752 of this title and occupied as the permanent residence by a parent, sibling, child, or grandchild of the farmer or by a shareholder, partner, or member of the farmer-owner, provided that the shareholder, partner, or member owns more than 50 percent of the farmer-owner, including attribution of stock ownership of a parent, sibling, child, or grandchild.

(ii) A homestead further includes the principal dwelling of a widow or widower, provided the dwelling is owned by the estate of the deceased spouse and it is reasonably likely that the dwelling will pass to the widow or widower by law or valid will when the estate is settled.

(F) A homestead also includes any other improvement or structure on the homestead parcel that is not used for business purposes, including a nonprincipal dwelling used exclusively by the owner for domestic purposes as part of the homestead on the same parcel. A homestead does not include that portion of a principal dwelling used for business purposes if the portion used for business purposes includes more than 25 percent of the floor space of the building.

(G) For purposes of homestead declaration and application of the homestead property tax rate, "homestead" also means a residence that was the homestead of the decedent at the date of death and, from the date of death through the next April 1, is held by the estate of the decedent and not rented.

(H) A homestead does not include any portion of a dwelling that is rented, and a dwelling is not a homestead for any portion of the year in which it is rented.

(I) A homestead also includes any dwelling that is used as a homestead without regard for whether it is fit for year-round habitation.

* * *

* * * State Aid for School Construction * * *

Sec. 65. SCHOOL CONSTRUCTION; FINDINGS; INTENT

(a) The General Assembly finds that:

(1) Much of Vermont's school facilities portfolio is at or near the end of its useful life and will require substantial investment to address deferred maintenance and other necessary updates. The school facilities assessments conducted pursuant to 2021 Acts and Resolves No. 72 identified over \$6,000,000,000.00 in total needs over a 21-year period, with an average annual need of \$300,000,000.00 just to achieve replacement in kind. These needs have only grown since their estimation in 2023.

(2) Under Vermont's current education finance system, school construction expenditures are paid from the Education Fund and apply pressure to property taxes. While non-property tax revenues support a share of Education Fund expenditures, property tax revenues make up the bulk of the Education Fund and are expected to make up an even larger share as Education Fund expenditures outpace growth in non-property tax revenues.

(3) Although school construction decision-making is controlled at the local level, the costs of that decision-making are spread across all property taxpayers in Vermont. A school district's decision to bond for a school construction project increases both the district's homestead property tax rate and the property tax rates of school districts across Vermont.

(4) Vermont's school budgeting process asks school districts and property taxpayers to weigh operating expenditures against capital expenditures within the same budgetary constraints. So long as both costs are borne by the property tax, school districts are disincentivized from taking on school construction projects, and certain communities in Vermont may struggle to support even necessary school construction expenditures.

(5) The foundation formula created in 2025 Acts and Resolves No. 73 did not provide funding for additional capital investment in school facilities. Unless additional revenue sources are utilized or an alternative financing model is identified, new school construction projects will continue to be

funded from the Education Fund and will continue to apply pressure to property taxpayers across Vermont.

(b) It is the intent of the General Assembly to:

(1) create greater scale, increase the efficiency of the delivery of education services, and encourage the efficient use of funds by prioritizing school construction projects that align with the creation of the new school governance structures expressed in this act;

(2) address inequities in education funding across the State and remove disincentives to the construction of necessary and educationally appropriate school facilities by offering State aid in the form or forms best suited to a school district's local context and needs;

(3) recognize the urgency and opportunity offered by Vermont's education transformation as expressed in this act and 2025 Acts and Resolves No. 73 by identifying alternative models for funding school construction;

(4) in the short term, catalyze the State Aid for School Construction Program by providing State aid in the form of up to an additional \$50,000,000.00 annually in State bonding capacity to support the construction or renovation of school facilities that support the consolidation of school governance structures and improve access to educational opportunities for public school students;

(5) in the long term, provide State aid in the form of a debt service subsidy to school districts pursuing school construction projects that align with the goals of the State Aid for School Construction Program;

(6) throughout Vermont's education transformation, provide State aid through multiple funding streams until the burden on property taxpayers imposed by school construction expenditures can be reduced; and

(7) leverage the capacities of the Vermont Bond Bank to simplify bond issuances for school districts, increase financing opportunities, and protect the State's credit rating.

Sec. 66. AGENCY OF EDUCATION; SCHOOL CONSTRUCTION

DIVISION; POSITIONS

(a) The following permanent, classified positions are created in the Agency of Education:

(1) one School Construction Program Director;

(2) one Financial Manager I;

(3) one School Construction Coordinator; and

(4) one Architectural Design Reviewer or Educational Facility Planner.

(b) The Secretary of Education shall include as part of the Agency's budget submitted to the Governor pursuant to 16 V.S.A. § 212(21) for fiscal year 2028 a request to provide appropriate funding levels for the positions created by this section, and any other positions necessary, to staff the School Construction Division of the Agency. The Division shall provide comprehensive technical assistance to the Agency and the State Aid for School Construction Advisory Board on the implementation of the State Aid for School Construction Program.

Sec. 67. AGENCY OF EDUCATION; STATE AID FOR SCHOOL
CONSTRUCTION; RULEMAKING

On or before March 31, 2027, the Agency of Education, in consultation with the State Aid for School Construction Advisory Board, shall adopt rules on school construction and capital outlay pursuant to 3 V.S.A. chapter 25 and 16 V.S.A. § 3442(2), including rules to address:

(1) prioritization and bonus incentives that support the construction or renovation of school facilities that support the consolidation of school governance structures and improve access to educational opportunities for public school students; and

(2) the treatment of school districts' outstanding capital indebtedness as of December 31, 2025.

Sec. 68. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY
BOARD; IDENTIFICATION OF REGIONAL HIGH SCHOOLS
AND REHABILITATION OPPORTUNITIES; REPORT

(a) On or before December 1, 2026, the State Aid for School Construction Advisory Board shall provide a written report to the General Assembly that:

(1) identifies opportunities for the construction or renovation of school facilities that support the consolidation of school governance structures and improve access to educational opportunities for public school students;

(2) provides a full siting study for each identified school construction project that includes the cost, location, and any other factor the Board deems relevant to the General Assembly's consideration of the project; and

(3) analyzes the compatibility of each identified school construction project with other projects and evaluates different statewide scenarios for pursuing multiple opportunities for consolidation across Vermont.

(b) In developing the Board's report, the Board shall specifically consider how to achieve appropriate scale, given research on school size and travel times, and how to achieve regional comprehensive high schools.

Sec. 69. 16 V.S.A. § 3440 is amended to read:

§ 3440. STATEMENT OF POLICY

(a) It is the intent of this chapter to encourage the efficient use of public funds to modernize school infrastructure in alignment with current educational needs. School construction projects supported by this chapter should be developed taking consideration of standards of quality for public schools under section 165 of this title and prioritizing cost, geographic accessibility, 21st century education facilities standards, statewide enrollment trends, and capacity and scale that support best educational practices. Further, it is the intent of this chapter to encourage the use of existing infrastructure to meet the needs of Vermont students. Joint construction projects between two or more school districts and consolidation of buildings within a district where feasible and educationally appropriate are encouraged.

(b) It is further the intent of this chapter to prioritize school construction projects that align with the creation of new school governance structures under legislation enacted by the General Assembly in 2026 that requires each school board to participate in a study committee to study the advisability of forming a unified union school district. It is the intent of this chapter to leverage additional State bonding capacity to support the construction of these projects while the State identifies the total school construction need to be supported by State aid offered under this chapter.

Sec. 70. 16 V.S.A. § 3442 is amended to read:

§ 3442. STATE AID FOR SCHOOL CONSTRUCTION PROGRAM

The Agency of Education shall be responsible for implementing the State Aid for School Construction Program according to the provisions of this chapter. The Agency shall be responsible for:

* * *

(2) adopting rules pursuant to 3 V.S.A. chapter 25 pertaining to school construction and capital outlay, including rules to specify a point prioritization methodology and a bonus incentive structure aligned with the legislative intent expressed in section 3440 of this title;

(3) including as part of its budget submitted to the Governor pursuant to subdivision 212(21) of this title its annual school construction funding request, including any projects contemplated under subsection 3440(b) of this chapter for funding through State bonding;

* * *

Sec. 71. 16 V.S.A. § 3443 is amended to read:

§ 3443. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY
BOARD

* * *

(e) Assistance. The Board shall have the administrative, technical, and legal assistance of the Agency of Education, the School Construction Division, and the School Construction Program Director.

* * *

~~(g) Report. On or before December 15, 2025, the Board shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance on recommendations for addressing the transfer of any debt obligations from current school districts to future school districts as contemplated by Vermont's education transformation. [Repealed.]~~

Sec. 72. 16 V.S.A. § 3445 is amended to read:

§ 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION
PROJECTS

(a) Construction aid.

(1) Preliminary application for construction aid. A school district eligible for assistance under section 3447 of this title that intends to construct or purchase a new school, or make extensive additions or alterations to its existing school, and desires to avail itself of State school construction aid shall submit a written preliminary application to the Secretary. A preliminary application shall include information required by the Agency by rule and shall specify the need for and purpose of the project.

(2) Approval of preliminary application.

(A) When reviewing a preliminary application for approval, the Secretary shall consider:

(i) regional educational opportunities and needs, including school building capacities across school district boundaries, and available infrastructure in neighboring communities;

(ii) economic efficiencies;

(iii) the suitability of an existing school building to continue to meet educational needs; and

(iv) statewide educational initiatives.

(B) The Secretary may approve a preliminary application if:

(i)(I) the project or part of the project fulfills a need occasioned by:

(aa) conditions that threaten the health or safety of students or employees;

(bb) facilities that are inadequate to provide programs required by State or federal law or regulation;

(cc) excessive energy use resulting from the design of a building or reliance on fossil fuels or electric space heat; or

(dd) deterioration of an existing building; or

(II) the project results in consolidation of two or more school buildings and will serve the educational needs of students in a more cost-effective and educationally appropriate manner as compared to individual projects constructed separately;

(ii) the need addressed by the project cannot reasonably be met by another means;

(iii) the proposed type, kind, quality, size, and estimated cost of the project are suitable for the proposed curriculum and meet all legal standards;

(iv) the applicant achieves the level of “proficiency” in the school district quality standards regarding facilities management adopted by rule by the Agency or, if the applicant is a newly formed school district, the applicant will achieve the level of “proficiency” in the school district quality standards regarding facilities management adopted by rule by the Agency at its initial performance evaluation under the school district quality standards; and

(v) the applicant has completed a facilities master planning process that:

(I) engages robust community involvement;

(II) considers regional solutions;

(III) evaluates environmental contaminants; and

(IV) produces a facilities master plan that unites the applicant’s vision statement, educational needs, enrollment projections, renovation needs, and construction projects.

(3) Priorities. Following approval of a preliminary application ~~and provided that the district has voted funds or authorized a bond for the total estimated cost of a project~~, the Agency, with the advice of the State Aid for School Construction Advisory Board, shall assign points to the project as prescribed by rule of the Agency so that the project can be placed on a priority list based on the number of points received.

(4) Request for legislative appropriation. The Agency shall submit its annual school construction funding request to the Governor as part of its budget pursuant to subdivision 212(21) of this title and shall clearly identify those projects contemplated under subsection 3440(b) of this chapter for funding through State bonding. Following submission of the Governor's recommended budget to the General Assembly pursuant to 32 V.S.A. § 306 and submission of the Governor's recommended capital budget to the General Assembly pursuant to 32 V.S.A. § 309, the House ~~Committee~~ Committees on Education and on Ways and Means and the Senate ~~Committee~~ Committees on Education and on Finance shall recommend a total school construction appropriation for the next fiscal year to the General Assembly for inclusion in the education payment under subsection 4011(a) of this title.

(5) Final approval for construction aid.

(A) Unless approved by the Secretary for good cause in advance of commencement of construction, a school district shall not begin construction before the Secretary approves a final application. A school district may submit a written final application to the Secretary at any time following approval of a preliminary application.

(B) The Secretary may approve a final application for a project provided that:

(i) the project has received preliminary approval;

(ii) ~~the district has voted funds or authorized a bond for the total estimated cost of the project;~~ [Repealed.]

(iii) the district has made arrangements for project construction supervision by persons competent in the building trades;

(iv) the district has provided for construction financing of the project during a period prescribed by the Agency;

(v) the project has otherwise met the requirements of this chapter;

(vi) if the proposed project includes a playground, the project includes a requirement that the design and construction of playground equipment follow the guidelines set forth in the U.S. Consumer Product Safety Commission Handbook for Public Playground Safety; and

(vii) if the total estimated cost of the proposed project is less than \$50,000.00, no performance bond or irrevocable letter of credit shall be required.

(C) The Secretary may provide that a grant for a high school project is conditioned upon the agreement of the recipient to provide high school instruction for any high school pupil living in an area prescribed by the Agency who may elect to attend the school.

(D) A district may begin construction upon receipt of final approval. However, a district shall not be reimbursed for debt incurred due to borrowing of funds in anticipation of aid under this section.

(6) Award of construction aid.

(A) The base amount of an award shall be fund 20 50 percent of the ~~eligible debt service~~ total approved cost of a project. Projects are eligible for additional bonus incentives as specified in rule ~~for to fund~~ up to an additional 20 45 percent of the ~~eligible debt service~~ total approved cost.

(B) Construction aid shall be awarded as a debt service subsidy, as support through State bonding, or as a combination of both. Amounts shall be awarded annually, and are subject to an annual appropriation for the purposes of the program, and shall be released only once the applicant has voted funds or authorized a bond for the total estimated cost of the project to be covered by the applicant.

~~(B) As used in subdivision (A) of this subdivision (6), "eligible debt service cost" of a project means the product of the lifetime cost of the bond authorized for the project and the ratio of the approved cost of a project to the total cost of the project.~~

(C) The Treasurer, in consultation with the Capital Debt Affordability Advisory Committee (CDAAC), shall recommend to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance the annual total State bonding support available and the annual debt service subsidies to be awarded under this chapter.

(b) Emergency aid. Notwithstanding any other provision of this section, the Secretary may grant aid for a project the Secretary deems to be an emergency in the amount of 30 percent of eligible project costs, up to a maximum eligible total project cost of \$300,000.00.

(c) Wage requirements. Any contract awarded for school construction that is paid for with State aid shall adhere to the higher of:

(1) the prevailing wage requirements established for State construction projects under 29 V.S.A. § 161(b); or

(2) the prevailing local wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and related federal acts and regulations.

Sec. 73. REPEAL

16 V.S.A. § 3454 (deferred maintenance) is repealed.

Sec. 74. 16 V.S.A. § 4033 is added to read:

§ 4033. LEGACY DEBT AID

A school district shall be eligible to receive aid equal to 100 percent of the debt service cost of any debt incurred by the district for costs related to facility construction and renovation as of December 31, 2025. Aid shall be awarded annually for annual debt service costs up to a maximum total annual amount of \$61,000,000.00 and is subject to an annual appropriation for the purposes of the legacy debt aid.

Sec. 75. 16 V.S.A. § 4011(a) is amended to read

(a) Annually, the General Assembly shall appropriate funds for an education payment to pay for statewide education spending and, a portion of a base education amount for each adult education and secondary credential program student, and any other amounts the State is obligated to provide under this chapter or chapter 123 of this title.

Sec. 76. 16 V.S.A. § 4011(a) is amended to read

(a) Annually, the General Assembly shall appropriate funds for an education payment to pay for each school district’s educational opportunity payment and supplemental district spending, as defined in 32 V.S.A. § 5401, the small schools and sparsity support grants under section 4019 of this chapter, and a portion of a categorical base amount for each adult education and secondary credential program student, and any other amounts the State is obligated to provide under this chapter or chapter 123 of this title.

Sec. 77. 32 V.S.A. § 5401(22) is amended to read:

(22) “Supplemental district spending” means the spending that the voters of a school district approve in excess of the school district’s educational opportunity payment, as defined in 16 V.S.A. § 4001(17), for the fiscal year, provided that the voters of a school district other than an interstate school district shall not approve spending in excess of five percent of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district’s long-term membership, as defined in 16 V.S.A. § 4001(7). The cap on supplemental district spending shall not apply to school construction expenditures.

Sec. 78. 16 V.S.A. § 563 is amended to read:

§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

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

* * *

(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.

(B) [Repealed.]

(C) At a school district's annual or special meeting, the electorate may vote to provide notice of availability of the school budget required by this subdivision to the electorate in lieu of distributing the budget. If the electorate of the school district votes to provide notice of availability, it must specify how notice of availability shall be given, and such notice of availability shall be provided to the electorate at least 30 days before the district's annual meeting. The proposed budget shall be prepared and distributed at least 10 days before a sum of money is voted on by the electorate. Any proposed budget shall show the following information in a format prescribed by the Secretary:

(i) all revenues from all sources, and expenses, including as separate items any assessment for a supervisory union of which it is a member and any tuition to be paid to a career technical center; and including the report required in subdivision 242(4)(D) of this title itemizing the component costs of the supervisory union assessment;

(ii) the specific amount of any deficit incurred in the most recently closed fiscal year and how the deficit was or will be remedied;

(iii) the anticipated statewide education tax rate, as adjusted for each tax classification pursuant to 32 V.S.A. § 5402;

(iv) the definition of "supplemental district spending," the long-term membership of the school district, and the district's per pupil supplemental district spending in the proposed budget and in each of the prior three years; ~~and~~

(v) the supplemental district spending yield; and

(vi) the annual debt service cost of any outstanding capital indebtedness.

(D) The If the board determines that additional spending is necessary in excess of the school district’s educational opportunity payment, the board shall present the a supplemental district spending budget to the voters by means of a ballot in the following form, provided that the board shall submit for authorization supplemental district spending to cover annual debt service costs for school construction only at the initial authorization of indebtedness and under subdivision (E) of this subdivision (11):

“Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$ _____ for expenditures other than annual debt service costs on any outstanding capital indebtedness, which is the amount the school board has determined to be necessary in excess of the school district’s educational opportunity payment for the ensuing fiscal year?

The _____ District estimates that this proposed budget, if approved, will result in per pupil supplemental district spending of \$ _____, which is _____% higher/lower than per pupil supplemental district spending for the current year, and a supplemental district spending tax rate of _____ per \$100.00 of equalized education property value.”

(E) The board shall present concurrently with any vote to incur indebtedness for school construction a supplemental district spending budget to the voters by means of a ballot in the following form:

“Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$ _____, which is the amount the school board has determined to be necessary to cover the annual debt service cost on school construction and any other expenditure in excess of the school district’s educational opportunity payment for the ensuing fiscal year?

The _____ District estimates that this proposed budget, if approved, will result in per pupil supplemental district spending of \$ _____, which is _____% higher/lower than per pupil supplemental district spending for the current year, and a supplemental district spending tax rate of _____ per \$100.00 of equalized education property value.

* * *

* * * Foundation Formula Transition Measures and Reports* * *

Sec. 79. REPEALS

The following sections of 2025 Acts and Resolves No. 73 are repealed:

(1) Sec. 45b (educational opportunity payment transition);

- (2) Sec. 46a (supplemental district spending; cap; transition);
- (3) Sec. 48a (tax rate transition); and
- (4) Sec. 57 (Education Fund Advisory Committee).

Sec. 80. EDUCATIONAL OPPORTUNITY PAYMENTS; TUITION;
TRANSITION; FISCAL YEARS 2031–2034

(a) Notwithstanding 16 V.S.A. § 4001(17), in each of fiscal years 2031–2034, the educational opportunity payment for a school district shall equal the educational opportunity payment for the school district as calculated pursuant to 16 V.S.A. § 4010(f) plus a yearly adjustment equal to:

- (1) in fiscal year 2031, the transition gap multiplied by 0.80;
- (2) in fiscal year 2032, the transition gap multiplied by 0.60;
- (3) in fiscal year 2033, the transition gap multiplied by 0.40; and
- (4) in fiscal year 2034, the transition gap multiplied by 0.20.

(b) Notwithstanding 16 V.S.A. § 823(a), in each of fiscal years 2031–2034, a school district shall pay as tuition to a receiving school for each resident student attending the receiving school an amount equal to the adjusted base multiplied by the sum of one and any weights applicable to the resident student under section 16 V.S.A. § 4010.

(c) As used in this section:

(1) “Adjusted base” means the quotient resulting from dividing the school district’s educational opportunity payment, as adjusted by the yearly adjustment, by the school district’s weighted long-term membership as defined in 16 V.S.A. § 4001.

(2) “Adjusted for inflation” means adjusting the school district’s education spending by the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures and gross investment published by the U.S. Department of Commerce, Bureau of Economic Analysis, from fiscal year 2025 through fiscal year 2031 and rounding upward to the nearest whole dollar amount.

(3) “Transition gap” means the amount, whether positive or negative, that results from subtracting the school district’s educational opportunity payment as calculated pursuant to 16 V.S.A. § 4010(f) for fiscal year 2031 from the school district’s education spending in fiscal year 2025, as adjusted for inflation. The school district’s education spending shall be adjusted for inflation on or before November 15 by the Secretary of Education.

Sec. 81. SUPPLEMENTAL DISTRICT SPENDING; CAP; TRANSITION;
FISCAL YEARS 2031–2039

Notwithstanding 32 V.S.A. § 5401(22), in each of fiscal years 2031–2039, the voters of a school district other than an interstate school district shall not approve spending in excess of the following percentage of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district’s long-term membership, as defined in 16 V.S.A. § 4001(7):

- (1) in fiscal years 2031–2035, 10 percent;
- (2) in fiscal year 2036, 9 percent;
- (3) in fiscal year 2037, 8 percent;
- (4) in fiscal year 2038, 7 percent; and
- (5) in fiscal year 2039, 6 percent.

Sec. 82. HOMESTEAD PROPERTY TAX RATE; TRANSITION; FISCAL
YEARS 2031–2034;

(a) Notwithstanding 32 V.S.A. § 5402, in each of fiscal years 2031–2034, the homestead property tax rate for a school district shall equal the homestead property tax rate imposed pursuant to 32 V.S.A. § 5402 plus a yearly adjustment equal to:

- (1) in fiscal year 2031, the transition gap multiplied by 0.80;
- (2) in fiscal year 2032, the transition gap multiplied by 0.60;
- (3) in fiscal year 2033, the transition gap multiplied by 0.40; and
- (4) in fiscal year 2034, the transition gap multiplied by 0.20.

(b) As used in this section, “transition gap” means the amount, whether positive or negative, that results from subtracting the uniform homestead property tax rate for fiscal year 2031 were it calculated assuming no tax rate transition under this section from the homestead property tax rate for the school district in fiscal year 2030.

Sec. 83. HOMESTEAD PROPERTY TAX RATE; TRANSITION;
REPORT

On or before December 15, 2028, the Department of Taxes, in consultation with the Joint Fiscal Office and the Agency of Education, shall submit a written report to the House Committee on Ways and Means and the Senate Committee on Finance with recommendations and an implementation plan to

ensure that homestead education property tax rates do not increase as part of the transition to the new foundation formula.

Sec. 84. 2025 Acts and Resolves No. 73, Sec. 53(b) is amended to read:

(b) On or before December 15, ~~2026~~ 2028, the Department of Taxes, in consultation with the Joint Fiscal Office, shall submit a proposal to the House Committee on Ways and Means and the Senate Committee on Finance designing a homestead exemption structure that minimizes the:

* * *

Sec. 85. 32 V.S.A. § 5414 is amended to read:

§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

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

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

- (1) ~~the Commissioner of Taxes or designee;~~
- (2) ~~the Secretary of Education or designee;~~
- (3) ~~the Chair of the State Board of Education or designee;~~
- (4) two members of the public with expertise in education financing, who shall be appointed by the Speaker of the House;
- (5)(2) two members of the public with expertise in education financing, who shall be appointed by the Committee on Committees;
- (6)(3) ~~one member~~ two members of the public with expertise in education financing, who shall be appointed by the Governor; and
- (7) ~~the President of the Vermont Association of School Business Officials or designee;~~
- (8)(4) one representative from the Vermont School Boards Association (VSBA) with expertise in education financing, selected by the Executive Director of VSBA;
- (9) ~~one representative from the Vermont Superintendents Association (VSA) with expertise in education financing, selected by the Executive Director of VSA; and~~
- (10) ~~one representative from the Vermont National Education Association (VTNEA) with expertise in education financing, selected by the Executive Director of VTNEA.~~

(c) Powers and duties.

(1) Annually, on or before December 15, the Committee shall make recommendations to the General Assembly regarding:

~~(A) updating the weighting factors using the weighting model and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127, which may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions, as necessary;~~

~~(B) changes to, or the addition of new or elimination of existing, categorical aid, as necessary;~~

~~(C) changes to income levels eligible for a property tax credit under section 6066 of this title;~~

~~(D)(1) means to adjust the revenue sources for the Education Fund;~~

~~(E)(2) means to improve equity, transparency, and efficiency in education funding statewide;~~

~~(F)(3) the amount of the Education Fund stabilization reserve;~~

~~(G)(4) school district use of reserve fund accounts;~~

(5) enactment of any updates to weights or categorical aid recommended by the Joint Fiscal Office and the Agency of Education; and

~~(H)(6) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.~~

~~(2) The Committee shall review and recommend updated weights, categorical aid, and changes to the excess spending threshold to the General Assembly not less than every three years, which may include a recommendation not to make changes where appropriate. In reviewing and recommending updated weights, the Committee shall use the weighting model and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127.~~

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Taxes and the Agency of Education.

(e) Meetings.

(1) The Commissioner of Taxes shall call the first meeting of the Committee to occur on or before July 15, 2026 2031.

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

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

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

* * * Effective Dates * * *

Sec. 86. EFFECTIVE DATES

This act shall take effect on July 1, 2026, except as follows:

(1) Sec. 30 (creation of regional assessment districts), Secs. 31–33 (conforming changes for regional assessment), Sec. 34(b) (repeal of 32 V.S.A. chapter 131), and Secs. 37–52 (conforming changes for repeal of 32 V.S.A. chapter 131) shall take effect on January 1, 2031, provided regional assessment district appeals boards shall commence jurisdiction over valuation appeals and notices of changes of valuation on July 1, 2031.

(2) This section, Sec. 18 (Act 73 effective dates), Sec. 27a (rulemaking; reserve guidance), Sec. 27c (student profile form), Sec. 34(a) (repeal of 2025 Acts and Resolves No. 73, Secs. 62 and 63), Sec. 53 (transition provisions), Sec. 56 (valuing property in a limited equity cooperative), Sec. 61 (repeals), Sec. 62 (rate multipliers), Sec. 63 (prospective repeal), Sec. 79 (transition repeals), Sec. 83 (tax rate transition report), Sec. 84 (homestead exemption structure report delay), and Sec. 85 (Education Fund Advisory Committee) shall take effect on passage.

(3) Sec. 54 (regional assessment district boundaries) shall take effect and the boundary submission to the General Assembly shall be due on December 15, 2029, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1)(A), as amended by this act, have been met.

(4) Sec. 24 (16 V.S.A. § 828), Sec. 29 (16 V.S.A. § 4019), Secs. 58 and 59 (tax classifications), Sec. 64 (homestead definition), Sec. 76 (education payments), Sec. 77 (supplemental district spending definition), Sec. 78 (supplemental district spending budget vote), and Secs. 80–82 (foundation formula transitions) shall take effect on July 1, 2030, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1), as amended by this act, have been met.

(5) Sec. 60 (transition provisions) shall take effect on January 1, 2029, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1)(A), (B), and (C), as amended by this act, have been met.

(6) Sec. 57 (grand list contents) shall take effect on July 1, 2027, and shall apply to grand lists lodged beginning in calendar year 2028.

Rep. Nigro of Bennington, for the Committee on Appropriations, recommended the bill ought to pass when amended as recommended by the Committee on Ways and Means.

The bill, having appeared on the Notice Calendar, was taken up and read the second time.

Pending the question, Shall the bill be amended as recommended by the Committee on Ways and Means?, **Reps. Kornheiser of Brattleboro and Kimbell of Woodstock** moved to amend the report of the Committee on Ways and Means, as follows:

First: By adding one new section to be Sec. 18a to read as follows:

Sec. 18a. INTERACTIVE EDUCATION FUNDING CALCULATOR;

DEPARTMENT OF TAXES

On or before October 1, 2027, the Department of Taxes shall publish on its website an interactive education funding calculator (interactive calculator) that enables a school district or a union school district study committee to calculate an estimate of the total education funding from the State it received under Vermont's current education finance system in fiscal year 2027 and the estimated total education funding it would have received from the State under the new financing formula had it been in effect in fiscal year 2027. The interactive calculator shall reflect all education finance policy choices represented in the total appropriated State funds each school district receives under Vermont's existing education funding formula enacted through July 1, 2027, that would have an impact on funding levels. In developing the interactive calculator, the Department of Taxes shall consult with the Joint Fiscal Office, the Agency of Education, and the Department of Finance and Management. On or before August 1, 2027, the Department of Taxes shall submit a preliminary plan for the interactive calculator to the Joint Fiscal Office and the Agency of Education for feedback. The Department of Taxes shall submit a preliminary version of the interactive calculator to the Joint Fiscal Committee in September 2027.

Second: In Sec. 27d, length of school day; rulemaking, following "16 V.S.A. § 11(41)" by inserting ", pursuant to 3 V.S.A. § 843 on or before March 31, 2027"

Third: In Sec. 72, 16 V.S.A. § 3445, in subdivision (a)(6), by striking out subdivision (C) in its entirety and inserting in lieu thereof a new subdivision (C) to read as follows:

(C) The Treasurer, in consultation with the Capital Debt Affordability Advisory Committee (CDAAC), shall recommend to the House

Committees on Education, on Ways and Means, and on Corrections and Institutions and the Senate Committees on Education, on Finance, and on Institutions the annual total State bonding support available for the capital budget and this Program and the annual debt service subsidies to be awarded under this chapter. The recommendation shall include an analysis of how the use of State bonding support for school construction under this Program affects overall capital budget capacity.

Which was agreed to. Thereupon the report of the Committee on Ways and Means, as amended, was agreed to.

Pending the question, Shall the bill be read a third time?, **Reps. Olson of Starksboro, Yacovone of Morristown, Bos-Lun of Westminster, Burke of Brattleboro, Burrows of West Windsor, LaMont of Morristown, Lueders of Lincoln, O'Brien of Tunbridge, Priestley of Bradford, and White of Bethel** moved to amend the bill by adding one new section to be Sec. 13a to read as follows:

Sec. 13a. 16 V.S.A. § 564 is added to read:

§ 564. SCHOOL CLOSURES IN UNION SCHOOL DISTRICTS

(a) Before closing a school that operates grades prekindergarten through 12, or any subset of such grades, a union school district shall obtain the affirmative vote of the electorate of the towns served by the school.

(b) Not less than 60 days prior to the vote required pursuant to this section, the school board shall post on the school board's website a report with information on and an analysis of the educational value to students if they remain in the school facing closure compared to the school where the students are proposed to be educated after the school is closed, including the educational value to students from households with low income, students who receive special education services, and other marginalized students. The report shall describe the financial, operational, transportation, capital cost, and other impacts of the school closure proposal. The report shall also address the proposal's impact on district staff, including direct teaching staff, professional and other support staff, and administrative staff. The school board shall enable district residents to comment on the proposal using the comment feature of a school board's website and shall hold a public hearing to discuss the school closure proposal not less than 30 days before the vote required pursuant to this section.

Pending the question, Shall the bill be amended as offered by Rep. Olson of Starksboro and others?, **Rep. Burrows of West Windsor** requested the vote be by division.

Thereupon, the amendment was disagreed to: Yeas, 27. Nays, 113.

Pending the question, Shall the bill be read a third time?, **Reps. Olson of Starksboro, Yacovone of Morrystown, Burke of Brattleboro, LaMont of Morrystown, Priestley of Bradford, and White of Bethel** moved to amend the bill by adding one new section to be Sec. 13a to read as follows:

Sec. 13a. 16 V.S.A. § 564 is added to read:

§ 564. SCHOOL CLOSURES IN UNION SCHOOL DISTRICTS

(a) A union school district board may, after notice and an opportunity for hearing, close a school that operates grades prekindergarten through 12, or any subset of such grades, upon concluding that closure is in the best interests of students and the towns served by the school.

(b) The union school district board shall consider the educational value to students if they remain in the school facing closure compared to the school where the students are proposed to be moved, including the educational value to students from households with low income, students who receive special education services, and other marginalized students. The board shall consider evidence relating to the financial, operational, transportation, capital cost, and other impacts of the proposal. The school board shall also consider the proposal's impact on district staff, including direct teaching staff, professional and other support staff, and administrative staff.

Pending the question, Shall the bill be amended as offered by Rep. Olson of Starksboro and others?, **Rep. Coffin of Cavendish** requested the vote be by division.

Thereupon, the amendment was disagreed to: Yeas, 22. Nays, 106.

Pending the question, Shall the bill be read a third time?, **Reps. Holcombe of Norwich, Burrows of West Windsor, Cole of Hartford, Masland of Thetford, and Priestley of Bradford** moved to amend the bill by adding a new reader assistance heading and a new section to be Sec. 85a to read as follows:

* * * Suspension of Excess Spending Penalty * * *

Sec. 85a. SUSPENSION OF EXCESS SPENDING PENALTY; FISCAL YEARS 2028 AND 2029

Notwithstanding any provision of law to the contrary, the excess spending penalty under 16 V.S.A. § 4001(6)(B) and 32 V.S.A. § 5401(12) is suspended during fiscal years 2028 and 2029.

Which was disagreed to.

Pending the question, Shall the bill be read a third time?, **Reps. McCann of Montpelier, Arsenault of Williston, Burrows of West Windsor, Casey of Montpelier, Cina of Burlington, Cole of Hartford, Graning of Jericho, Harple of Glover, Headrick of Burlington, Holcombe of Norwich, Logan of Burlington, Masland of Thetford, McGill of Bridport, Minier of South Burlington, Priestley of Bradford, Rachelson of Burlington, Sibia of Dover, Stone of Burlington, Tomlinson of Winooski, and White of Bethel** moved to amend the bill by adding a reader assistance heading and three new sections to be Secs. 21b, 21c, and 21d to read as follows:

* * * Approved Independent Schools Eligible to Receive Public Tuition and Education Quality Standards * * *

Sec. 21b. 16 V.S.A. § 165 is amended to read:

§ 165. EDUCATION QUALITY STANDARDS; EQUAL EDUCATIONAL OPPORTUNITIES; INDEPENDENT SCHOOL MEETING
EDUCATION QUALITY STANDARDS

(a) In order to carry out Vermont's policy that all Vermont children will be afforded educational opportunities that are substantially equal in quality, each Vermont public school, including each career technical center, and each approved independent school that is eligible to receive public tuition shall meet the following education quality standards:

* * *

(2) The school, at least annually, reports student performance results to community members in a format selected by the school board or governing body of an approved independent school eligible to receive public tuition. In the case of a regional career technical center, the community means the school districts in the service region. The school report shall include:

(A) Information indicating progress toward meeting standards from the most recent measure taken.

(B) [Repealed.]

(C) Information indicating progress toward meeting the goals of an annual continuous improvement plan.

(D) Any other statistical information about the school or community that the school board or governing body deems necessary to place student performance results in context.

(E)–(G) [Repealed.]

(H) A description of how the school ensures that each student receives appropriate career counseling and program information regarding availability of education and apprenticeship program offerings at career technical centers.

(I) [Repealed.]

(J) If the school is a secondary school, information and supporting data presented in a manner designed to protect student confidentiality on the dropout and graduation rates.

(K) Data provided by the Secretary that enable a comparison with other schools, or school districts if school level data are not available, for cost-effectiveness. The Secretary shall establish which data are to be included pursuant to this subdivision and, notwithstanding that the other elements of the report are to be presented in a format selected by the school board or governing body, shall develop a common format to be used by each school in presenting the data to community members. The Secretary shall provide the most recent data available to each school ~~no later than~~ on or before October 1 of each year. Data to be presented include student-to-teacher ratio, administrator-to-student ratio, administrator-to-teacher ratio, and cost per pupil.

* * *

(4) The school shall provide for and the staff shall use needs-based professional development designed to improve the quality of education provided to the students and directly connected to standards for student performance established by the State Board and any other educational performance goals established by the school board or governing body.

* * *

(9) The school complies with average class size minimum standards; provided, however, that when class size minimums apply to content areas, an individual class may be smaller than the minimum average. As used in this subdivision, “content area” means a group of courses within a specific licensing endorsement area.

* * *

(B) Waivers. If a school board or governing body of an approved independent school that is eligible to receive public tuition determines that it operates a school that is unable to comply with the class size minimum standards due to geographic isolation, or a school has developed an implementation plan to meet the standards contained in this subdivision (9) that may include consolidation or merger, the school board or governing body

may ask the State Board of Education to grant it waiver from this subdivision (9). The State Board shall define what qualifies as geographic isolation in its rules adopted pursuant to subdivision ~~(a)~~(3) of this ~~section~~ subsection (a). The State Board's decision shall be final.

(C) State Board action. If the Secretary determines that a school is not meeting the class size minimum standards set forth in this subdivision (9) over the course of three consecutive school years, the Secretary may recommend to the State Board one or more of the actions listed in subsection (b) of this section, regardless of whether the school is meeting all other education quality standards. The State Board shall then follow the procedure of subsection (c) of this section.

(b) Annually, the Secretary shall determine whether students in each Vermont public school and each approved independent school that is eligible to receive public tuition are provided educational opportunities substantially equal to those provided in other public and approved independent schools that are eligible to receive public tuition. If the Secretary determines that a school is not meeting the education quality standards listed in subsection (a) of this section or that the school is making insufficient progress in improving student performance in relation to the standards for student performance set forth in subdivision 164(9) of this title, the Secretary shall describe in writing actions that a district or governing body must take in order to meet either or both sets of standards and shall provide technical assistance to the school. If the school fails to meet the standards or make sufficient progress within two years following the determination, the Secretary shall recommend to the State Board one or more of the following actions:

(1) the Agency continue to provide technical assistance for one more cycle of review;

(2) in the case of a public school, the State Board adjust supervisory union boundaries or responsibilities of the superintendency pursuant to section 261 of this title;

(3) in the case of a public school, the Secretary assume administrative control of an individual school, school district, or supervisory union, including budgetary control to ensure sound financial practices, only to the extent necessary to correct deficiencies;

(4) in the case of a public school, the State Board close an individual school or schools and require that the school district pay tuition to another public school or an approved independent school pursuant to chapter 21 of this title; ~~or~~

(5) in the case of a public school, the State Board require two or more school districts to consolidate their governance structures; or

(6) in the case of an approved independent school that is eligible to receive public tuition, the State Board revoke the school's approval or eligibility to receive public tuition.

(c) The State Board, after offering the school board or governing body of an approved independent school that is eligible to receive public tuition an opportunity for a hearing, shall either dismiss the Secretary's recommendation or order that one or more of the actions listed in subsection (b) of this section be taken, as applicable. The action ordered by the State Board shall be the least intrusive consistent with the need to provide students attending the school substantially equal educational opportunities. A school board or governing body aggrieved by an order of the State Board may appeal the order in accordance with the Rules of Civil Procedure.

(d) Nothing in this section shall be construed to entitle any student to educational programs or services identical to those received by students in the same or any other school district or approved independent school that is eligible to receive public tuition. Further, nothing in this section shall create a private right of action.

(e) If the Secretary determines at any time that the failure of a school to meet the education quality standards listed in subsection (a) of this section is severe or pervasive, potentially results in physical or emotional harm to students or significant deprivation of equal education opportunities, and the school has either unreasonably refused to remedy the problem or its efforts have proved ineffective, the Secretary may recommend to the State Board one or more of the actions listed in subsection (b) of this section, as applicable. The State Board shall then follow the procedure of subsection (c) of this section.

~~(f) In order to be designated an independent school meeting education quality standards, an independent school shall participate in the education quality standards process of subsection (b) of this section. An independent school shall receive technical assistance in accordance with the provisions of subsection (b), but shall not be subject to subdivisions (b)(2)-(4) of this section. The school shall be an independent school meeting education quality standards unless the State Board, after opportunity for hearing, finds that:~~

~~(1) the school has discontinued its participation in the education quality standards process; or~~

~~(2) two or more years following a determination that the school is not meeting the education quality standards or that the school is making~~

~~insufficient progress in improving student performance, the school fails to meet the standards or make sufficient progress toward meeting the standards. [Repealed.]~~

* * *

Sec. 21c. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

(a) A school district shall not pay the tuition of a student except to:

(1) a public school located in Vermont;

(2) an approved independent school that:

(A) is located in Vermont;

(B) is approved under section 166 of this title on or before July 1, 2025;

(C) is located within either:

(i) a supervisory district that does not operate a public school for some or all grades as of July 1, 2024; or

(ii) a supervisory union with one or more member school districts that does not operate a public school for some or all grades as of July 1, 2024;

(D) had at least 25 percent of its student enrollment composed of students attending on a district-funded tuition basis pursuant to chapter 21 of this title during the 2023–2024 school year; and

~~(E) complies with the minimum class size requirements contained in subdivision 165(a)(9) of this title and State Board rule; provided, however, that if a school is unable to comply with the class size minimum standards due to geographic isolation or a school has developed an implementation plan to meet the class size minimum requirements, the school may ask the State Board to grant it a waiver from this subdivision (E), which decision shall be final meets the education quality standards listed in subsection 165(b) of this chapter and the State Board's education quality standard rules contained in Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003);~~

~~(3) an independent school meeting education quality standards;~~

~~(4) a tutorial program approved by the State Board;~~

~~(5) an approved education program;~~

~~(6) a public school located in another state; or~~

(7) a therapeutic approved independent school located in Vermont or another state or country that is approved under the laws of that state or country.

* * *

Sec. 21d. STATE BOARD OF EDUCATION; RULEMAKING

The State Board of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003), pursuant to 3 V.S.A. § 843 on or before March 31, 2027, to require approved independent schools that are eligible to receive public tuition to meet education quality standards as required pursuant to 16 V.S.A. § 165(a),.

Representatives McCann of Montpelier, Arsenault of Williston, Burrows of West Windsor, Casey of Montpelier, Cina of Burlington, Cole of Hartford, Graning of Jericho, Harple of Glover, Headrick of Burlington, Holcombe of Norwich, Logan of Burlington, Masland of Thetford, McGill of Bridport, Minier of South Burlington, Priestley of Bradford, Rachelson of Burlington, Sibilgia of Dover, Stone of Burlington, Tomlinson of Winooski, and White of Bethel move that the bill be amended by adding a reader assistance heading and three new sections to be Secs. 21b, 21c, and 21d to read as follows:

* * * Approved Independent Schools Eligible to Receive Public Tuition and Education Quality Standards * * *

Sec. 21b. 16 V.S.A. § 165 is amended to read:

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* * *

(2) The school, at least annually, reports student performance results to community members in a format selected by the school board or governing body of an approved independent school eligible to receive public tuition. In the case of a regional career technical center, the community means the school districts in the service region. The school report shall include:

(A) Information indicating progress toward meeting standards from the most recent measure taken.

(B) [Repealed.]

(C) Information indicating progress toward meeting the goals of an annual continuous improvement plan.

(D) Any other statistical information about the school or community that the school board or governing body deems necessary to place student performance results in context.

(E)–(G) [Repealed.]

(H) A description of how the school ensures that each student receives appropriate career counseling and program information regarding availability of education and apprenticeship program offerings at career technical centers.

(I) [Repealed.]

(J) If the school is a secondary school, information and supporting data presented in a manner designed to protect student confidentiality on the dropout and graduation rates.

(K) Data provided by the Secretary that enable a comparison with other schools, or school districts if school level data are not available, for cost-effectiveness. The Secretary shall establish which data are to be included pursuant to this subdivision and, notwithstanding that the other elements of the report are to be presented in a format selected by the school board or governing body, shall develop a common format to be used by each school in presenting the data to community members. The Secretary shall provide the most recent data available to each school ~~no later than~~ on or before October 1 of each year. Data to be presented include student-to-teacher ratio, administrator-to-student ratio, administrator-to-teacher ratio, and cost per pupil.

* * *

(4) The school shall provide for and the staff shall use needs-based professional development designed to improve the quality of education provided to the students and directly connected to standards for student performance established by the State Board and any other educational performance goals established by the school board or governing body.

* * *

(9) The school complies with average class size minimum standards; provided, however, that when class size minimums apply to content areas, an individual class may be smaller than the minimum average. As used in this subdivision, “content area” means a group of courses within a specific licensing endorsement area.

* * *

(B) Waivers. If a school board or governing body of an approved independent school that is eligible to receive public tuition determines that it operates a school that is unable to comply with the class size minimum standards due to geographic isolation, or a school has developed an implementation plan to meet the standards contained in this subdivision (9) that may include consolidation or merger, the school board or governing body may ask the State Board of Education to grant it waiver from this subdivision (9). The State Board shall define what qualifies as geographic isolation in its rules adopted pursuant to subdivision (a)(3) of this ~~section~~ subsection (a). The State Board’s decision shall be final.

(C) State Board action. If the Secretary determines that a school is not meeting the class size minimum standards set forth in this subdivision (9) over the course of three consecutive school years, the Secretary may recommend to the State Board one or more of the actions listed in subsection (b) of this section, regardless of whether the school is meeting all other education quality standards. The State Board shall then follow the procedure of subsection (c) of this section.

(b) Annually, the Secretary shall determine whether students in each Vermont public school and each approved independent school that is eligible to receive public tuition are provided educational opportunities substantially equal to those provided in other public and approved independent schools that are eligible to receive public tuition. If the Secretary determines that a school is not meeting the education quality standards listed in subsection (a) of this section or that the school is making insufficient progress in improving student performance in relation to the standards for student performance set forth in subdivision 164(9) of this title, the Secretary shall describe in writing actions that a district or governing body must take in order to meet either or both sets of standards and shall provide technical assistance to the school. If the school fails to meet the standards or make sufficient progress within two years following the determination, the Secretary shall recommend to the State Board one or more of the following actions:

(1) the Agency continue to provide technical assistance for one more cycle of review;

(2) in the case of a public school, the State Board adjust supervisory union boundaries or responsibilities of the superintendency pursuant to section 261 of this title;

(3) in the case of a public school, the Secretary assume administrative control of an individual school, school district, or supervisory union, including budgetary control to ensure sound financial practices, only to the extent necessary to correct deficiencies;

(4) in the case of a public school, the State Board close an individual school or schools and require that the school district pay tuition to another public school or an approved independent school pursuant to chapter 21 of this title; ~~or~~

(5) in the case of a public school, the State Board require two or more school districts to consolidate their governance structures; or

(6) in the case of an approved independent school that is eligible to receive public tuition, the State Board revoke the school's approval or eligibility to receive public tuition.

(c) The State Board, after offering the school board or governing body of an approved independent school that is eligible to receive public tuition an opportunity for a hearing, shall either dismiss the Secretary's recommendation or order that one or more of the actions listed in subsection (b) of this section be taken, as applicable. The action ordered by the State Board shall be the least intrusive consistent with the need to provide students attending the school substantially equal educational opportunities. A school board or governing body aggrieved by an order of the State Board may appeal the order in accordance with the Rules of Civil Procedure.

(d) Nothing in this section shall be construed to entitle any student to educational programs or services identical to those received by students in the same or any other school district or approved independent school that is eligible to receive public tuition. Further, nothing in this section shall create a private right of action.

(e) If the Secretary determines at any time that the failure of a school to meet the education quality standards listed in subsection (a) of this section is severe or pervasive, potentially results in physical or emotional harm to students or significant deprivation of equal education opportunities, and the school has either unreasonably refused to remedy the problem or its efforts have proved ineffective, the Secretary may recommend to the State Board one or more of the actions listed in subsection (b) of this section, as applicable. The State Board shall then follow the procedure of subsection (c) of this section.

~~(f) In order to be designated an independent school meeting education quality standards, an independent school shall participate in the education quality standards process of subsection (b) of this section. An independent school shall receive technical assistance in accordance with the provisions of subsection (b), but shall not be subject to subdivisions (b)(2)-(4) of this section. The school shall be an independent school meeting education quality standards unless the State Board, after opportunity for hearing, finds that:~~

~~(1) the school has discontinued its participation in the education quality standards process; or~~

~~(2) two or more years following a determination that the school is not meeting the education quality standards or that the school is making insufficient progress in improving student performance, the school fails to meet the standards or make sufficient progress toward meeting the standards. [Repealed.]~~

* * *

Sec. 21c. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

(a) A school district shall not pay the tuition of a student except to:

(1) a public school located in Vermont;

(2) an approved independent school that:

(A) is located in Vermont;

(B) is approved under section 166 of this title on or before July 1, 2025;

(C) is located within either:

(i) a supervisory district that does not operate a public school for some or all grades as of July 1, 2024; or

(ii) a supervisory union with one or more member school districts that does not operate a public school for some or all grades as of July 1, 2024;

(D) had at least 25 percent of its student enrollment composed of students attending on a district-funded tuition basis pursuant to chapter 21 of this title during the 2023–2024 school year; and

~~(E) complies with the minimum class size requirements contained in subdivision 165(a)(9) of this title and State Board rule; provided, however, that if a school is unable to comply with the class size minimum standards due to geographic isolation or a school has developed an implementation plan to meet the class size minimum requirements, the school may ask the State Board to~~

grant it a waiver from this subdivision (E), which decision shall be final meets the education quality standards listed in subsection 165(b) of this chapter and the State Board's education quality standard rules contained in Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003);

- (3) ~~an independent school meeting education quality standards;~~
- (4) a tutorial program approved by the State Board;
- (5) an approved education program;
- (6) a public school located in another state; or

(7) a therapeutic approved independent school located in Vermont or another state or country that is approved under the laws of that state or country.

* * *

Sec. 21d. STATE BOARD OF EDUCATION; RULEMAKING

The State Board of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003), pursuant to 3 V.S.A. § 843 on or before March 31, 2027, to require approved independent schools that are eligible to receive public tuition to meet education quality standards as required pursuant to 16 V.S.A. § 165(a).

Pending the question, Shall the bill be amended as offered by the Rep. McCann of Montpelier and others?, **Rep. Sibilia of Dover** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as offered by Rep. McCann of Montpelier and others?, was decided in the negative. Yeas, 34. Nays, 108.

Those who voted in the affirmative are:

Arsenault of Williston	Duke of Burlington	Ode of Burlington *
Boyden of Cambridge	Graning of Jericho	Pouech of Hinesburg
Brady of Williston	Harple of Glover	Priestley of Bradford
Burke of Brattleboro	Headrick of Burlington	Rachelson of Burlington
Burkhardt of South Burlington	Holcombe of Norwich	Sibilia of Dover
Burrows of West Windsor	Howard of Rutland City	Southworth of Walden
Carris Duncan of Whitingham	LaMont of Morristown	Stone of Burlington
Casey of Montpelier	Logan of Burlington	Sweeney of Shelburne
Chapin of East Montpelier	McCann of Montpelier	Tomlinson of Winooski
Cole of Hartford	McGill of Bridport	Waszazak of Barre City
	Minier of South Burlington	White of Bethel
	Nelson of Derby *	Yacovone of Morristown

Those who voted in the negative are:

Austin of Colchester	Garofano of Essex	Mihaly of Calais
Bailey of Hyde Park	Goldman of Rockingham	Morgan, L. of Milton
Bartholomew of Hartland	Goodnow of Brattleboro	Morgan, M. of Milton
Bartley of Fairfax	Goslant of Northfield	Morris of Springfield
Berbeco of Winooski	Greer of Bennington	Morrissey of Bennington
Birong of Vergennes	Gregoire of Fairfield	Morrow of Weston
Bishop of Colchester	Hango of Berkshire	Mrowicki of Putney
Black of Essex	Harvey of Castleton	Nigro of Bennington
Bluemle of Burlington	Higley of Lowell	North of Ferrisburgh
Bosch of Clarendon	Hooper of Randolph	Noyes of Wolcott
Bos-Lun of Westminster	Houghton of Essex Junction	Nugent of South Burlington
Boutin of Barre City	Howland of Rutland Town	O'Brien of Tunbridge
Branagan of Georgia	Hoyt of Hartford	Oliver of Sheldon
Brigham of St. Albans Town	Hunter of Manchester	Olson of Starksboro
Brown of Richmond	James of Manchester	Page of Newport City
Burditt of West Rutland	Kascenska of Burke	Pezzo of Colchester
Burt of Cabot	Keyser of Rutland City	Pinsonault of Dorset
Campbell of St. Johnsbury	Kimbell of Woodstock	Powers of Waterford
Canfield of Fair Haven	Kleppner of Burlington	Pritchard of Pawlet
Casey of Hubbardton	Kornheiser of Brattleboro	Quimby of Lyndon
Charlton of Chester	Krasnow of South Burlington	Satcowitz of Randolph
Coffin of Cavendish	Labor of Morgan	Scheu of Middlebury
Conlon of Cornwall	Lalley of Shelburne	Scully of Burlington
Cooper of Pownal	LaLonde of South Burlington	Sheldon of Middlebury
Corcoran of Bennington	Laroche of Franklin	Soucy of Barre Town
Critchlow of Colchester	Lipsky of Stowe	Squirrell of Underhill
Demar of Enosburgh	Long of Newfane *	Steady of Milton
Dickinson of St. Albans Town	Long of Milton	Stevens of Waterbury
Dodge of Essex *	Lueders of Lincoln	Tagliavia of Corinth
Dolan of Essex Junction	Luneau of St. Albans City	Taylor of Mendon
Dolgin of St. Johnsbury	Maguire of Rutland City	Torre of Moretown
Durfee of Shaftsbury	Malay of Pittsford	Walker of Swanton
Eastes of Guilford	Marcotte of Coventry	Waters Evans of Charlotte
Emmons of Springfield	McCoy of Poultney	Wells of Brownington
Feltus of Lyndon	Micklus of Milton	White of Waitsfield
Galfetti of Barre Town		Winter of Ludlow
		Wood of Waterbury

Those members absent with leave of the House and not voting are:

Christie of Hartford	Donahue of Northfield	Parsons of Newbury
Cina of Burlington	Masland of Thetford	
Dobrovich of Williamstown	Nielsen of Brandon	

Rep. Dodge of Essex provided the following vote explanation:

“Madam Speaker:

I vote no, out of respect for the committee process and to help shepherd the reform of our school system. But I support the standards as a past educator who saw the need to meet diverse demographics and an educator workforce that would benefit from attention to the Education Quality Standards. And I say this with full respect and recognition of just how challenging it is to work in schools.”

Rep. Long of Newfane provided the following vote explanation:

“Madam Speaker:

While I voted no, in order to allow our legislative process to play out on the appropriate timelines, make no mistake, I fully support what this amendment seeks to accomplish, and I look forward to fully engaging in that process.”

Rep. Nelson of Derby provided the following vote explanation:

“Madam Speaker:

I vote yes for all the educators in my supervisory union.”

Rep. Ode of Burlington provided the following vote explanation:

“Madam Speaker:

I understand the Committee needs to take testimony, but I voted yes because it is a discussion we absolutely need to have.”

Pending the question, Shall the bill be read a third time?, **Rep. Conlon of Cornwall** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 79. Nays, 62.

Those who voted in the affirmative are:

Arsenault of Williston	Eastes of Guilford	Mihaly of Calais
Austin of Colchester	Emmons of Springfield	Minier of South Burlington
Bartholomew of Hartland	Garofano of Essex	Morris of Springfield
Berbeco of Winooski	Goldman of Rockingham *	Morrow of Weston
Birong of Vergennes	Goodnow of Brattleboro	Mrowicki of Putney
Bishop of Colchester	Graning of Jericho *	Nigro of Bennington
Black of Essex	Greer of Bennington	Nugent of South Burlington
Bluemle of Burlington *	Harple of Glover	Ode of Burlington
Bos-Lun of Westminster	Headrick of Burlington	Olson of Starksboro
Brady of Williston	Houghton of Essex Junction	Pezzo of Colchester
Brown of Richmond	Howard of Rutland City	Pouech of Hinesburg
Burke of Brattleboro	Hoyt of Hartford	Rachelson of Burlington

Burkhardt of South Burlington	Hunter of Manchester	Satcowitz of Randolph
Campbell of St. Johnsbury	James of Manchester	Scheu of Middlebury *
Carris Duncan of Whitingham	Kimbell of Woodstock	Scully of Burlington
Casey of Montpelier	Kleppner of Burlington *	Sheldon of Middlebury
Chapin of East Montpelier	Kornheiser of Brattleboro	Sibilia of Dover
Cole of Hartford	Krasnow of South Burlington	Squirrell of Underhill
Conlon of Cornwall	Lalley of Shelburne	Stevens of Waterbury *
Cooper of Pownal *	LaLonde of South Burlington	Stone of Burlington
Corcoran of Bennington	Logan of Burlington	Sweeney of Shelburne
Critchlow of Colchester	Long of Newfane	Torre of Moretown *
Dodge of Essex	Lueders of Lincoln	Waszazak of Barre City
Dolan of Essex Junction	Masland of Thetford	Waters Evans of Charlotte*
Duke of Burlington	McCann of Montpelier	White of Waitsfield
Durfee of Shaftsbury	McGill of Bridport	White of Bethel
		Wood of Waterbury

Those who voted in the negative are:

Bailey of Hyde Park	Hango of Berkshire	Morrissey of Bennington
Bartley of Fairfax	Harvey of Castleton	Nelson of Derby
Bosch of Clarendon	Higley of Lowell	North of Ferrisburgh
Boutin of Barre City	Holcombe of Norwich	Noyes of Wolcott
Boyden of Cambridge	Hooper of Randolph	O'Brien of Tunbridge
Branagan of Georgia	Howland of Rutland Town	Oliver of Sheldon
Brigham of St. Albans Town	Kascenska of Burke	Page of Newport City
Burditt of West Rutland	Keyser of Rutland City	Pinsonault of Dorset
Burrows of West Windsor	Labor of Morgan	Powers of Waterford
Burt of Cabot	LaMont of Morristown	Priestley of Bradford
Canfield of Fair Haven	Laroche of Franklin	Pritchard of Pawlet
Charlton of Chester	Lipsky of Stowe	Quimby of Lyndon
Coffin of Cavendish	Long of Milton	Soucy of Barre Town
Demar of Enosburgh	Luneau of St. Albans City	Southworth of Walden
Dickinson of St. Albans Town	Maguire of Rutland City	Tagliavia of Corinth
Dolgin of St. Johnsbury	Malay of Pittsford	Taylor of Mendon
Feltus of Lyndon	Marcotte of Coventry	Tomlinson of Winooski
Galfetti of Barre Town	McCoy of Poultney	Walker of Swanton
Goslant of Northfield	Micklus of Milton	Wells of Brownington
Gregoire of Fairfield	Morgan, L. of Milton	Winter of Ludlow
	Morgan, M. of Milton	Yacovone of Morristown

Those members absent with leave of the House and not voting are:

Casey of Hubbardton	Dobrovich of Williamstown	Parsons of Newbury
Christie of Hartford	Donahue of Northfield	Steady of Milton
Cina of Burlington	Nielsen of Brandon	

Rep. Bluemle of Burlington provided the following vote explanation:

“Madam Speaker:

This bill shepherds strategic, iterative change over a realistic timeline instead of employing a blunt instrument that is unlikely to produce the outcomes we desire. The process it outlines authentically engages Vermonters in charting their future. H.955 puts kids first, keeps costs under control, and listens to local voices.”

Rep. Cooper of Pownal provided the following vote explanation:

“Madam Speaker:

The Biennium began with an exhortation to shock our public education system, creating five supervisory bodies and mandating school closures in an affront to both rural Vermont and good governance. Its severity was based on one year of school budget votes, and that legitimacy was later validated by performance data that turned out to be faulty. Fortunately, Act 73 and this bill, H.955, view this process more appropriately measured, not panicked. Thorough, not slapdash. Informed, not presumptuous. Within our towns, and not just within our capital. In H.955, we have a comprehensive alignment that leans on each of the resources we have in the Legislature, the Agency, and affiliated State boards to proceed with our eyes wide open, and our process secure. Because transitions take trust, and trust takes time. I am voting for H.955 because H.955 puts kids first, keeps costs under control, and listens to local voices.”

Rep. Goldman of Rockingham provided the following vote explanation:

“Madam Speaker:

I voted yes on H. 955. I represent Windham-3, which is in the southeastern part of our State and part of the Vermont Learning Collaborative, Vermont’s first CESA. This Collaborative is new but already showing savings for districts involved. This is very encouraging. In addition, it is important to me that the bill does not mandate mergers but gives money to support facilitators for discussions of mergers, at the local level, and that discussions will proceed with deliberate slowness from the bottom up and not top down. H. 955 sets the path to establishing the Foundation Formula, addressing our school construction problems, and revising our tax system. H. 955 puts kids first, keeps costs under control, and listens to local voices.”

Rep. Graning of Jericho provided the following vote explanation:

“Madam Speaker:

Cooperative Education Service Areas reduce cost. Coordinated professional development is better for our teachers and students. Regional Assessment Districts reduce property tax variability between neighboring towns. I am proud to support H.955 – a bill that puts kids first, keeps costs under control, and listens to local voices.”

Rep. Kleppner of Burlington provided the following vote explanation:

“Madam Speaker:

Our goals are to ensure every Vermont kid gets a good education and to reduce costs. Act 73 was a hypothesis that the foundation formula and forced district consolidation would do that. We tested the foundation formula against the data, and it passed. We tested forced mergers against the data and against Vermont public opinion and it failed, so we swapped it out for a different system that stood up to that scrutiny. H.955 is a good bill that I am proud to support.”

Rep. Scheu of Middlebury provided the following vote explanation:

“Madam Speaker:

I support H.955 because it creates a thoughtful, deliberate roadmap for changing our public education system. Real change is hard, and this bill does a good job of moving us forward together, without the forced mergers the Governor is insisting upon, so we can have a public education system we can be proud of. H.955 puts kids first, keeps costs under control, and listens to local voices.”

Rep. Stevens of Waterbury provided the following vote explanation:

“Madam Speaker:

I vote yes. As someone who has partaken in this process before, I can say with confidence that H.955, along with the preceding Act 73, represents the most thoughtful deliberation on education reform since Act 60. Lowering taxes and improving outcomes won’t happen overnight, nor should it. Adjusting our education policies and reforming our funding system will take time, and this bill is another chapter moving it forward. It puts kids first, puts taxpayers first, too, and gives us the best chance to keep costs under control and our standards high.”

Rep. Torre of Moretown provided the following vote explanation:

“Madam Speaker:

I voted yes to move forward carefully and collaboratively as we construct a secure future for our schools, students, and taxpayers. H.955 puts kids first, keeps costs under control, and listens to local voices.”

Rep. Waters Evans of Charlotte provided the following vote explanation:

“Madam Speaker:

I voted yes because I’m optimistic that facilitating voluntary mergers will lead to accomplishing our goals for Vermont students. H.955 puts kids first, keeps costs under control, and listens to local voices.”

Adjournment

At six o'clock and twenty-eight minutes in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at nine o'clock and thirty minutes in the forenoon.