

# Journal of the Senate

FRIDAY, MAY 23, 2025

The Senate was called to order by the President.

## Devotional Exercises

A moment of silence was observed in lieu of devotions.

## Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were read the third time and passed in concurrence with proposal of amendment:

**H. 91.** An act relating to the Vermont Homeless Emergency Assistance and Responsive Transition to Housing Program.

**H. 472.** An act relating to professions and occupations regulated by the Office of Professional Regulation.

## Proposal of Amendment; Third Reading Ordered

### H. 480.

Senator Weeks, for the Committee on Education, to which was referred House bill entitled:

An act relating to miscellaneous amendments to education law.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* School Safety \* \* \*

Sec. 1. 2023 Acts and Resolves No. 29, Secs. 5 and 6 are amended to read:

Sec. 5. BEHAVIORAL THREAT ASSESSMENT TEAMS;  
IMPLEMENTATION

\* \* \*

(b) Establishment of behavioral threat assessment teams; training.

(1) School districts and independent schools not already using behavioral threat assessment teams shall ~~take all actions necessary to establish a team~~ establish a team and identify team members not later than July 1, 2025, ~~including:~~

(2) School districts and independent schools shall take all actions necessary to implement comprehensive behavioral threat assessment and management programs not later than October 1, 2025, including:

(A) identifying and training team members, which shall include group bias training and the training requirements contained in 16 V.S.A. § 1485(d);

(B) adopting a behavioral threat assessment team policy;

(C) establishing procedures for proper, fair, and effective use of behavioral threat assessment teams;

(D) updating and exercising emergency operations plans; and

(E) providing education to the school community on the purpose and use of behavioral threat assessment teams.

~~(2)(3)~~ School districts and independent schools currently using behavioral threat assessment teams shall certify compliance with the training requirements contained in 16 V.S.A. § 1485(d) on or before the first day of the 2023–2024 school year.

~~(3)(4)~~ The Agency of Education and Department of Public Safety shall issue guidance and offer training necessary to assist school districts and independent schools with implementation of this subsection.

~~(c) The Agency of Education shall establish guidelines necessary to collect the data required pursuant to 16 V.S.A. § 1485(e). Each supervisory union, supervisory district, and independent school using behavioral threat assessment teams as of July 1, 2023 shall comply with the data collection requirements under 16 V.S.A. § 1485(e) beginning in the 2023–2024 school year. [Repealed.]~~

\* \* \*

## Sec. 6. EFFECTIVE DATES

\* \* \*

(c) Sec. 2 (16 V.S.A. § 1480) shall take effect on July 1, ~~2024~~ 2025.

(d) Sec. 4 (16 V.S.A. § 1485) shall take effect on July 1, 2025, except that subdivision (b)(3) shall take effect on October 1, 2025 and subsection (e) shall take effect on July 1, 2027.

Sec. 2. 16 V.S.A. § 1485 is amended to read:

## § 1485. BEHAVIORAL THREAT ASSESSMENT TEAMS

\* \* \*

## (b) Policy.

\* \* \*

(3) Each school district and each approved or recognized independent school shall develop, adopt, and ensure implementation of a policy and procedures for use of behavioral threat assessment teams that is consistent with and at least as comprehensive as the model policy and procedures developed by the Secretary. Any school board or independent school that fails to adopt such a policy ~~or procedures~~ shall be presumed to have adopted the most current model policy ~~and procedures~~ published by the Secretary. Any superintendent or independent school that fails to adopt such procedures shall be presumed to have adopted the most current model procedures published by the Secretary.

\* \* \*

## \* \* \* Postsecondary Schools Chartered in Vermont \* \* \*

Sec. 3. 16 V.S.A. § 176(d) is amended to read:

(d) Exemptions. The following are exempt from the requirements of this section except for the requirements of subdivision (c)(1)(C) of this section:

\* \* \*

(4) Postsecondary schools that are accredited. The following postsecondary institutions are accredited, meet the criteria for exempt status, and are authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate: Bennington College, Champlain College, ~~College of St. Joseph, Goddard College, Green Mountain College,~~ Landmark College, ~~Marlboro College,~~ Middlebury College, ~~New England Culinary Institute,~~ Norwich University, Saint Michael's College, SIT Graduate Institute, ~~Southern Vermont College,~~ Sterling College, Vermont College of Fine Arts, and Vermont Law and Graduate School. This authorization is provided solely to the extent necessary to ensure institutional compliance with federal financial aid-related regulations, and it does not affect, rescind, or supersede any preexisting authorizations, charters, or other forms of recognition or authorization.

\* \* \*

## \* \* \* Nutrition Contracts and Public Bids \* \* \*

Sec. 4. 16 V.S.A. § 559 is amended to read:

§ 559. PUBLIC BIDS

\* \* \*

(e) Application of this section. Any contract entered into or purchase made in violation of the provisions of this section shall be void; provided, however, that:

(1) The provisions of this section shall not apply to contracts for the purchase of books or other materials of instruction.

(2) A school board may name in the specifications and invitations for bids under this section the particular make, kind, or brand of article or articles to be purchased or contracted.

(3) Nothing in this section shall apply to emergency repairs.

~~(4) Nothing in this section shall be construed to prohibit a school board from awarding a school nutrition contract after using any method of bidding or requests for proposals permitted under federal law for award of the contract. Notwithstanding the monetary amount in subsection (a) of this section for which a school board is required to advertise publicly or invite three or more bids or requests for proposal, a school board is required to publicly advertise or invite three or more bids or requests for proposal for purchases made from the nonprofit school food service account for purchases in excess of the federal simplified acquisition threshold when purchasing food or in excess of \$25,000.00 when purchasing nonfood items, unless a municipality sets a lower threshold for purchases from the nonprofit school food service account. The provisions of this section shall not apply to contracts for the purchase of food made from a nonprofit school food services account.~~

\* \* \*

\* \* \* Virtual Learning \* \* \*

Sec. 5. 16 V.S.A. § 948 is added to read:

§ 948. VIRTUAL LEARNING

(a) The Agency of Education shall maintain access to and oversight of a virtual learning provider for the purpose of offering virtual learning opportunities to Vermont students.

(b) A student may enroll in virtual learning if:

(1) the student is enrolled in a Vermont public school, including a Vermont career technical center;

(2) virtual learning is determined to be an appropriate learning pathway outlined in the student's personalized learning plan; and

(3) the student's learning experience occurs under the supervision of an appropriately licensed educator and aligns with State expectations and

standards, as adopted by the Agency and the State Board of Education, as applicable.

(c) A school district shall count a student enrolled in virtual learning in the school district's average daily membership, as defined in section 4001 of this title, if the student meets all of the criteria in subsection (b) of this section.

Sec. 6. 16 V.S.A. § 942(13) is amended to read:

(13) "Virtual learning" means learning in which the teacher and student communicate concurrently through real-time telecommunication. "Virtual learning" also means online learning in which communication between the teacher and student does not occur concurrently and the student works according to his or her own schedule in an intentionally designed learning environment for online teaching and learning using online design principles and teachers trained in the delivery of online instruction. This instruction may take place either in a self-paced environment or a real-time environment.

\* \* \* BOCES Start-up Grant Program \* \* \*

Sec. 7. 2024 Acts and Resolves No. 168, Sec. 4 is amended to read:

Sec. 4. BOCES GRANT PROGRAM; APPROPRIATION

(a) There is established the Boards of Cooperative Education Services Start-up Grant Program, to be administered by the Agency of Education, from funds appropriated for this purpose, to award grants to enable the formation of boards of cooperative education services (BOCES) formed pursuant to 16 V.S.A. chapter 10 after July 1, 2024. BOCES Supervisory unions shall be eligible for a single \$10,000.00 grant after the Secretary of Education approves the applicant's initial articles of agreement pursuant to 16 V.S.A. § 603(b) two or more boards vote to explore the advisability of forming a board of cooperative education services pursuant to 16 V.S.A. § 603(a). Grants may be used for start-up and formation costs and may include reimbursement to member supervisory unions for costs incurred during the exploration and formation of the BOCES and articles of agreement, including the development of proposed articles of agreement. Grants shall be awarded to only one supervisory union within each group of supervisory unions exploring the formation of a BOCES.

(b) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the sum of \$70,000.00 is appropriated from the Education Fund to the Agency of Education in fiscal year 2025 to fund the Boards of Cooperative Education Services Start-up Grant Program created in subsection (a) of this section. Unexpended appropriations shall carry forward into the subsequent fiscal year and remain available for use for this purpose.

---

\* \* \* Military-Related Postsecondary Opportunities \* \* \*

Sec. 8. 16 V.S.A. § 941 is amended to read:

§ 941. FLEXIBLE PATHWAYS INITIATIVE

(a) There is created within the Agency a Flexible Pathways Initiative:

(1) to encourage and support the creativity of school districts as they develop and expand high-quality educational experiences that are an integral part of secondary education in the evolving ~~21st-Century~~ 21st-century classroom;

(2) to promote opportunities for Vermont students to achieve postsecondary readiness through high-quality educational experiences that acknowledge individual goals, learning styles, and abilities; and

(3) to increase the rates of secondary school completion and postsecondary continuation and retention in Vermont.

(b) The Secretary shall develop, publish, and regularly update guidance, in the form of technical assistance, sharing of best practices and model documents, legal interpretations, and other support designed to assist school districts:

(1) ~~to~~ To identify and support secondary students who require additional assistance to succeed in school and to identify ways in which individual students would benefit from flexible pathways to graduation;

(2) ~~to~~ To work with every student in grade ~~7~~ seven through grade 12 in an ongoing personalized learning planning process that:

(A) identifies the student's emerging abilities, aptitude, and disposition;

(B) includes participation by families and other engaged adults;

(C) guides decisions regarding course offerings and other high-quality educational experiences; ~~and~~

(D) identifies career and postsecondary planning options using resources provided pursuant to subdivision (4) of this subsection (b); and

(E) is documented by a personalized learning plan;

(3) ~~to~~ To create opportunities for secondary students to pursue flexible pathways to graduation that:

(A) increase aspiration and encourage postsecondary continuation of training and education;

(B) are an integral component of a student's personalized learning plan; and

(C) include:

(i) applied or work-based learning opportunities, including career and career technical education and internships;

(ii) virtual learning and blended learning;

(iii) dual enrollment opportunities as set forth in section 944 of this title;

(iv) early college programs as set forth in subsection 4011(e) of this title; and

(v) [Repealed.]

(vi) adult education and secondary credential opportunities as set forth in section 945 of this title; and.

(4) ~~to~~ To provide students, beginning ~~no not~~ later than in grade 7 seven, with career development and postsecondary planning resources to ensure that they are able to take full advantage of the opportunities available within the flexible pathways to graduation and to achieve their career and postsecondary education and training goals. Resources provided pursuant to this subdivision shall include information regarding the admissions process and requirements necessary to proceed with any and all military-related opportunities.

(c) Nothing in this subchapter shall be construed as discouraging or limiting the authority of any school district to develop or continue to provide educational opportunities for its students that are otherwise permitted, including the provision of Advanced Placement courses.

(d) An individual entitlement or private right of action shall not arise from creation of a personalized learning plan.

\* \* \* Secretary of Education Search \* \* \*

Sec. 9. 3 V.S.A. § 2702 is amended to read:

§ 2702. SECRETARY OF EDUCATION

(a) With the advice and consent of the Senate, the Governor shall appoint a Secretary of Education from among ~~no not~~ fewer than three candidates proposed by the State Board of Education. The Secretary shall serve at the pleasure of the Governor.

(1) Not later than 30 days after public notification of a vacancy or anticipated vacancy in the position of Secretary of Education, the Governor shall send a letter to the Chair of the State Board of Education asking the

Board to initiate the candidate selection process for a new Secretary of Education. The Governor's letter shall include direction as to the Governor's preferred candidate qualifications and experience.

(2) The State Board shall begin a national search process not later than 60 days after receipt of a letter from the Governor issued pursuant to subdivision (1) of this subsection.

(3) The State Board may request from the Agency of Education the funds necessary to utilize outside resources for the search process required pursuant to this subsection.

(b) The Secretary shall report directly to the Governor and shall be a member of the Governor's Cabinet.

(c) At the time of appointment, the Secretary shall have expertise in education management and policy and demonstrated leadership and management abilities.

\* \* \* Supplemental Reading Instruction \* \* \*

Sec. 10. 16 V.S.A. § 2903 is amended to read:

§ 2903. ~~PREVENTING EARLY SCHOOL FAILURE; READING~~  
INSTRUCTION FOUNDATION FOR LITERACY

(a) Statement of policy. The ability to read is critical to success in learning. Children who fail to read by the end of the first grade will likely fall further behind in school. The personal and economic costs of reading failure are enormous both while the student remains in school and long afterward. All students need to receive systematic and explicit evidence-based reading instruction in the early grades from a teacher who is skilled in teaching the foundational components of reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. Students who require intensive supplemental instruction tailored to the unique difficulties encountered shall be provided those additional supports by an appropriately trained education professional.

\* \* \*

(c) Reading instruction. A public school or approved independent school that is eligible to receive public tuition that offers instruction in grades kindergarten, one, two, or three shall provide systematic and explicit evidence-based reading instruction to all students. In addition, ~~such~~ for students in grades kindergarten through 12, public schools and approved independent schools that are eligible to receive public tuition shall provide supplemental reading instruction to any enrolled student whose reading proficiency falls significantly below proficiency standards for the student's grade level or



whose reading proficiency prevents progress in school. Schools shall provide support and information to the parents and legal guardians ~~of such students regarding the student's current level of reading proficiency, which shall be based on valid and reliable assessments.~~

\* \* \* Vermont National Guard Tuition Benefit Program \* \* \*

Sec. 11. 16 V.S.A. § 2857 is amended to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

(a) Program creation. The Vermont National Guard Tuition Benefit Program (Program) is created, under which a member of the Vermont National Guard (member) who meets the eligibility requirements in subsection (c) of this section is entitled to the following tuition benefit for up to full-time attendance:

(1) For courses at any Vermont State College institution or the University of Vermont and State Agricultural College (UVM), the benefit shall be the in-state residence tuition rate for the relevant institution.

(2) For courses at any eligible Vermont private postsecondary institution, the benefit shall be the in-state tuition rate charged by UVM.

(3) For courses at an eligible training institution offering nondegree, certificate training, or continuing education programs, the benefit shall be the lower of the institution's standard tuition or the in-state tuition rate charged by UVM.

(4) For courses at a non-Vermont approved postsecondary education institution approved for federal Title IV funding where the degree program is not available in Vermont, the benefit shall be the in-state tuition rate charged by UVM.

(b) Tuition benefit.

(1) The tuition benefit provided under the Program shall be paid on behalf of the member by the Vermont Student Assistance Corporation (VSAC), subject to the appropriation of funds by the General Assembly specifically for this purpose. An eligible Vermont postsecondary institution that accepts or receives the tuition benefit on behalf of a member shall charge the member the tuition rate for an in-state student. The amount of tuition for a member who attends an educational institution under the Program on less than a full-time basis shall be reduced to reflect the member's course load in a manner determined by VSAC under subdivision (f)(1) of this section.

(2) The tuition benefit shall be conditioned upon the member's executing a promissory note obligating the member to repay the member's

tuition benefit, in whole or in part, if the member fails to complete the period of Vermont National Guard service required in subsection (d) of this section, or if the member's benefit is terminated pursuant to subdivision (e)(1) of this section.

(c) Eligibility.

(1) To be eligible for the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(A) be an active member of the Vermont National Guard;

(B) have successfully completed basic training;

(C) be enrolled;

(i) at UVM, a Vermont State College, or any other college or university located in Vermont in a program that leads to an undergraduate certificate ~~or, an undergraduate degree, or a graduate degree;~~

(ii) at an eligible training institution in a program that leads to a certificate or other credential recognized by VSAC; or

(iii) at a non-Vermont approved postsecondary education institution approved for Title IV funding only when the degree program is not available in Vermont;

(D) ~~have not previously earned an undergraduate bachelor's degree;~~  
[Repealed.]

(E) continually demonstrate satisfactory academic progress as determined by criteria established by the Vermont National Guard and VSAC, in consultation with the educational institution at which the individual is enrolled under the Program;

(F) have used available post-September 11, 2001 tuition benefits and other federally funded military tuition assistance; provided, however, that this subdivision shall not apply to:

(i) tuition benefits and other federally funded military tuition assistance for which the individual has not yet earned the full amount of the benefit or tuition;

(ii) Montgomery GI Bill benefits;

(iii) post-September 11, 2001 educational program housing allowances;

(iv) federal educational entitlements;

(v) National Guard scholarship grants;

(vi) loans under section 2856 of this title; and

(vii) other nontuition benefits; and

(G) have submitted a statement of good standing to VSAC signed by the individual's commanding officer within 30 days prior to the beginning of each semester.

(2) An individual may receive more than one undergraduate certificate, undergraduate degree, graduate degree, or other credential recognized by VSAC under the Program, provided that the cost of all certificates, degrees, and credentials received by the individual under the Program does not exceed an amount equal to twice the full-time in-state tuition rate charged by UVM for completion of an undergraduate baccalaureate degree.

(d) Service commitment.

(1) For each full academic year of attendance under the Program, a member shall be required to serve two years in the Vermont National Guard in order to receive the full tuition benefit under the Program.

(2) If a member's service with the Vermont National Guard terminates before the member fulfills this two-year service commitment, other than for good cause as determined by the Vermont National Guard, the individual shall reimburse VSAC a pro rata portion of the tuition paid under the Program pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(3) For members participating in the Program on a less than full-time basis, the member's service commitment shall be at the rate of one month of Vermont National Guard service commitment for each credit hour, not to exceed 12 months of service commitment for a single semester.

(e) Termination of tuition benefit.

(1) The Office of the Vermont Adjutant and Inspector General may terminate the tuition benefit provided an individual under the Program if:

(A) the individual's commanding officer revokes the statement of good standing submitted pursuant to subdivision (c)(7) of this section as a result of an investigation or disciplinary action that occurred after the statement of good standing was issued;

(B) the individual is dismissed from the educational institution in which the individual is enrolled under the Program for academic or disciplinary reasons; or

(C) the individual withdraws without good cause from the educational institution in which the individual is enrolled under the Program.

(2) If an individual's tuition benefit is terminated pursuant to subdivision (1) of this subsection, the individual shall reimburse VSAC for the tuition paid under the Program, pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program; shall be responsible on a pro rata basis for the remaining tuition cost for the current semester or any courses in which the individual is currently enrolled; and shall be ineligible to receive future tuition benefits under the Program.

(3) If an individual is dismissed for academic or disciplinary reasons from any postsecondary educational institution before receiving tuition benefits under the Program, the Office of the Adjutant and Inspector General may make a determination regarding the individual's eligibility to receive tuition benefits under the Program.

(f) Adoption of policies, procedures, and guidelines.

(1) VSAC, in consultation with the Office of the Adjutant and Inspector General, shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, which shall include eligibility, application, and acceptance requirements, proration of service requirements for academic semesters or attendance periods shorter than one year, data sharing guidelines, and the criteria for determining "good cause" as used in subdivisions (d)(2) and (e)(1)(C) of this section.

(2) Each educational institution participating in the Program shall adopt policies and procedures for the enrollment of members under the Program. These policies and procedures shall be consistent with the policies, procedures, and guidelines adopted by VSAC under subdivision (1) of this subsection.

(g) Reports.

(1) On or before November 1 of each year, the President, Chancellor, or equivalent position of each educational institution that participated in the Program during the immediately preceding school year shall report to the Vermont National Guard and VSAC regarding the number of members enrolled at its institution during that school year who received tuition benefits under the Program and, to the extent available, the courses or program in which the members were enrolled.

(2) On or before January 15 of each year, the Vermont National Guard and VSAC shall report these data and other relevant performance factors, including information pertaining to the achievement of the goals of this entitlement program and the costs of the Program to date, to the Governor, the House and Senate Committees on Education, and the House Committees on Appropriations and on ~~General, Housing, and Military Affairs~~ Government

Operations and Military Affairs. The provisions of 2 V.S.A. § 20(d), expiration of reports, shall not apply to the reports to be made under this subsection

\* \* \* Cardiac Emergency Response Plans \* \* \*

Sec. 12. 16 V.S.A. § 1480 is amended to read:

§ 1480. EMERGENCY OPERATIONS PLANS

\* \* \*

(d) The template maintained by the Vermont School Safety Center shall include, at a minimum, hazard-specific provisions for:

(1) acute cardiac events in schools, including protocols that address:

(A) the use and maintenance of automated external defibrillator (AED) devices;

(B) the specific steps to reduce death from cardiac arrest during school activities or within school or district facilities, which shall be consistent with nationally recognized, evidence-based standards;

(C) the appropriate use of school personnel to respond to incidents involving an individual experiencing sudden cardiac arrest or a similar life-threatening emergency while on school grounds;

(D) implementation of AED placement and routine maintenance within each school or district facility, which shall be consistent with applicable nationally recognized, evidence-based standards, and which shall include a requirement for clearly marked and easily accessible AEDs at each athletic venue where practices or competitions are held;

(E) required staff training in CPR and AED use and practice drills regarding the cardiac response plan; and

(2) an athletic emergency action plan (AEAP) for all public or approved and recognized independent schools with an athletic department or organized athletic program. The AEAP shall detail the steps to be taken in response to a serious or life-threatening injury of a student participating in sports or other athletic activities. The AEAP established by public and independent schools pursuant to this subdivision shall be consistent with the athletic emergency action plans policy established by the Vermont Principals' Association.

Sec. 13. IMPLEMENTATION

School districts and independent schools shall have a cardiac emergency response plan developed and ready for implementation beginning in the 2026–2027 school year.

---

\* \* \* Energy Performance Contracting \* \* \*

Sec. 14. 16 V.S.A. § 3448f is amended to read:

§ 3448f. ENERGY PERFORMANCE CONTRACTING;  
AUTHORIZATION; STATE AID

\* \* \*

(b) Authorization. Notwithstanding any provision of law to the contrary, a district may enter into a performance contract pursuant to this section for a period not to exceed 20 years. Cost-saving measures implemented under the contract shall comply with all State and local building codes.

(c) Selection of qualified contractor.

(1) Request for proposals. The district shall issue a request for proposals from individuals or entities interested in entering into a performance contract (who shall become the “contractor”), shall consider the proposals, and shall select a qualified contractor to engage in final contract negotiations. In developing the request for proposals and in selecting a qualified contractor, the district should make use of any assistance available from Efficiency Vermont, the School Energy Management Program of the Vermont Superintendents Association, and other similar entities. Factors to be considered in the final selection shall include contract terms, comprehensiveness of the proposal, comprehensiveness of cost-saving measures, experience of the contractor, quality of technical approach, and overall benefits to the district.

(2) Financial grade audit. The person selected pursuant to this subsection shall prepare a financial grade energy audit that, upon acceptance by the district, shall be part of the final performance contract executed with the district. If after preparation of the financial grade energy audit the district decides not to execute a performance contract with the contractor, the district shall pay the qualified contractor for costs incurred in preparing the financial grade energy audit. If, however, the district decides to execute a performance contract with the contractor, the costs of the financial grade energy audit shall be part of the costs of the performance contract.

(3) ~~Voter approval of proposed performance contract. If the terms of the proposed performance contract permit the district to make payments to the contractor over a period of time exceeding 10 years, then the district shall not enter into a final performance contract until it receives approval from the electorate to do so. [Repealed.]~~

\* \* \*

\* \* \* School Library Material Selection Procedures \* \* \*

Sec. 15. 16 V.S.A. § 1624 is amended to read:

§ 1624. SCHOOL LIBRARY MATERIAL SELECTION POLICY

(a) Each school board and each approved independent school shall develop, adopt, ensure the enforcement of, and make available in the manner described under subdivision 563(1) of this title a library material selection policy ~~and. Each superintendent and head of school of an approved independent school shall develop and implement~~ procedures for the reconsideration and retention of materials. The policy and procedures shall affirm the importance of intellectual freedom and be guided by the First Amendment to the U.S. Constitution, the Civil Rights Act of 1964, Vermont laws prohibiting discrimination in places of public accommodation, the 2004 American Library Association's Freedom to Read Statement, Vermont's the 2024 Vermont Freedom to Read Statement, and reflect Vermont's diverse people and history, including diversity of race, ethnicity, sex, gender identity, sexual orientation, disability status, religion, and political beliefs.

\* \* \*

\* \* \* Exception to Moratorium on New Approved Independent Schools \* \* \*

Sec. 16. 2023 Acts and Resolves No. 78, Sec. E.511.1 is amended to read:

Sec. E.511.1 MORATORIUM ON APPROVAL OF NEW APPROVED  
INDEPENDENT SCHOOLS

(a) Notwithstanding any provision of law to the contrary, the State Board of Education shall be prohibited from approving an application for initial approval of an approved independent school until further direction by the General Assembly.

(b) Notwithstanding subsection (a) of this section, a change in either tax status or conversion to a nonprofit organization by a therapeutic approved independent school, absent any other changes, shall not effect the approval status of the school.

\* \* \* Cell Phone and Social Media Use in Schools \* \* \*

Sec. 17. 16 V.S.A. chapter 9, subchapter 7 is added to read:

Subchapter 7. Cell Phone, Personal Electronic Device, and Social Media Use  
in Schools

§ 581. INTENT

It is the intent of the General Assembly for all students in Vermont to access the benefits of a phone- and social media-free school environment, which promotes focus, improved mental health, and increased social cohesion.

§ 582. DEFINITIONS

As used in this subchapter:

(1) “Cell phone” means any device capable of using cellular technology to facilitate voice service through a commercial telecommunications company, regardless of whether the device can access internet services and electronic mail.

(2) “Individualized health care plan” means a written document developed by a school nurse, in collaboration with parents, students, and other relevant professionals, to outline specific health care needs and management strategies tailored to the unique health condition of a student.

(3) “Parent” means a parent of a student and includes legal guardians who are legally authorized to make education decisions for the student.

(4) “School” means any public school, approved independent school, or career and technical education center located in Vermont.

(5) “Student” means an individual currently enrolled in or registered at a school located in Vermont, as defined under subdivision (4) of this section.

§ 583. STUDENT USE OF CELL PHONES AND PERSONAL ELECTRONIC DEVICES IN SCHOOLS

(a) Model policy.

(1) The Secretary of Education, in consultation with the Vermont School Boards Association, the Vermont Independent School Association, and a representative from the Vermont Coalition for Phone and Social Media Free Schools, shall develop, and review at least annually, a policy to, subject to the exceptions in subdivision (2) of this subsection, prohibit student use of cell phones and non-school-issued personal electronic devices that connect to cellular networks, the internet, or have wireless capabilities at school from arrival to dismissal.

(2) The model policy shall provide exceptions for students to use a cell phone or personal electronic device if such use is:

(A) required as part of a student’s individualized health care plan, individualized education program, or 504 plan, which shall be documented according to applicable State and federal law; provided, however, that if such use is required to meet an international student’s special education needs or as part of a disability accommodation, and the international student does not have



an individualized education program or 504 plan, the need for such use shall be documented in a manner the school deems appropriate;

(B) approved by an administrator for an academic, athletic, or co-curricular purpose, for the most limited use reasonably possible; or

(C) required for compliance with the McKinney-Vento Homeless Assistance Act, 42 U.S.C. §§ 11431–11435.

(b) Policy adoption.

(1) Beginning with the 2026–2027 school year, each school board shall develop, adopt, ensure the enforcement of, and make available in the manner described under subdivision 563(1) of this title a student cell phone and personal electronic device use policy that shall be at least as stringent as the model policy developed by the Secretary. Any school board that fails to adopt a policy shall be presumed to have adopted the most current model policy published by the Secretary.

(2) Beginning with the 2026–2027 school year, each approved independent school shall develop, adopt, and ensure the enforcement of a student cell phone and personal electronic device use policy that shall be at least as stringent as the model policy developed by the Secretary. Any approved independent school that fails to adopt a policy shall be presumed to have adopted the most current model policy published by the Secretary.

§ 584. USE OF SOCIAL MEDIA PLATFORMS IN EDUCATION

Schools, school districts, and supervisory unions shall be prohibited from:

(1) utilizing social media for communication with students directly unless the program or platform is approved for such communication by the school district or independent school; provided, however, that any approved communication program or platform shall allow school officials to archive all communications and prevent all communications from being edited or deleted once a communication has been sent; and

(2) requiring students to use social media for out-of-school academic work, school sports, extracurricular clubs, or any other out-of-school school-sponsored activities.

Sec. 18. CELL PHONE AND PERSONAL ELECTRONIC DEVICE  
POLICY IMPLEMENTATION

(a) On or before January 1, 2026, the Agency of Education shall develop and publish a model student cell phone and personal electronic device use policy pursuant to Sec. 2 of this act.

(b) On or before July 1, 2026, school boards and approved independent schools shall adopt student cell phone and personal electronic device use policies as required pursuant to Sec. 2 of this act, to be effective in the 2026–2027 school year.

\* \* \* Effective Dates \* \* \*

Sec. 19. EFFECTIVE DATES

(a) Secs. 8 (military-related postsecondary opportunities) and 13 (cardiac emergency response plans implementation) shall take effect on July 1, 2025.

(b) Sec. 12 (16 V.S.A. § 1480(d)) shall take effect on July 1, 2026.

(c) This section and the remainder of this act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Watson, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Education.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate recommend to the House the bill be amended as recommended by the Committee on Education?, Senators Ram Hinsdale and Williams moved to amend the proposal of amendment of the Committee on Education in Sec. 17, 16 V.S.A. chapter 9, subchapter 7, cell phone and social media use in schools, in section 583, in subdivision (a)(2)(B), following “approved by an administrator for an academic,” by inserting “school-sponsored”

Which was agreed to.

Thereupon, the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Education, as amended?, was agreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senators Hardy, Collamore, Heffernan, Weeks and Williams moved to amend the proposal of amendment by adding a new section to be Sec. 18a and its reader assistance heading to read as follows:

\* \* \* CTE Attendance Outside Service Region \* \* \*

Sec. 18a. STUDENTS ATTENDING A CTE CENTER OUTSIDE THEIR  
SERVICE REGION

(a) As used in this section:

(1) “Receiving district” means a school district receiving tuition on behalf of a student to whom it provides career technical education.

(2) “Sending district” means a school district paying tuition on behalf of a student to a school district that provides CTE courses.

(b) Secondary students may apply for enrollment into programs offered at CTE centers outside their service region when the center in their service region does not offer the program in which they wish to enroll or they are not able to enroll in the program of their choice. The school district of the students’ residence shall pay tuition for that enrollment pursuant to an agreement between the sending district and the receiving district that specifies how costs for such enrollments shall be covered.

(c) Beginning in the 2025–2026 school year, a regional CTE center may provide transportation to and from the technical center for students residing outside the technical center’s service region if the student is attending pursuant to subsection (b) of this section.

(d) Any changes in the tuition charged by a career and technical center due to the acceptance of students residing outside of the CTE center’s service region shall be reconciled through the tuition reconciliation process outlined in State Board of Education rule 2393, Agency of Education, Career and Technical Education State Board Regulations (22-000-007).

(e) A school district that maintains a secondary school shall provide the requested directory information of enrolled students to a CTE center located outside the school district’s assigned CTE service region, for the limited purpose of the CTE center providing information to students and their parents about CTE center offerings in the following situations:

(1) the school district’s assigned CTE center has a waitlist for enrollment;

(2) students were denied entry to their assigned CTE center or a program operated by their assigned CTE center; or

(3) when a student has interest in a program not offered at the student’s assigned CTE center.

Which was agreed to.

Thereupon, third reading of the bill was ordered.

**Rules Suspended; Immediate Consideration; Proposal of Amendment;  
Third Reading Ordered**

**H. 231.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to technical corrections to fish and wildlife statutes.

Was taken up for immediate consideration.

Thereupon, Senator Watson, for the Committee on Natural Resources and Energy, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

Words and phrases used in this part, unless otherwise provided, shall be construed to mean as follows:

\* \* \*

(6) ~~Pickereel: the great northern pike, chain pickerel, or muskellunge.~~  
[Repealed.]

(7) ~~Pike perch: walleyed or yellow pike.~~ [Repealed.]

\* \* \*

Sec. 2. 10 V.S.A. § 4905 is amended to read:

§ 4905. BIRDS' NESTS AND EGGS; DESTROYING OR ROBBING

A person shall not take or ~~wilfully~~ willfully destroy the nests or eggs of wild birds, other than rock pigeons, the English sparrow, starling, or purple grackle house sparrows, or European starlings, except when necessary to protect buildings and the nests to be removed contain no eggs or chicks and are no longer being used by birds for feeding, or when taken as provided in section 4152 of this title.

Sec. 3. 10 V.S.A. § 4502 is amended to read:

§ 4502. UNIFORM POINT SYSTEM; REVOCATION OF LICENSE

(a) A uniform point system that assigns points to those convicted of a violation of a provision of this part is established. The conviction report from the court shall be prima facie evidence of the points assessed. In addition to other penalties assessed for violation of fish and wildlife statutes, the Commissioner shall suspend licenses issued under this part that are held by a person who has accumulated 10 or more points in accordance with the provisions of subsection (c) of this section.

(b) A person violating provisions of this part shall receive points for convictions in accordance with the following schedule (all sections are in this title of the Vermont Statutes Annotated):

(1) Except for biological collection violations determined to be nonpoint violations under the rules of the Board, five points shall be assessed for any violation of statutes or rules adopted under this part except those listed in subdivisions (2) and (3) of this subsection.

(2) Ten points shall be assessed for:

\* \* \*

(I) ~~§ 4706. Snaring animals~~ [Repealed.]

\* \* \*

(Y) ~~Appendix § 2; Appendix § 33, section 14.3.~~ Reporting of big game

\* \* \*

(II) ~~Appendix § 37, as it applies to annual deer limits~~ section 10. Novice season

(JJ) § 4742a. Youth deer hunting weekend. The points shall be assessed solely against the adult who is accompanying the youth hunter.

(KK) § 4908. Youth turkey hunting weekend. The points assessed against the adult accompanying the youth hunter.

(LL) § 4256. Mentored hunting license. The points shall be assessed against the licensed adult who is accompanying the individual holding the mentored hunting license.

(MM) § 4827a. Feeding a black bear

(NN) § 4826. Taking deer doing damage

(OO) § 22a. Taking turkey doing damage

(PP) § 35. Taking moose doing damage

(QQ) ~~Appendix § 22, section 6.7; Appendix § 33, section 13.1(g); Appendix § 37, section 7.7. Possession or transport of a cocked crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled vehicle~~ [Repealed.]

(RR) ~~Appendix § 7, section 6.3(b). Hunting bear with any dog not listed on the permit~~ [Repealed.]

\* \* \*

(3) Twenty points shall be assessed for:

(A) ~~§ 4192. General powers and duties; failure to obey warden~~ [Repealed.]

\* \* \*

(I) § 4745. Taking ~~deer~~ big game out of season prohibited

\* \* \*

(O) Appendix § 7, sections 4.2, ~~5.1, 5.2,~~ 5.3, 6.1, 6.2, 6.3(b), 6.3(d), 6.3(e), ~~6.4, 6.5(c), 6.5(d),~~ 7.1, and 7.2, 7.3, and 7.4. Bear, unauthorized taking

(P) Appendix § 22. Turkey season, excluding: requirements for youth turkey hunting season; ~~section 6.2,~~ and size of shot used or possessed; ~~and section 6.7, transport of cocked crossbow~~

\* \* \*

(U) Appendix § 37. Deer management rule, excluding requirements for youth deer hunting weekend; requirements for novice season; limitations on feeding of deer; ~~section 7.7, transport of cocked crossbow;~~ reporting big game; and section 11.0, ban of urine and other natural lures

\* \* \*

(W) § 4711. ~~Crossbow hunting~~ [Repealed.]

(X) ~~Appendix § 4. Hunting with a crossbow without a permit or license~~ [Repealed.]

\* \* \*

(Z) Appendix § 44, ~~section 4.6.~~ Use of tooth jawed traps

(AA) Appendix § 44, ~~section 4.11.~~ Taking furbearers with poison

(BB) Appendix § 44, ~~section 4.12.~~ Taking furbearers from a den

(CC) § 4716. Holding or conducting a coyote-hunting competition

(DD) § 4706. Snaring animals

\* \* \*

Sec. 4. 10 V.S.A. § 4705 is amended to read:

§ 4705. SHOOTING FROM MOTOR VEHICLES OR AIRCRAFT;  
SHOOTING FROM OR ACROSS HIGHWAY; PERMIT

(a) A person shall not take or attempt to take a wild animal by shooting from a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motor-propelled vehicle except as permitted under subsection (e) of this section.

(b)(1) A person shall not carry or possess while in or on a vehicle propelled by mechanical power or drawn by a vehicle propelled by mechanical power within the right-of-way of a public highway any of the following:

(A) a rifle, air rifle, arrow rifle, pre-charged pneumatic rifle, or shotgun containing a loaded cartridge ~~or~~, shell, or other projectile in the chamber, mechanism, or in a magazine, or clip within a rifle or shotgun, ~~or~~;

(B) a muzzle-loading rifle or muzzle-loading shotgun that has been charged with powder and projectile and the ignition system of which has been enabled by having an affixed or attached percussion cap, primer, battery, or priming powder, except as permitted under subsections (d) and (e) of this section; and

(C) unless it is uncocked, a crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motor-propelled vehicle except as permitted under subsection (e) of this section.

(2) A person who possesses a rifle, crossbow, or shotgun, including a muzzle-loading rifle or muzzle-loading shotgun, in or on a vehicle propelled by mechanical power, or drawn by a vehicle propelled by mechanical power within a right-of-way of a public highway shall upon demand of an enforcement officer exhibit the firearm for examination to determine compliance with this section.

(3) As used in this subsection:

(A) “Air rifle” means a .22 or larger caliber device that fires a bullet solely by the use of unignited compressed gas as the propellant.

(B) “Arrow rifle” means a device that fires an arrow or bolt solely by the use of unignited compressed gas as the propellant.

(C) “Pre-charged pneumatic rifle” means an air rifle or arrow rifle for which the propellant is supplied or introduced by means of a source that is physically separate from the air gun or arrow gun.

\* \* \*

Sec. 5. 23 V.S.A. § 3317(b) is amended to read:

(b) Penalty or fine; \$300.00 or \$1,000.00 maximum. A person who violates a requirement under 10 V.S.A. § 1454 shall be subject to enforcement under 10 V.S.A. § 8007 or 8008 or a fine under this chapter, provided that the person shall be assessed a penalty or fine of not more than \$1,000.00 for each violation. A person who violates a rule adopted under 10 V.S.A. § 1424 shall be subject to enforcement under 10 V.S.A. chapter 201 or a fine under this

chapter, provided that the person shall be assessed a penalty of not more than \$300.00 for each violation. A person who violates any of the following sections of this title shall be subject to a penalty of not more than \$300.00 for each violation:

\* \* \*

Sec. 6. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

\* \* \*

(19) Violations of rules adopted under 10 V.S.A. § 1424, relating to the use of public waters.

Sec. 7. 10 V.S.A. § 4255 is amended to read:

§ 4255. LICENSE FEES

(a) Vermont residents may apply for licenses on forms provided by the Commissioner. Fees for each license shall be:

\* \* \*

(c) A permanent or free license may be secured on application to the Department by a person qualifying as follows:

\* \* \*

(2) A person who is legally blind who is a Vermont resident may receive a free permanent fishing license upon submittal of proper proof of blindness as the Commissioner shall require. A person who is legally blind who is a resident in a state that provides a reciprocal privilege for Vermont residents may receive a free one-year fishing license.

(3) A Vermont resident with paraplegia as defined in subdivision 4001(30) of this title or a permanent, severe, physical mobility disability certified by a physician may receive a free permanent fishing license or, if the person qualifies for a hunting license, a free combination hunting and fishing license. A person with paraplegia or a person certified by a physician to have permanent, severe, physical mobility disability who is a resident of a state that provides a reciprocal privilege for Vermont residents may receive a free one-year fishing license or, if the person qualifies for a hunting license, a free one-year combination fishing and hunting license.



(4) A Vermont resident who is a veteran of the U.S. Armed Forces and who is, or ever has been, 60 percent disabled as a result of a service-connected disability may receive a free fishing, hunting, or combination hunting and fishing license that shall include all big game licenses, except for a moose license, upon presentation of a certificate issued by the veterans' administration so certifying. A resident of a state that provides a reciprocal privilege for Vermont veterans and who would qualify for a free license under this subdivision if the person were a Vermont resident may receive a free one-year fishing, hunting, or combination hunting and fishing license.

(5) A person participating in a fishing tournament for Special Olympics may receive a free fishing license valid for that event.

\* \* \*

(7) A certified citizen of a Native American Indian tribe that has been recognized by the State pursuant to 1 V.S.A. chapter 23 may receive free of charge one or all of the permanent fishing, hunting, or trapping licenses set forth in subdivisions (1)(A)–(D) of this subsection if qualified for the license and upon submission of a current and valid tribal identification card.

(8) A person with developmental disabilities who is a Vermont resident may receive a free permanent fishing license upon submission to the Commissioner of a statement signed by the person's treating health care provider, as that term is defined in 18 V.S.A. § 9402, certifying that the person meets the definition of a person with development disabilities. "A person with developmental disabilities" has the same meaning as in 18 V.S.A. § 9302.

\* \* \*

(n) The Commissioner shall maintain an accounting of lost revenue due to the issuance of free licenses. The Commissioner annually on or before January 15 shall submit to the Senate Committees on Appropriations and on Finance and the House Committees on Appropriations and on Ways and Means an accounting of lost revenue from the previous calendar year due to the issuance of free licenses.

Sec. 8. 10 V.S.A. § 4251 is amended to read:

§ 4251. TAKING WILD ANIMALS AND FISH; LICENSE

(a) Except as provided in sections 4253 and 4254b of this title, a person shall not take wild animals or fish without first having procured a license therefor; provided, however, that a person under 15 years of age may take fish in accordance with this part and regulations of the Board, without first having procured a license therefor.

(b) The Commissioner of Fish and Wildlife may designate two days each calendar year as “free fishing days” for which no license shall be required. One day shall occur in the open water fishing season and one day shall occur during the ice fishing season.

(c) The Commissioner of Fish and Wildlife may designate Labor Day weekend each year as “free mentored fishing weekend,” during which one unlicensed angler can fish with one licensed angler throughout this three-day period.

Sec. 9. 10 V.S.A. § 4613 is amended to read:

§ 4613. FISHING TOURNAMENTS

(a) No person or organization shall hold a fishing tournament on the waters of the State without first obtaining a permit from the Department of Fish and Wildlife. Tournaments held on the Connecticut River, excluding Moore and Comerford Reservoirs, that do not utilize an access area in Vermont are not required to obtain a permit from the Department of Fish and Wildlife.

(b) A fishing tournament means a contest in which anglers pay a fee to enter and in which the entrants compete for a prize based on the quality or size of the fish they catch. A contest may run multiple days, but the days must be consecutive for that contest to be considered a single event. A tournament that limits the entrants to people below 15 years of age or a tournament held as part of a Special Olympics program shall be exempt from paying the fee required under subsection (d) of this section.

(c) The Commissioner shall adopt rules that establish the procedure for implementation of this section. The rules shall include a provision that an angler may not enter a fish that was caught and confined to an enclosed area prior to the beginning of the tournament.

(d) The Commissioner shall charge a fee ~~of \$50.00~~ based on the number of participants for each permit issued under this section and shall deposit the fee collected into the Fish and Wildlife Fund. Tournaments with up to 25 participants shall pay a fee of \$10.00; tournaments with 26 to 50 participants shall pay a fee of \$30.00; and tournaments with more than 50 participants shall pay a fee of \$100.00.

Sec. 10. 10 V.S.A. § 4518 is amended to read:

§ 4518. BIG GAME VIOLATIONS; THREATENED AND ENDANGERED SPECIES; SUSPENSION; VIOLATIONS

(a) ~~Whoever violates a provision of this part or orders or rules of the Board relating to taking, possessing, transporting, buying, or selling of big game; relating to threatened or endangered species; or relating to the trade in covered~~

~~animal parts or products~~ that constitutes a big game violation shall be fined not more than ~~\$1,000.00~~ \$2,000.00 nor less than ~~\$400.00~~ \$500.00 or imprisoned for not more than 60 days, or both. Upon a second and all subsequent convictions or any conviction while under license suspension related to the requirements of part 4 of this title, the violator shall be fined not more than ~~\$4,000.00~~ \$5,000.00 nor less than \$2,000.00 or imprisoned for not more than ~~60~~ 180 days, or both.

(b) As used in this section, “big game violation” means:

(1) violations relating to taking, possessing, transporting, buying, or selling of big game;

(2) violations of chapter 123 of this title and the rules related to threatened and endangered species;

(3) violation of section 4280 of this title relating to criminal suspensions;

(4) violations of chapter 124 of this title relating to the trade in covered animal parts or products;

(5) interference with hunting, fishing, or trapping in violation of section 4708 of this title; or

(6) illegal commercial importation or possession of wild animals in violation of section 4709 of this title.

Sec. 11. 10 V.S.A. § 4552 is amended to read:

§ 4552. JURISDICTION; VENUE

The Vermont Criminal Division of the Superior Court shall have exclusive jurisdiction over fish and wildlife violations with the exception of violations related to section 4572 and chapters 123 and 124 of this title. Venue for adjudicating fish and wildlife violations shall be the unit of the Criminal Division of the Superior Court having jurisdiction over the geographical area where the offense is stated to have occurred.

Sec. 12. 10 V.S.A. § 4572 is amended to read:

§ 4572. DEFINITIONS

(a) As used in this subchapter, a minor fish and wildlife violation means:

(1) a violation of 10 V.S.A. § 4145 (violation of access and landing area rules);

(2) a violation of 10 V.S.A. § 4251 (taking wild animals and fish without a license);

(3) a violation of 10 V.S.A. § 4266 (failure to carry a license on person or failure to exhibit license);

(4) a violation of 10 V.S.A. § 4267 (false statements in license application; altering license; transferring license to another person; using another person's license; or guiding an unlicensed person);

(5) a violation of 10 V.S.A. § 4713 (tree or ground stands or blinds); or

(6) [Repealed.]

(7) a violation of a biological collection rule adopted by the Board under part 4 of this title; or

(8) except for big game offenses and under revocation offenses, any fish and wildlife violation as defined by 10 V.S.A. § 4551 and not otherwise listed in this section shall be charged as a minor violation, provided that:

(A) the offender has no prior history of fish and wildlife violations;

(B) no evidence was seized in relation to the violation;

(C) a criminal warrant was not used in relation to the violation; and

(D) there is no possibility of forfeiture.

(b) "Bureau" means the Judicial Bureau as created in 4 V.S.A. § 1102.

Sec. 13. 10 V.S.A. § 4085 is added to read:

§ 4085. REPTILES AND AMPHIBIANS; TAKING; POSSESSION

(a) A person shall not intentionally take a reptile or amphibian in the State unless authorized by rules adopted under subsection (b) of this section.

(b) The Commissioner may establish requirements for the following by rule:

(1) the collection or possession for commercial use, export, or sale of reptiles and amphibians specified by the Commissioner;

(2) the taking of reptiles or amphibians that have been classified as common, widespread, and abundant, known as S5 ranked species, with stable or increasing populations indicated by data collected or compiled by the Department of Fish and Wildlife;

(3) the taking of a reptile or amphibian that due to population, risk to other native species, or risk to ecosystems has been identified as requiring a reduction in population; or

(4) under specified criteria, the taking, collection, or possession of a specified reptile or amphibian for scientific, educational, or noncommercial cultural or ceremonial purposes.

(c) Rules adopted by the Commissioner of Fish and Wildlife under this section shall be designed to maintain the best health, population, and utilization levels of the regulated reptile or amphibian.

Sec. 14. IMPORT, POSSESSION, AND SALE OF REPTILES AND AMPHIBIANS; ENDORSEMENTS

(a)(1) A person shall not import, possess, or sell in the State a pond slider turtle (Trachemys scripta), provided that:

(A) a person may continue to possess a turtle that was legally acquired as a pet prior to July 1, 2025 or that was legally acquired from a pet dealer or commercial collection permittee authorized to sell turtles under subdivision (1)(B) of this subsection; or

(B) a person with a valid pet dealer permit or commercial collection permit may possess and sell a turtle that the person can document they had possession of prior to July 1, 2025.

(2) A person is prohibited from releasing to the wild a pond slider retained as a pet under this subsection. A violation of the prohibition under this section shall be subject to enforcement as a fish and wildlife violation under Title 10 part 4.

(b) Subsection (a) of this section shall be repealed on the effective date of a rule adopted by the Commissioner of Fish and Wildlife under 10 V.S.A. § 4085 regulating the import, possession, or sale of the pond slider turtle (Trachemys scripta).

(c) When the Commissioner of Fish and Wildlife under 10 V.S.A. § 4085(b) authorizes the taking of a reptile or amphibian by hunting, a hunting license issued under 10 V.S.A. part 4 that authorizes the taking of reptiles and amphibians under the license shall include an endorsement indicating the authorized taking.

Sec. 15. 10 V.S.A. § 4709 is amended to read:

§ 4709. TRANSPORT, IMPORTATION, POSSESSION, AND STOCKING OF WILD ANIMALS; POSSESSION OF WILD BOAR OR FERAL SWINE

(a) A person shall not bring into, transport into, transport within, transport through, or possess in the State any live wild bird or animal of any kind, including reptiles, amphibians, or any manner of feral swine, without

authorization from the Commissioner or ~~his or her~~ the Commissioner's designee. The importation permit may be granted under ~~such regulations therefor as~~ rules, requirements, or conditions that the Commissioner shall prescribe and only after the Commissioner has made such investigation and inspection of the birds or animals as ~~she or he~~ the Commissioner may deem necessary. The Department may dispose of unlawfully possessed or imported wildlife as it may judge best, and the State may collect treble damages from the violator of this subsection for all expenses incurred.

(b) No person shall bring into the State from another country, state, or province wildlife illegally taken, transported, or possessed contrary to the laws governing the country, state, or province from which the wildlife originated.

(c) No person shall place a Vermont-issued tag on wildlife taken outside the State. No person shall report big game in Vermont when the wildlife is taken outside the State.

(d) Nothing in this section shall prohibit the Commissioner or duly authorized agents of the Department of Fish and Wildlife from bringing into the State for the purpose of planting, introducing, or stocking or from planting, introducing, or stocking in the State any wild bird or animal.

(e) Any person who violates this section may be subject to the penalties set forth in section 4518 of this title and also may be required to pay additional penalties based on reasonable mitigation and potential economic benefit associated with commercial trade.

(f) The Commissioner may bring an action in the unit of the Criminal Division of the Superior Court having jurisdiction over the geographical area where the offense is stated to have occurred, or the Environmental Division of the Superior Court, to compel reasonable mitigation and recover economic benefits for commercial collection and trade violations under this subsection.

(g) Applicants shall pay a permit fee of \$100.00.

~~(f)(h)~~(1) The Commissioner shall not issue a permit under this section for the importation or possession of the following live species, a hybrid or genetic variant of the following species, offspring of the following species, or offspring or a hybrid of a genetically engineered variant of the following species: feral swine, including wild boar, wild hog, wild swine, feral pig, feral hog, old world swine, razorback, Eurasian wild boar, or Russian wild boar (*Sus scrofa* Linnaeus). A feral swine is:

\* \* \*

Sec. 16. 10 V.S.A. § 5403(a) is amended to read:

(a) Except as authorized under this chapter, a person shall not:

(1) take, possess, or transport wildlife or wild plants that are members of a threatened or endangered species; ~~or~~

(2) destroy or adversely impact critical habitat;

(3) sell or offer for sale in intrastate commerce a threatened or endangered species;

(4) deliver, receive, carry, transport, or ship a threatened or endangered species in intrastate commerce; or

(5) import a threatened or endangered species into or export a threatened or endangered species from Vermont.

Sec. 17. 10 V.S.A. § 5408 is amended to read:

§ 5408. AUTHORIZED TAKINGS; INCIDENTAL TAKINGS;  
DESTRUCTION OF CRITICAL HABITAT

(a) Authorized taking. Notwithstanding any provision of this chapter, after obtaining the advice of the Endangered Species Committee, the Secretary may permit, under such terms and conditions as the Secretary may require as necessary to carry out the purposes of this chapter, the taking of a threatened or endangered species, the destruction of or adverse impact on critical habitat, or any act otherwise prohibited by this chapter if done for any of the following purposes:

(1) scientific purposes;

(2) to enhance the propagation or survival of a threatened or endangered species;

(3) zoological exhibition;

(4) educational purposes;

(5) noncommercial cultural or ceremonial purposes; or

(6) special purposes consistent with the purposes of the federal Endangered Species Act.

(b) Incidental taking. After obtaining the advice of the Endangered Species Committee, the Secretary may permit, under such terms and conditions as necessary to carry out the purposes of this chapter, the incidental taking of a threatened or endangered species or the destruction of or adverse impact on critical habitat if:

(1) the taking is necessary to conduct an otherwise lawful activity;

(2) the taking is attendant or secondary to, and not the purpose of, the lawful activity;

(3) the impact of the permitted incidental take is minimized; and

(4) the incidental taking will not impair the conservation or recovery of any endangered species or threatened species.

\* \* \*

(k) Public notice. ~~Prior~~ Except for threatened and endangered species listed by the Secretary in accordance with subsection 5410(b) of this title, prior to issuing a permit for an incidental taking and prior to the initial issuance or amendment of a general permit under this section, the Secretary shall provide for public notice of ~~no~~ not fewer than 30 days; opportunity for written comment; and opportunity to request a public informational hearing. The Except for threatened and endangered species listed by the Secretary in accordance with subsection 5410(b) of this title, the Secretary shall post permit applications, permit decisions, and the initial or amended general permits on the website of the Agency of Natural Resources. The Except for threatened and endangered species listed by the Secretary in accordance with subsection 5410(b) of this title, the Secretary also shall provide notice to interested persons who request notice of permit applications, permit decisions, and proposed general permits or proposed amendments to general permits.

(l) General permits.

(1) The Secretary may issue general permits for activities that will not affect the continued survival or recovery of a threatened or endangered species.

\* \* \*

(6) ~~Prior~~ Except for threatened and endangered species listed by the Secretary in accordance with subsection 5410(b) of this title, prior to issuing an initial or amended general permit under this subsection, the Secretary shall:

(A) post a draft of the general permit on the Agency website;

(B) provide public notice of at least 30 days; and

(C) provide for written comments or a public hearing, or both.

(7) For applications for coverage under the terms of an issued general permit, the applicant shall provide notice on a form provided by the Secretary. The Except for threatened and endangered species listed by the Secretary in accordance with subsection 5410(b) of this title, the Secretary shall post notice of the application on the Agency website and shall provide an opportunity for written comment, regarding whether the application complies with the terms and conditions of the general permit, for ~~ten~~ 10 days following receipt of the application.



\* \* \*

Sec. 18. 10 V.S.A. § 5410 is amended to read:

§ 5410. LOCATION CONFIDENTIAL

(a) The Secretary shall not disclose information regarding the specific location of threatened or endangered species sites or habitats except ~~that the Secretary shall disclose information regarding the location of the threatened or endangered species to:~~

(1) to the owner of land upon which the species is located;

(2) to a potential buyer of land upon which the species is located who has a bona fide contract to buy the land and applies to the Secretary for disclosure of threatened or endangered species information; ~~or~~

(3) to qualified individuals or organizations, public agencies, and nonprofit organizations for scientific research or for preservation and planning purposes when the Secretary determines that the preservation of the species is not further endangered by the disclosure; ~~or~~

(4) during regulatory processes with the exception of threatened or endangered species listed under subsection (b) of this section.

(b) The Secretary shall maintain a subset list of threatened and endangered species whose specific names shall not be included in regulatory planning. The subset list shall include threatened or endangered species for which the species names and locations shall not be disclosed because of the risk that the species will be significantly harmed by unauthorized take, such as illegal collection, commercial trade, human-caused mortality, or destruction of habitat. The list shall be based on the rarity of the species, known collection and commercial trade activities in Vermont and other states or countries, incidents of human-caused mortality or destruction of habitat, and other factors that present a threat to the continued existence of the species.

(c) When the Secretary issues a permit under this chapter to take a threatened or endangered species or destroy or adversely impact critical habitat and when the Secretary designates critical habitat by rule under section 5402a of this title, the Secretary shall disclose only the municipality and general location where the threatened or endangered species or designated critical habitat is located. When the Secretary designates critical habitat under section 5402a of this title, the Secretary shall notify the municipality in which the critical habitat is located and shall disclose the general location of the designated critical habitat.

Sec. 19. 10 V.S.A. § 4829 is amended to read:

~~§ 4829. PERSON SUFFERING DAMAGE BY DEER OR BLACK BEAR~~

~~(a) A person engaged in the business of farming who suffers damage by deer to the person's crops, fruit trees, or crop-bearing plants on land not posted against the hunting of deer, or a person engaged in the business of farming who suffers damage by black bear to the person's cattle, sheep, swine, poultry, or bees or bee hives on land not posted against hunting or trapping of black bear is entitled to reimbursement for the damage up to an amount not to exceed \$5,000.00 per year, and may apply to the Department of Fish and Wildlife within 72 hours of the occurrence of the damage for reimbursement for the damage. As used in this section, "post" means any signage that would lead a reasonable person to believe that hunting is prohibited on the land.~~

~~(b) As used in this section, a person is "engaged in the business of farming" if he or she earns at least one-half of the farmer's annual gross income from the business of farming, as that term is defined in the Internal Revenue Code, 26 C.F.R. § 1.175-3. [Repealed.]~~

Sec. 20. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that:

(1) Sec. 7 (free fishing license; person with developmental disabilities) shall take effect on January 1, 2026; and

(2) in Sec. 13, 10 V.S.A. § 4085(a) (related to the taking of reptiles and amphibians) shall take effect on January 1, 2027.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Mattos, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources and Energy.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources and Energy with further proposal of amendment by striking out Sec. 20, effective dates, in its entirety and inserting in lieu thereof six new sections to be Secs. 20–25 to read as follows:

Sec. 20. 10 V.S.A. § 599a is amended to read:

§ 599a. REPORTS; RULEMAKING

(a) On or before January 15, 2025, the Agency, in consultation with the State Treasurer, shall submit a report to the General Assembly detailing the feasibility and progress of carrying out the requirements of this chapter, including any recommendations for improving the administration of the Program.

(b) The Agency shall adopt rules necessary to implement the requirements of this chapter, including:

(1) adopting methodologies using available science and publicly available data to identify responsible parties and determine their applicable share of covered greenhouse gas emissions; and

(2) requirements for registering entities that are responsible parties and issuing notices of cost recovery demands under the Program; and

~~(3) the Resilience Implementation Strategy, which shall include:~~

~~(A) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;~~

~~(B) practices to adapt infrastructure to the impacts of climate change;~~

~~(C) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;~~

~~(D) practices that support economic and environmental sustainability in the face of changing climate conditions; and~~

~~(E) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.~~

(c) On or before September 15, 2025, the Secretary shall submit to the House Committee on Environment and the Senate Committee on Natural Resources and Energy a report summarizing the Agency of Natural Resources' adoption of the Resilience Implementation Strategy. The Strategy shall include:

(1) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;

(2) practices to adapt infrastructure to the impacts of climate change;

(3) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;

(4) practices that support economic and environmental sustainability in the face of changing climate conditions; and

(5) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.

(d) In adopting the Strategy, the Agency shall:

(1) consult with the Environmental Justice Advisory Council;

(2) in consultation with other State agencies and departments, including the Department of Public Safety's Division of Vermont Emergency Management, assess the adaptation needs and vulnerabilities of various areas vital to the State's economy, normal functioning, and the health and well-being of Vermonters;

(3) identify major potential, proposed, and ongoing climate change adaptation projects throughout the State;

(4) identify opportunities for alignment with existing federal, State, and local funding streams;

(5) consult with stakeholders, including local governments, businesses, environmental advocates, relevant subject area experts, and representatives of environmental justice focus populations;

(6) consider components of the Vermont Climate Action Plan required under section 592 of this title that are related to adaptation or resilience, as defined in section 590 of this title; and

(7) conduct public engagement in areas and communities that have the most significant exposure to the impacts of climate change, including disadvantaged, low-income, and rural communities and areas.

~~(d)~~(e) Nothing in this section shall be construed to limit the existing authority of a State agency, department, or entity to regulate greenhouse gas emissions or establish strategies or adopt rules to mitigate climate risk and build resilience to climate change.

Sec. 21. 2024 Acts and Resolves No. 122, Sec. 3 is amended to read:

### Sec. 3. IMPLEMENTATION

(a) ~~On or before July 1, 2025, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rule for the adoption of the Resilience Implementation Strategy required pursuant to 10 V.S.A. § 599a(b)(3). On or before January 1, 2026, the Agency of Natural Resources shall adopt the final rule establishing the Resilience Implementation Strategy required pursuant to 10 V.S.A. § 599a(b)(3).~~ [Repealed.]

(b) On or before July 1, ~~2026~~ 2027, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2). On or before January 1, ~~2027~~ 2028, the Agency of Natural Resources shall adopt the final rule rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2).

Sec. 22. 10 V.S.A. § 596 is amended to read:

§ 596. DEFINITIONS

As used in this chapter:

\* \* \*

(7) “Covered greenhouse gas emissions” means the total quantity of greenhouse gases released into the atmosphere ~~during the covered period~~, expressed in metric tons of carbon dioxide equivalent, resulting from the use of fossil fuels extracted or refined by an entity during the covered period.

\* \* \*

(22) “Responsible party” means any entity or a successor in interest to an entity that during any part of the covered period was engaged in the trade or business of extracting fossil fuel or refining crude oil and is determined by the Agency attributable to for more than one billion metric tons of covered greenhouse gas emissions ~~during the covered period~~. The term responsible party does not include any person who lacks sufficient connection with the State to satisfy the nexus requirements of the U.S. Constitution.

\* \* \*

Sec. 23. 10 V.S.A. § 598(b) is amended to read:

(b) With respect to each responsible party, the cost recovery demand shall be equal to an amount that bears the same ratio to the cost to the State of Vermont and its residents, as calculated by the State Treasurer pursuant to section 599c of this title, from ~~the emission of covered greenhouse gases during the covered period gas emissions~~ as the responsible party’s applicable share of covered greenhouse gas emissions bears to the aggregate applicable shares of covered greenhouse gas emissions ~~resulting from the use of fossil fuels extracted or refined during the covered period~~.

Sec. 24. 10 V.S.A. § 599c is amended to read:

§ 599c. STATE TREASURER REPORT ON THE COST TO VERMONT OF  
COVERED GREENHOUSE GAS EMISSIONS

On or before January 15, ~~2026~~ 2027, the State Treasurer, after consultation with the Interagency Advisory Board to the Climate Action Office, and with any other person or entity whom the State Treasurer decides to consult for the purpose of obtaining and utilizing credible data or methodologies that the State Treasurer determines may aid the State Treasurer in making the assessments and estimates required by this section, shall submit to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations; on Ways and Means; on Agriculture, Food Resiliency, and Forestry; and on Environment and Energy an assessment of the cost to the State of Vermont and its residents of the ~~emission of covered greenhouse gases for the period that began on January 1, 1995 and ended on December 31, 2024~~ gas emissions. The assessment shall include:

\* \* \*

(3) a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont to abate the effects of covered greenhouse gas emissions ~~from between January 1, 1995 and December 31, 2024~~ on the State of Vermont and its residents.

#### Sec. 25. EFFECTIVE DATES

(a) This section and Secs. 20–24 (climate superfund act) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2025, except that:

(1) Sec. 7 (free fishing license; person with developmental disabilities) shall take effect on January 1, 2026; and

(2) in Sec. 13, 10 V.S.A. § 4085(a) (related to the taking of reptiles and amphibians) shall take effect on January 1, 2027.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Natural Resources and Energy was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, Senator Douglass moved to amend the proposal of amendment of the Committee on Natural Resources and Energy, in Sec. 8., 10 V.S.A. § 4251(c) by striking out one unlicensed angler and inserting “up to four unlicensed anglers aged 15 years or older”.

Which was agreed to.

Thereupon, the proposal of amendment recommended by the Committee on Natural Resources and Energy as amended, was agreed to and third reading of the bill was ordered.

**Bill Ordered to Lie**

**S. 109.**

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

Was taken up.

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

Sec. 1. 3 V.S.A. § 164 is amended to read:

**§ 164. ADULT COURT DIVERSION PROGRAM**

**(a) Purpose.**

(1) The Attorney General shall develop and administer an adult court diversion program, for both pre-charge and post-charge referrals, available in all counties.

(2) The program shall be designed to provide a restorative option for persons alleged to have caused harm in violation of a criminal statute or who have been charged with violating a criminal statute as well as for victims or those acting on a victim's behalf who have been allegedly harmed by the responsible party person referred to the program. The diversion program can accept referrals to the program as follows:

\* \* \*

**(c) Adult diversion program policy and referral requirements.**

\* \* \*

(3) Adult post-charge diversion requirements. Each State's Attorney, in cooperation with the Office of the Attorney General and the adult post-charge diversion program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion. All adult post-charge diversion programs receiving financial assistance from the Attorney General shall adhere to the following:

(A) The post-charge diversion program for adults shall only accept persons against whom charges have been filed and the court has found probable cause, but are not adjudicated.

(B) A prosecutor may refer a person to diversion either before or after arraignment and shall notify in writing the diversion program and the court of the prosecutor's of the referral to diversion.

\* \* \*

Sec. 2. 4 V.S.A. § 71 is amended to read:

§ 71. APPOINTMENT AND TERM OF SUPERIOR JUDGES

(a) ~~There shall be 34 Superior judges, whose term of office shall,~~ The number of Superior Judges shall be as determined by the General Assembly. The term of office of a Superior Judge shall, except in the case of an appointment to fill a vacancy or unexpired term, begin on April 1 in the year of their appointment or retention and continue for six years.

\* \* \*

Sec. 3. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

\* \* \*

(4) Violations of 7 V.S.A. § 1005, relating to possession and procurement of tobacco products by a person under 21 years of age.

\* \* \*

Sec. 4. 4 V.S.A. § 1106 is amended to read:

§ 1106. HEARING

\* \* \*

(d) A Unless otherwise provided by law, a law enforcement officer may void or amend a complaint issued by that officer by so marking the complaint and returning it to the Bureau, regardless of whether the amended complaint is a lesser included violation. At the hearing, a law enforcement officer may, unless otherwise provided by law, void or amend a complaint issued by that officer in the discretion of that officer.

\* \* \*



Sec. 5. 7 V.S.A. § 1005(c) is amended to read:

(c) A person under 21 years of age who misrepresents ~~his or her~~ the person's age by presenting false identification to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia shall be ~~fined~~ subject to a civil penalty of not more than \$50.00 or provide up to 10 hours of community service, or both.

Sec. 6. 12 V.S.A. § 5 is amended to read:

§ 5. DISSEMINATION OF ELECTRONIC CASE RECORDS

(a) The Court shall not permit public access via the ~~Internet~~ internet to criminal, family, or probate case records. The Court may permit criminal justice agencies, as defined in 20 V.S.A. § 2056a, ~~Internet~~ internet access to criminal case records for criminal justice purposes, as defined in 20 V.S.A. § 2056a.

(b) Notwithstanding subsection (a) of this section, the Court shall provide licensed Vermont attorneys in good standing with access via the internet, through the Judiciary's public portal website or otherwise, to nonconfidential criminal, family, and probate case records.

(c) This section shall not be construed to prohibit the Court from providing electronic access to:

(1) court schedules of the Superior Court or opinions of the Criminal Division of the Superior Court;

(2) State agencies in accordance with data dissemination contracts entered into under Rule 12 of the Vermont Rules for Public Access to Court Records; or

(3) decisions, recordings of oral arguments, briefs, and printed cases of the Supreme Court.

Sec. 7. 12 V.S.A. § 4937 is amended to read:

§ 4937. ATTORNEY'S FEES

When a mortgage contains an agreement on the part of the mortgagor to pay the mortgagee, in the event of foreclosure, the attorney's fees incident thereto, and claim is made therefor in the complaint, ~~upon hearing,~~ the court in which the complaint is brought shall allow such fee as in its judgment is just.

Sec. 8. 13 V.S.A. § 4013 is amended to read:

§ 4013. ZIP GUNS; ~~SWITCHBLADE KNIVES~~

A person who possesses, sells, or offers for sale a weapon commonly known as a "zip" gun, ~~or a weapon commonly known as a switchblade knife,~~

~~the blade of which is three inches or more in length~~, shall be imprisoned not more than 90 days or fined not more than \$100.00, or both.

Sec. 9. EXPUNGEMENT OF CRIMINAL HISTORY RECORDS

The court shall order the expungement of criminal history records of convictions of 13 V.S.A. § 4013 for possessing, selling, or offering for sale a switchblade knife that occurred prior to July 1, 2025. The process and effect for expungement of these records shall be as provided for in 13 V.S.A. § 7606 and shall be completed by the court and all entities subject to the order not later than July 1, 2026.

Sec. 10. 13 V.S.A. § 5351(7) is amended to read:

(7) “Victim” means:

(A) a person who sustains injury or death as a direct result of the commission or attempted commission of a crime;

(B) an intervenor who is physically injured or killed in an attempt to assist the person described in subdivision (A) of this subdivision (7) or ~~the policee a protected professional as defined in subdivision 1028(d)(1) of this title;~~

(C) a surviving immediate family member of a homicide victim, including a spouse, domestic partner, parent, sibling, child, grandparent, or other survivor who may suffer severe emotional harm as a result of the victim’s death as determined on a case-by-case basis in the discretion of the Board; or

(D) a resident of this State who is injured or killed as the result of a crime committed outside the United States.

Sec. 11. 13 V.S.A. § 7282 is amended to read:

§ 7282. SURCHARGE

\* \* \*

~~(c) SIU surcharge.~~ In addition to any penalty or fine imposed by the court for a criminal offense committed after July 1, 2009, the clerk of the court shall levy an additional surcharge of \$100.00 to be deposited in the General Fund, in support of the Specialized Investigative Unit Grants Board created in 24 V.S.A. § 1940(c), and used to pay for the costs of Specialized Investigative Units.

Sec. 12. 14 V.S.A. § 2 is amended to read:

§ 2. DEPOSIT OF WILL FOR SAFEKEEPING; DELIVERY; FINAL DISPOSITION

(a) A will may be deposited for safekeeping in the Probate Division of the Superior Court for the district in which the testator resides on payment to the court of the applicable fee required by ~~32 V.S.A. § 1434(a)(17)~~ 32 V.S.A. § 1434(a)(18). The register shall give to the testator a receipt, shall safely keep each will so deposited, and shall keep an index of the wills so deposited.

\* \* \*

Sec. 13. 14 V.S.A. § 3068 is amended to read:

§ 3068. HEARING

\* \* \*

(e)(1) If upon completion of the hearing and consideration of the record the court finds that the respondent is not a person in need of guardianship, it shall dismiss the petition and seal the records of the proceeding.

(2) If a motion to withdraw the petition is made before the final hearing, the court shall dismiss the petition and seal the records of the proceeding.

(f) If upon completion of the hearing and consideration of the record the court finds that the petitioner has proved by clear and convincing evidence that the respondent is a person in need of guardianship or will be a person in need of guardianship on attaining 18 years of age, it shall enter judgment specifying the powers of the guardian pursuant to sections 3069 and 3070 of this title and the duties of the guardian pursuant to section 3071 of this title.

(g) Any party to the proceeding before the court may appeal the court's decision in the manner provided in section 3080 of this title.

Sec. 14. 14 V.S.A. § 4051 is amended to read:

§ 4051. STATUTORY FORM POWER OF ATTORNEY

A document substantially in the following form may be used to create a statutory form power of attorney that has the meaning and effect prescribed by this chapter.

VERMONT STATUTORY FORM POWER OF ATTORNEY IMPORTANT  
INFORMATION

\* \* \*

GRANT OF SPECIFIC AUTHORITY (OPTIONAL)

My agent MAY NOT do any of the following specific acts for me UNLESS I have INITIALED the specific authority listed below:

(CAUTION: Granting any of the following will give your agent the authority to take actions that could significantly reduce your property or change how

your property is distributed at your death. INITIAL ONLY the specific authority you WANT to give your agent.)

( ) An agent who is not an ancestor, spouse, or descendant may exercise authority under this power of attorney to create in the agent or in an individual to whom the agent owes a legal obligation of support an interest in my property whether by gift, rights of survivorship, beneficiary designation, disclaimer, or otherwise

( ) Create, amend, revoke, or terminate an inter vivos, family, living, irrevocable, or revocable trust

( ) Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

( ) Make a gift, subject to the limitations of 14 V.S.A. § 4047 (gifts) and any special instructions in this power of attorney

~~( ) Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411~~

( ) Create, amend, or change rights of survivorship

( ) Create, amend, or change a beneficiary designation

( ) Waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan

( ) Exercise fiduciary powers that the principal has authority to delegate

( ) Authorize another person to exercise the authority granted under this power of attorney

( ) Disclaim or refuse an interest in property, including a power of appointment

( ) Exercise authority with respect to elective share under 14 V.S.A. § 319

( ) Exercise waiver rights under 14 V.S.A. § 323

( ) Exercise authority over the content and catalogue of electronic communications and digital assets under 14 V.S.A. chapter 125 (Vermont Revised Uniform Fiduciary Access to Digital Assets Act)

( ) Exercise authority with respect to intellectual property, including, without limitation, copyrights, contracts for payment of royalties, and trademarks

( ) Convey, or revoke or revise a grantee designation, by enhanced life estate deed pursuant to 27 V.S.A. chapter 6 or under common law.

\* \* \*

Sec. 15. 14A V.S.A. § 1316 is amended to read:

§ 1316. OFFICE OF TRUST DIRECTOR

Unless the terms of a trust provide otherwise, the rules applicable to a trustee apply to a trust director regarding the following matters:

- (1) acceptance under section 701 of this title;
- (2) giving of bond to secure performance under section 702 of this title;
- (3) reasonable compensation under section 708 of this title;
- (4) resignation under section 705 of this title;
- (5) removal under section 706 of this title; and
- (6) vacancy and appointment of successor under section 704 of this title.

Sec. 16. 33 V.S.A. § 5204(b)(2)(A) is amended to read:

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

- (I) [Repealed.]
  - (II) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653;
  - (III) defacing a firearm's serial number in violation of ~~43 V.S.A. § 4024~~ 13 V.S.A. § 4026; or
  - (IV) straw purchasing of firearm in violation of 13 V.S.A. § 4025; and
- (ii) the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred.

Sec. 17. 33 V.S.A. § 5225 is amended to read:

§ 5225. PRELIMINARY HEARING; RISK ASSESSMENT

(a) Preliminary hearing. A preliminary hearing shall be held at the time and date specified on the citation or as otherwise ordered by the court. If a child is taken into custody prior to the preliminary hearing, the preliminary hearing shall be at the time of the temporary care hearing. Counsel for the child shall be assigned prior to the preliminary hearing.

- (b) Risk and needs screening.

(1) Prior to the preliminary hearing, the child shall be afforded an opportunity to undergo a risk and needs screening, which shall be conducted by the Department or by a community provider that has contracted with the Department to provide risk and need screenings for children alleged to have committed delinquent acts.

(2) If the child participates in such a screening, the Department or the community provider shall report the risk level result of the screening, the number and source of the collateral contacts made, and the recommendation for charging or other alternatives to the State's Attorney. The State's Attorney shall consider the results of the risk and needs screening in determining whether to file a charge. In lieu of filing a charge, the State's Attorney may refer a child directly to a youth-appropriate community-based provider that has been approved by the Department, which may include pre-charge diversion pursuant to 3 V.S.A. § 163, a community justice center, or a balanced and restorative justice program. Referral to a community-based provider pursuant to this subsection shall not require the State's Attorney to file a charge. If the community-based provider does not accept the case or if the child fails to complete the program in a manner deemed satisfactory and timely by the provider, the child's case shall return to the State's Attorney for charging consideration.

\* \* \*

Sec. 18. 27 V.S.A. § 348 is amended to read:

§ 348. INSTRUMENTS CONCERNING REAL PROPERTY VALIDATED

(a) When an instrument of writing shall have been on record in the office of the clerk in the proper town for a period of 15 years, and there is a defect in the instrument because it omitted to state any consideration or was not sealed, witnessed, acknowledged, validly acknowledged, or because a license to sell was not issued or is defective, the instrument shall, from and after the expiration of 15 years from the filing thereof for record, be valid. Nothing in this section shall be construed to affect any rights acquired by grantees, assignees, or encumbrancers under the instruments described in the preceding sentence, nor shall this section apply to conveyances or other instruments of writing, the validity of which is brought in question in any suit now pending in any courts of the State.

\* \* \*

(d) A release, discharge, or assignment of mortgage interest executed by a commercial lender with respect to a one- to four-family residential real property, including a residential unit in a condominium or in a common interest community as defined in Title 27A, that recites authority to act on

behalf of the record holder of the mortgage under a power of attorney but where the power of attorney is not of record shall have the same effect as if executed by the record holder of the mortgage unless, within three years after the instrument is recorded, an action challenging the release, discharge, or assignment is commenced and a copy of the complaint is recorded in the land records of the town where the release, discharge, or assignment is recorded. This subsection shall not apply to releases, discharges, or assignments obtained by fraud or forgery.

(e) A power of attorney made for the purpose of conveying, leasing, mortgaging, or affecting any interest in real property that has been acknowledged and signed in the presence of at least one witness shall be valid, notwithstanding its failure to comply with 14 V.S.A. § 3503 or the requirements of the Emergency Administrative Rules for Remote Notarial Acts adopted by the Vermont Secretary of State, unless within three years after recording, an action challenging its validity is commenced and a copy of the complaint is recorded in the land records of the town where the power of attorney is recorded. This subsection shall not apply to a power of attorney obtained by fraud or forgery.

(f) Notwithstanding section 305 of this title, a deed, mortgage, lease, or other instrument executed for the purpose of conveying or encumbering real property executed by a person purporting to act as the agent or attorney-in-fact for the party named in the deed, mortgage, lease, or other instrument that has been recorded for at least 15 years in the land records where the real property is located shall be valid even if no power of attorney authorizing and empowering an agent or attorney-in-fact appears of record, unless, within 15 years after recording, an action challenging the validity of the deed, mortgage, lease, or other instrument is commenced and a copy of the complaint is recorded in the land records of the town where the property is located. This subsection shall not apply to an instrument obtained by fraud or forgery.

Sec. 19. 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

\* \* \*

(c) The officers of the Judicial Branch named in this subsection shall be entitled to annual salaries as follows:

Annual Salary as of July 14, 2024	Annual Salary as of July 13, 2025
---	---

---

(1) Chief Justice of Supreme Court	\$214,024	\$225,581
(2) Each Associate Justice	\$204,264	\$215,294
(3) <del>Administrative</del> Chief Superior Judge	\$204,264	\$215,294
(4) Each Superior Judge	\$194,185	\$204,671
(5) [Repealed.]		
(6) Each Magistrate	\$146,413	\$154,319
(7) Each Judicial Bureau hearing officer	\$146,413	\$154,319

\* \* \*

Sec. 20. 2023 Acts and Resolves No. 27, Sec. 5 (forensic facility report) is amended to read:

Sec. 5. [Deleted.]

Sec. 21. 2023 Acts and Resolves No. 40, Sec. 4 is amended to read:

Sec. 4. REPEALS

\* \* \*

(c) 28 V.S.A. § 126 (Coordinated Justice Reform Advisory Council) is repealed on ~~July 1, 2028~~ July 1, 2025.

Sec. 22. [Deleted.]

Sec. 23. [Deleted.]

Sec. 24. FIREARM SURRENDER ORDER COMPLIANCE WORKING GROUP; REPORT

(a) Creation. The Office of the Attorney General shall convene a Firearm Surrender Order Compliance Working Group to develop a uniform process to ensure compliance with court orders to surrender firearms. The Working Group shall examine the statutory or policy changes necessary to create a uniform process to monitor compliance, support entities charged with storing and returning surrendered firearms pursuant to court orders, and identify a stable and reliable funding source for any additional resources needed to monitor compliance.

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

- (1) the Attorney General or designee, who shall be the chair;
- (2) the Chief Superior Court Judge or designee;



(3) the Defender General or designee;

(4) one State's Attorney or designee, appointed by the Department of State's Attorneys and Sheriffs;

(5) a member, appointed by the Vermont Network Against Domestic and Sexual Violence;

(6) a member of the Vermont State Police, appointed by the Commissioner of Public Safety;

(7) a police chief, appointed by the Vermont Association of Chiefs of Police; and

(8) a federal firearms licensee, appointed by the Attorney General.

(c) Consultation. The Working Group shall consult with stakeholders including:

(1) the Commissioner of Corrections;

(2) family law practitioners;

(3) victim advocates;

(4) advocates from culturally specific advocacy organizations that work with domestic violence victims;

(5) the Vermont Federation of Sportsmen's Clubs;

(6) the Vermont Office of the Bureau of Alcohol Tobacco and Firearms;

(7) the Vermont Medical Society;

(8) the Commissioner of Mental Health;

(9) the Vermont Center for Crime Victim Services;

(10) the Vermont Council on Domestic Violence; and

(11) the Commissioner of Fish and Wildlife.

(d) Report. On or before November 15, 2025, the Working Group shall report its recommendations to the House and Senate Committees on Judiciary and to the Joint Legislative Justice Oversight Committee. The report shall include:

(1) a workable statewide compliance model that is adaptable to both the Family and Criminal Divisions of the Superior Courts and that ensures:

(A) accountability of respondents and defendants while addressing safety needs of the plaintiffs and victims; and

(B) proper storage and return of firearms surrendered pursuant to court orders; and

(2) recommendations for any legislative changes necessary to support the model.

(e) Meetings. The Working Group shall meet not more than six times.

(f) Compensation and reimbursement. Members of the Working Group who are not employees of the State of Vermont or who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings.

Sec. 25. 15A V.S.A. § 3-504 is amended to read:

§ 3-504. GROUNDS FOR TERMINATING RELATIONSHIP OF PARENT  
AND CHILD

(a) If a respondent answers or appears at the hearing and asserts parental rights, the court shall proceed with the hearing expeditiously. If the court finds, upon clear and convincing evidence, that any one of the following grounds exists and that termination is in the best interests of the minor, the court shall order the termination of any parental relationship of the respondent to the minor:

\* \* \*

(2) In the case of a minor over six months of age at the time the petition is filed, the respondent did not exercise parental responsibility for a period of at least six months immediately preceding the filing of the petition. In making a determination under this subdivision, the court shall consider all relevant factors, which may include the respondent's failure to:

(A) make reasonable and consistent payments, in accordance with the respondent's financial means, for the support of the minor, although legally obligated to do so;

(B) regularly communicate or visit with the minor; or

(C) during any time the minor was not in the physical custody of the other parent, manifest an ability and willingness to assume legal and physical custody of the minor.

\* \* \*

Sec. 25a. 33 V.S.A. § 5231(d) is amended to read:

(d) Termination of parental rights. If the Commissioner or the attorney for the child seeks an order terminating parental rights of one or both parents and

transfer of custody to the Commissioner without limitation as to adoption, the court shall consider the best interests of the child in accordance with section 5114 of this title. The Department's Family Services Division shall not consider payment of child support to the Family Services Division to offset the cost of foster care as a factor in a petition to terminate parental rights.

Sec. 25b. 33 V.S.A. § 5317(d) is amended to read:

(d) Termination of parental rights. If the Commissioner or the attorney for the child seeks an order at disposition terminating the parental rights of one or both parents and transfer of legal custody to the Commissioner without limitation as to adoption, the court shall consider the best interests of the child in accordance with section 5114 of this title. The Department's Family Services Division shall not consider payment of child support to the Family Services Division to offset the cost of foster care as a factor in a petition to terminate parental rights.

Sec. 26. Sec. 1. 15 V.S.A. § 202 is amended to read:

#### § 202. PENALTY FOR DESERTION OR NONSUPPORT

A married person who, without just cause, shall desert or willfully neglect or refuse to provide for the support and maintenance of ~~his or her~~ the person's spouse and children, leaving them in destitute or necessitous circumstances or a parent who, without lawful excuse, shall desert or willfully neglect or refuse to provide for the support and maintenance of ~~his or her~~ the child ~~or an adult child possessed of sufficient pecuniary or physical ability to support his or her parents, who unreasonably neglects or refuses to provide such support when the parent is destitute, unable to support himself or herself, and resident in this State,~~ shall be imprisoned not more than two years or fined not more than \$300.00, or both. Should a fine be imposed, the court may order the same to be paid in whole or in part to the needy spouse, ~~parent,~~ or to the guardian, custodian, or trustee of the child. The Office of Child Support attorneys, in addition to any other duly authorized person, may prosecute cases under this section in Vermont Superior Court.

Sec. 27. 2023 Acts and Resolves No. 19, Sec. 5 is amended to read:

Sec. 5. [Deleted.]

Sec. 28. 2023 Acts and Resolves No. 19, Sec. 6 is amended to read:

#### Sec. 6. EFFECTIVE DATES

\* \* \*

(b) ~~Sec. 5 (marriage licenses; 32 V.S.A. § 1712) shall take effect on July 1, 2025.~~ [Deleted.]

\* \* \*

Sec. 29. 13 V.S.A. § 7556 is amended to read:

§ 7556. APPEAL FROM CONDITIONS OF RELEASE OR BAIL  
REVOCATION DENIAL

(a) A person who is detained, or whose release on a condition requiring ~~him or her~~ the person to return to custody after specified hours is continued, after review of ~~his or her~~ the person's application pursuant to subsection 7554(d) or (e) of this title by a judicial officer, other than a judge of the court having original jurisdiction over the offense with which ~~he or she~~ the person is charged or a Justice of the Supreme Court, may move the court having original jurisdiction over the offense with which ~~he or she~~ the person is charged to amend the order. The motion shall be determined promptly.

(b) When a person is detained after a court denies a motion under subsection (a) of this section or when conditions of release have been imposed or amended by the judge of the court having original jurisdiction over the offense charged, an appeal may be taken to a single Justice of the Supreme Court who may hear the matter or at ~~his or her~~ the Justice's discretion refer it to the entire Supreme Court for hearing. No further appeal may lie from the ruling of a single Justice in matters to which this subsection applies. Any order so appealed shall be affirmed if it is supported by the proceedings below. If the order is not supported, the Supreme Court or single Justice hearing the matter may remand the case for a further hearing or may, with or without additional evidence, order the person released. The appeal shall be determined forthwith.

(c)(1) When a person is released, with or without bail or other conditions of release, an appeal may be taken by the State to a single Justice of the Supreme Court who may hear the matter or at ~~his or her~~ the Justice's discretion refer it to the entire Supreme Court for hearing. No further appeal may lie from the ruling of a single Justice in matters to which this subsection applies. Any order so appealed shall be affirmed if it is supported by the proceedings below. If the order is not supported, the Supreme Court or single Justice hearing the matter may remand the case for a further hearing or may, with or without additional evidence, modify or vacate the order. The appeal shall be determined ~~forthwith~~ promptly.

(2) When a request to revoke bail pursuant to section 7575 of this title is denied, a prosecutor may appeal the court's order in accordance with the procedure outlined in subdivision (1) of this subsection.

(d) A person held without bail under section 7553a of this title prior to trial shall be entitled to an independent, second evidentiary hearing on the merits of

the denial of bail, which shall be a hearing de novo by a single Justice of the Supreme Court forthwith. Pursuant to 4 V.S.A. § 22 the Chief Justice may appoint and assign a retired justice or judge with ~~his or her~~ the retired justice's or judge's consent or a Superior judge or District judge to a special assignment on the Supreme Court to conduct that de novo hearing. Such hearing de novo shall be an entirely new evidentiary hearing without regard to the record compiled before the trial court; except, the parties may stipulate to the admission of portions of the trial court record.

(e) A person held without bail prior to trial shall be entitled to review of that determination by a panel of three Supreme Court Justices within seven business days after bail is denied.

Sec. 30. 28 V.S.A. § 818 is amended to read:

§ 818. EARNED TIME; REDUCTION OF TERM

\* \* \*

(b) The earned time program implemented pursuant to this section shall comply with the following standards:

\* \* \*

(4) The Department shall:

(A) ensure that all victims of record are notified of the earned time program at its outset and made aware of the option to receive notifications from the Department pursuant to this subdivision;

(B) provide timely notice not less frequently than every 90 days to the offender, and to any victim who opts to receive the notice, any time the offender receives a reduction in ~~his or her~~ the offender's term of supervision pursuant to this section;

(C) maintain a system that documents and records all such reductions in each offender's permanent record; and

(D) record any reduction in an offender's term of supervision pursuant to this section on a monthly basis and ensure that victims who want information regarding changes in ~~scheduled~~ an offender's minimum release ~~dates~~ date have access to such information.

\* \* \*

Sec. 31. VICTIM NOTIFICATION SYSTEM TASK FORCE; REPORT

(a) Creation. There is created the Victim Notification System Task Force to review and improve the responsiveness of Vermont's victim notification system.

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

- (1) the Commissioner of Corrections or designee;
- (2) the Executive Director of the Center for Crime Victim Services or designee;
- (3) the Executive Director of State's Attorneys and Sheriffs or designee;
- (4) a member, appointed by the Vermont Network Against Domestic and Sexual Violence;
- (5) the Victims Service Director of the Vermont State Police;
- (6) two persons who are either victims or survivors of crimes, appointed by the Center for Crime Victim Services; and
- (7) a member, appointed by the Commissioner of Corrections, who is familiar with the capability and technical operations of the VINE system.

(c) Powers and duties. The Task Force shall study the current state of Vermont's victim notification system, including:

- (1) improving victims' accessibility to information;
- (2) ensuring that the entire notification process is trauma-informed, including all notifications, communications, and informational materials;
- (3) expanding the use of automated notification systems in order to increase options and maximize communication choices for victims and survivors; and
- (4) recommendations for necessary training and resources.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Department of Corrections.

(e) Report. On or before November 15, 2025, the Task Force shall submit its findings and recommendations as a written report in the form of proposed legislation to the Joint Legislative Justice Oversight Committee, the House Committees on Corrections and Institutions and on Judiciary, and the Senate Committees on Institutions and on Judiciary.

(f) Meetings.

- (1) The Commissioner of Corrections or designee shall call the first meeting of the Task Force to occur on or before August 1, 2025.
- (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.

(4) The Task Force shall cease to exist on February 15, 2026.

Sec. 32. ADULT INVOLUNTARY GUARDIANSHIP WORKING  
GROUP; REPORT

(a) Creation. There is created the Adult Involuntary Guardianship Working Group to study jurisdiction of proceedings involving the involuntary guardianship of adults. The Working Group shall examine the advisability of consolidating adult involuntary guardianships under 14 V.S.A. chapter 111, subchapter 12 ("Title 14 involuntary guardianships") with guardianships for persons with developmental disabilities under 18 V.S.A. chapter 215 ("Title 18 guardianships"), or otherwise amending the statutes to ensure that respondents under Title 18 guardianships have access to voluntary guardianships that is equal to the access to voluntary guardianships available under Title 14.

(b) Membership. The Adult Involuntary Guardianship Working Group shall be composed of the following members:

(1) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(2) the Chief Superior Court Judge or designee;

(3) the Court Administrator or designee;

(4) a superior judge with experience in Title 18 guardianships, appointed by the Chief Justice;

(5) a probate judge, appointed by the Chief Justice;

(6) a guardian ad litem, appointed by the Court Administrator;

(7) an attorney with experience in adult guardianships, appointed by the Vermont Bar Association;

(8) an attorney with experience in adult guardianships, appointed by Vermont Legal Aid;

(9) an independent mental health evaluator, appointed by the Commissioner of Disabilities, Aging, and Independent Living; and

(10) a member, appointed by the Vermont Center for Independent Living.

(c) Meetings.

(1) The Commissioner of Disabilities, Aging, and Independent Living shall call the first meeting of the Working Group to occur on or before August 1, 2025.

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

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

(d) Report.

(1)(A) On or before December 15, 2025, the Working Group shall report its recommendations, including any proposed legislative changes, to the House and Senate Committees on Judiciary, the House Committee on Human Services, and the Senate Committee on Health and Welfare.

(B) The report shall recommend whether:

(i) Title 14 involuntary guardianship proceedings and Title 18 guardianship proceedings should be consolidated in one division of the Superior Court; or

(ii) Title 14 involuntary guardianship proceedings and Title 18 guardianship proceedings should remain in separate divisions of the Superior Court as provided for in existing law.

(2) With respect to subdivisions (1)(B)(i) and (ii) of this subsection (d), the report shall address:

(A) the judicial resources and oversight that would be required;

(B) whether, notwithstanding 12 V.S.A. § 2553 or 2555, the Vermont Supreme Court should have appellate jurisdiction over guardianship proceedings;

(C) the relationship between guardianships under subdivisions (1)(B)(i) and (ii) of this subsection (d) and voluntary guardianships under 14 V.S.A. § 2671;

(D) any legislative changes that would need to be made under either recommendation to ensure that respondents under Title 18 guardianships have access to voluntary guardianships that is equal to the access to voluntary guardianships available under Title 14; and

(E) any other matters deemed relevant by the Working Group, including any matters not currently under the jurisdiction of Title 14 guardianships or Title 18 guardianships.

Sec. 33. 4 V.S.A. § 39 is amended to read:

#### § 39. CAPITAL BUDGET REQUESTS; COUNTY COURTHOUSES

(a) On or before October 1 each year, any county requesting capital funds for its courthouse, or court operations, shall submit a request to the Court



Administrator. As used in this subsection, “court operations” does not include operating expenses.

(b) The Court Administrator shall evaluate requests based on the following criteria:

(1) whether the funding request is consistent with a capital program developed pursuant to 24 V.S.A. § 133(e)(3);

(2) whether the project that is the subject of the request has been included in the list of capital projects in the county’s budget pursuant to 24 V.S.A. § 133(e)(1), and, if so, the description of the project included in the budget;

(3) whether the county has established a capital reserve fund pursuant to 24 V.S.A. § 133(e)(3), and, if so, the amount of annual contributions the county has made to the fund;

(4) whether the funding request relates to an emergency that will affect the court operations and the administration of justice;

(2)(5) whether there is a State-owned courthouse in the county that could absorb court activities in lieu of this capital investment;

(3)(6) whether the county consistently has invested in major maintenance in the courthouse;

(4)(7) whether the request relates to a State-mandated function;

(5)(8) whether the request diverts resources of other current Judiciary capital priorities;

(6)(9) whether the request is consistent with the long-term capital needs of the Judiciary, including providing court services adapted to modern needs and requirements; and

(7)(10) any other criteria as deemed appropriate by the Court Administrator.

(c) Based on the criteria described in subsection (b) of this section, the Court Administrator shall make a recommendation to the Commissioner of Buildings and General Services regarding whether the county’s request should be included as part of the Judiciary’s request for capital funding in the Governor’s annual proposed capital budget request.

(d) On or before January 15 of each year, the Court Administrator shall advise the House Committee on Corrections and Institutions and the Senate Committee on Institutions of all county requests received and the Court Administrator’s recommendations for the proposed capital budget request.

---

Sec. 34. REPORT

On or before January 15, 2026, the Court Administrator and a representative of the Association of County Judges appointed by the President of that Association shall jointly report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the progress made to implement the provisions of Sec. 33 of this act. The report shall include a description of the steps taken and processes considered, and any proposed legislative changes necessary, to ensure that capital budget requests for county courthouses include the information required by Sec. 33 of this act.

Sec. 35. 23 V.S.A. § 1210(c) is amended to read:

(c) Second offense. A person convicted of violating section 1201 of this title who has been convicted of another violation of that section within the last 20 years shall be fined not more than \$1,500.00 or imprisoned not more than two years, or both. At least ~~200~~ 80 hours of community service shall be performed, or 60 consecutive hours of the sentence of imprisonment shall be served and may not be suspended or deferred or served as a supervised sentence, except that credit for a sentence of imprisonment may be received for time served in a residential alcohol facility pursuant to sentence if the program is successfully completed.

## Sec. 36. REPEAL

Sec. 35 of this act shall be repealed on July 1, 2028.

## Sec. 37. FAMILY FORENSIC EVALUATOR RECOMMENDATIONS

(a) The General Assembly requests that the Chief Superior Judge, the Director of the Office of Professional Regulation, and the Executive Director of the Vermont Psychological Association work collaboratively to examine the following:

(1) the extent of the need for and geographic distribution of family forensic evaluators in complex parental rights and responsibilities cases heard in the Family Division;

(2) barriers to increasing the availability of family forensic evaluators in Vermont and whether protections regarding ethical complaints are warranted; and

(3) strategies for increasing the number of family forensic evaluators in Vermont.

(b) The General Assembly requests that the parties listed in subsection (a) of this section submit their recommendations to the General Assembly on or before November 1, 2025.

Sec. 38. CHILD AND PARENT LEGAL REPRESENTATION; TASK  
FORCE; REPORT

(a) Creation. There is created the Child and Parent Legal Representation Task Force to study the need and viability of an improved legal representation system for children and families who are involved in judicial or administrative proceedings concerning Children in Need of Care or Supervision (CHINS) or substantiations of abuse or neglect.

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

(1) the Chief Justice of the Vermont Supreme Court or designee, who shall be the chair;

(2) the Court Administrator or designee;

(3) the Commissioner for Children and Families or designee;

(4) the Defender General or designee;

(5) the Child, Youth, and Family Advocate or designee;

(6) the Executive Director of Voices for Vermont's Children or designee;

(7) the Executive Director of the Vermont Parent Representation Center, Inc.;

(8) the Attorney General or designee; and

(9) the Executive Director of State's Attorneys and Sheriffs or designee.

(c) Powers and duties. The Task Force shall assess and determine whether reform of Vermont's legal representation for children and families is necessary by exploring the following topics:

(1) standards recommended by the American Bar Association, U.S. Children's Bureau, and the *Study of CHINS Case Processing in Vermont* authored by the National Center for State Courts and published in May of 2021;

(2) compliance with funding and reporting requirements in order for Vermont to leverage funding under Title IV-E of the Social Security Act;

(3) identifying the processes and amounts of Title IV-E funds and other funding sources to support any reformed system;

(4) using an interdisciplinary model of representation, including pay scales, performance measures, supervision and evaluation processes, and

recommended caseloads for attorneys, social workers, and other child and family representatives; and

(5) other topics relevant to creating a reformed child and parent representation system.

(d) Assistance. The Task Force shall have administrative, technical, and legal assistance of the Court Administrator's Office.

(e) Report. On or before December 15, 2025, the Task Force shall submit a report that proposes any necessary reforms to the legal representation system for children and families who are involved in CHINS proceedings or substantiations of abuse or neglect, along with proposed legislation to implement such reforms to the Senate Committees on Judiciary and on Health and Welfare and the House Committees on Judiciary and on Human Services.

(f) Meetings.

(1) The Chief Justice of the Supreme Court or designee shall call the first meeting of the Task Force to occur on or before August 1, 2025.

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

(3) The Task Force shall cease to exist on May 15, 2026.

#### Sec. 39. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 1 shall take effect on July 2, 2025 and Sec. 33 shall take effect on July 1, 2026.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Hashim, the bill was ordered to lie.

#### **House Concurrent Resolution Adopted in Concurrence**

##### **H.C.R. 151.**

House concurrent resolution entitled:

House concurrent resolution congratulating Casella Waste Systems, Inc. on the company's 50th anniversary.

Was taken up.

Thereupon, the question, Shall the concurrent resolution be adopted in concurrence?, was agreed to.

**Rules Suspended; Bill Passed in all Remaining Stages of Passage; Bill Passed In Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged**

**H. 231.**

On motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to technical corrections to fish and wildlife statutes.

Was placed in all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

On motion of Senator Baruth, the rules were suspended, and the bill was ordered messaged to the House forthwith.

**Appointments Confirmed**

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Collamore, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

Boulanger, David of Hinesburg - Member of the State Labor Relations Board - August 15, 2024 to June 30, 2030.

Haskell, Sabina of Burlington - Executive Director Office of Workforce Strategy and Development - January 6, 2025 to February 28, 2025.

Keenan, Kathleen of St. Albans - Member of the Employment Security Board - March 1, 2025 to February 28, 2031.

Mathieu, Corey of Westford - Member of the Board of Liquor and Lottery - July 1, 2024 to January 31, 2026.

McQuesten, Gary of Plainfield - Member of the Occupational Safety and Health Review Board - March 1, 2025 to February 28, 2031.

Richardson, Amy of Northfield - Member of the Vermont Housing and Conservation Board - February 1, 2025 to January 31, 2028.

**Appointments Confirmed**

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Collamore, the following Gubernatorial appointments, *appearing the calendar for one day*, were confirmed together as a group by the Senate,

without reports given by the Committees to which they were referred and without debate:

Becher, Jeffrey of Vergennes - Member of the Electricians' Licensing Board - July 1, 2024 to June 30, 2027.

Bourdon, Kevin of Vergennes - Member of the Electricians' Licensing Board - July 1, 2024 to June 30, 2027.

Plant, Bryan of Bristol - Commissioner, Vermont State Housing Authority - May 1, 2024 to February 29, 2028.

Wadhams, Emily of Burlington - Member of the Vermont Housing and Conservation Board - April 9, 2024 to January 31, 2027.

### **Appointment Confirmed**

The following Gubernatorial appointment was confirmed by the Senate, upon a full report given by the Committee to which it was referred:

The nomination of

Kurrle, Lindsay of Middlesex - Secretary, Department of Commerce and Community Development, Agency of - March 1, 2025 to February 28, 2027.

Was confirmed by the Senate on a roll call, Yeas 28, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

### **Roll Call**

**Those Senators who voted in the affirmative were:** Baruth, Beck, Brennan, Brock, Chittenden, Clarkson, Collamore, Cummings, Douglass, Gulick, Hardy, Harrison, Hart, Hashim, Heffernan, Ingalls, Lyons, Major, Mattos, Norris, Perchlik, Plunkett, Ram Hinsdale, Watson, Weeks, Westman, White, Williams.

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Bongartz, Vyhovsky.

### **Committee of Conference Appointed**

#### **S. 12.**

An act relating to sealing criminal history records.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Hashim  
Senator Norris  
Senator Mattos

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

### **Adjournment**

On motion of Senator Baruth the Senate recessed until four o'clock in the afternoon.

### **Called to Order**

The Senate was called to order by the President.

**Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Placed in All Remaining Stages of Passage; Bill Passed in Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged**

### **H. 454.**

House bill entitled:

An act relating to transforming Vermont's education governance, quality, and finance systems.

Was taken up.

Thereupon, the bill was read the second time by title only pursuant to Rule 43 and pending the question, Shall the bill be read a third time?, Senators Hardy, Bongartz, Baruth and Ram Hinsdale moved that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

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

#### **Sec. 1. FINDINGS; INTENT; PLAN**

##### **(a) The General Assembly finds that:**

(1) In 1997, the first piece of law the General Assembly enacted in response to the Brigham decision stated, "[t]he right to public education is integral to Vermont's constitutional form of government and its guarantees of political and civil rights...[and] fundamental for the success of Vermont's children in a rapidly-changing society and global marketplace as well as the State's own economic and social prosperity." 16 V.S.A. § 1.

(2) From the very first attempt at creating a basic frame of government, Vermont's founders chose to include a right to public education, the only governmental service included in Vermont's first Constitution of 1777.

(3) As the U.S. Supreme Court stated in Brown v. Board of Education, 347 U.S. 483 (1954), "education is perhaps the most important function of state and local governments...[i]t is required in the performance of our most basic public responsibilities...[i]t is the very foundation of good citizenship."

(4) The most enduring legacy of *Brigham v. State*, 166 Vt. 246 (1997) is the State's responsibility to ensure substantially equal educational opportunities for all Vermont students.

(5) The education system is still reeling from the effects of a global pandemic, yet the same challenges that have faced Vermont's education system remain. Thirty to 40 years ago, Vermont educated more than 110,000 students each year. Today, there are approximately 84,000 students in the public education system. Many schools have lost a significant number of students and, with them, the ability to offer robust services and programs at every school. Vermont's youth need to be prepared for a rapidly evolving future.

(6) Vermonters deserve an exceptional educational system that is stable and predictable and where a student's home address does not dictate the quality of education they receive. School district size and boundaries, school size, and class size are all influential factors in shaping the quality of instruction and overall student outcomes. The effectiveness of our schools depends on teacher quality, resource availability, and the unique strengths of local communities. Change in our educational system is needed. Systems are made of people, so change must come carefully and thoughtfully, with meaningful engagement by all Vermonters.

(b) Intent; plan.

(1) To ensure each student is provided substantially equal educational opportunities that will prepare them to thrive in a 21st-century world, it is the intent of the General Assembly to work strategically, intentionally, and thoughtfully to ensure that each incremental change made to Vermont's public education system provides strength and support to its only constitutionally required governmental service.

(2) It is further the intent of the General Assembly to:

(A) in the 2026 session:

(i) enact new, larger school district boundaries that would be effective July 1, 2027;

(ii) enact updates to career and technical education governance systems, both at the local and statewide levels, that are reflective of the larger public education governance transformation to new, larger school districts; and

(iii) create a coordinated and coherent statewide strategy for career and technical education that is responsive to students and the State's workforce needs and that provides opportunities for more integration between career and technical education and traditional high school work;



(B) provide or enable the provision of the necessary staffing, resources, and support to the Agency of Education, the Secretary of State's Office, town clerks, and other integral parties to the election system to hold the first school board member elections within the newly created school districts in a special election in March 2028; and

(C) provide or enable the provision of the necessary staffing, resources, and support to the Agency of Education, State Board of Education, and other integral parties to ensure that the necessary guidance and funding is in place to allow for a smooth and successful transition between the operation of Vermont's current 119 school districts to the new, larger school districts, with new school districts assuming responsibility for the education of all resident students on July 1, 2029.

\* \* \* Commission on the Future of Public Education \* \* \*

Sec. 2. 2024 Acts and Resolves No. 183, Sec. 1 is amended to read:

Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC  
EDUCATION; REPORTS

(a) Creation. There is hereby created the Commission on the Future of Public Education in Vermont. The right to education is fundamental for the success of Vermont's children in a rapidly changing society and global marketplace as well as for the State's own economic and social prosperity. The Commission shall study the provision of education in Vermont and make recommendations for a statewide vision for Vermont's public education system to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system. The Commission shall also make recommendations for the strategic policy changes necessary to make Vermont's educational vision a reality for all Vermont students.

(b) Membership. The Commission shall be composed of the following members and, to the extent possible, the members shall represent the State's geographic, gender, racial, and ethnic diversity:

- (1) the Secretary of Education or designee;
- (2) the Chair of the State Board of Education or designee;
- (3) the Tax Commissioner or designee;
- (4) one current member of the House of Representatives, appointed by the Speaker of the House;
- (5) one current member of the Senate, appointed by the Committee on Committees;

(6) one representative from the Vermont School Boards Association (VSBA), appointed by the VSBA Executive Director;

(7) one representative from the Vermont Principals' Association (VPA), appointed by the VPA Executive Director;

(8) one representative from the Vermont Superintendents Association (VSA), appointed by the VSA Executive Director;

(9) one representative from the Vermont National Education Association (VTNEA), appointed by the VTNEA Executive Director;

(10) one representative from the Vermont Association of School Business Officials (VASBO) with experience in school construction projects, appointed by the President of VASBO;

(11) the Chair of the Census-Based Funding Advisory Group, created under 2018 Acts and Resolves No. 173;

(12) the Executive Director of the Vermont Rural Education Collaborative; and

(13) one representative from the Vermont Independent Schools Association (VISA), appointed by the President of VISA.

(c) Steering group. On or before July 1, 2024, the Speaker of the House shall appoint two members of the Commission, the Committee on Committees shall appoint two members of the Commission, and the Governor shall appoint two members of the Commission to serve as members of a steering group. The steering group shall provide leadership to the Commission and shall work with a consultant or consultants to analyze the issues, challenges, and opportunities facing Vermont's public education system, as well as develop and propose a work plan to formalize the process through which the Commission shall seek to achieve its final recommendations. The formal work plan shall be approved by a majority of the Commission members. The steering group shall ~~form a subcommittee of the Commission to address education finance topics in greater depth and~~ may form one or more additional subcommittees of the Commission to address ~~other~~ key topics in greater depth, as necessary. ~~The steering group may appoint non-Commission members to the education finance subcommittee. All other subcommittees shall be composed solely of Commission members.~~

(d) Collaboration and information review.

(1) The Commission ~~shall~~ may seek input from and collaborate with key stakeholders, as directed by the steering group. At a minimum, the Commission shall consult with:

- (A) the Department of Mental Health;
- (B) the Department of Labor;
- (C) the President of the University of Vermont or designee;
- (D) the Chancellor of the Vermont State Colleges Corporation or designee;
- (E) a representative from the Prekindergarten Education Implementation Committee;
- (F) the Office of Racial Equity;
- (G) a representative with expertise in the Community Schools model in Vermont;
- (H) the Vermont Youth Council;
- (I) the Commission on Public School Employee Health Benefits; and
- (J) an organization committed to ensuring equal representation and educational equity.

(2) The Commission shall also review and take into consideration existing educational laws and policy, including legislative reports the Commission deems relevant to its work and, at a minimum, 2015 Acts and Resolves No. 46, 2018 Acts and Resolves No. 173, 2022 Acts and Resolves No. 127, and 2023 Acts and Resolves No. 76.

(e) Duties of the Commission. The Commission shall study Vermont's public education system and make recommendations to ensure all students are afforded quality educational opportunities in an efficient, sustainable, and equitable education system that will enable students to achieve the highest academic outcomes. The result of the Commission's work shall be a ~~recommendation for a statewide vision for Vermont's public education system, with recommendations for the policy changes necessary to make Vermont's educational vision a reality~~ recommendations for the State-level education governance system, including the roles and responsibilities of the Agency of Education and the State Board of Education. In creating and making its recommendations, the Commission shall engage in the following:

(1) Public engagement. The Commission shall conduct not fewer than 14 public meetings to inform the work required under this section. At least one meeting of the Commission as a whole or a subcommittee of the Commission shall be held in each county. The Commission shall publish a draft of its final recommendations on or before October 1, 2025, solicit public feedback, and incorporate such feedback into its final recommendations. When submitting its final recommendations to the General Assembly, the

Commission shall include all public feedback received as an addendum to its final report. The public feedback process shall include:

(A) a minimum 30-day public comment period, during which time the Commission shall accept written comments from the public and stakeholders; and

(B) a public outreach plan that maximizes public engagement and includes notice of the availability of language assistance services when requested.

(2) Policy considerations. In developing its recommendations, the Commission shall consider and prioritize the following topics:

(A) Governance, resources, and administration. The Commission shall study and make recommendations regarding education governance at the State level, including the role of the Agency of Education in the provision of services and support for the education system. Recommendations under this subdivision (A) shall include, at a minimum, the following:

(i) whether changes need to be made to the structure of the Agency of Education, including whether it better serves the recommended education vision of the State as an agency or a department;

(ii) what are the staffing needs of the Agency of Education;

(iii) whether changes need to be made to the composition, role, and function of the State Board of Education to better serve the recommended education vision of the State;

(iv) what roles, functions, or decisions should be a function of local control and what roles, functions, or decisions should be a function of control at the State level, including whether there should be a process for the community served by an elementary school to have a voice in decisions regarding school closures and, if so, recommendations for what that process shall entail; and

~~(v) the effective integration of career and technical education in the recommended education vision of the State~~ how to maintain and improve community engagement and local decision-making with transitional and new school boards and how to improve voter turnout for school elections throughout the creation and implementation of new school districts and a new school funding formula; and

(vi) an analysis of the impact of health care costs on the Education Fund, including recommendations for whether, and if so, what, changes need to be made to contain costs.

~~(B) Physical size and footprint of the education system. The Commission shall study and make recommendations regarding how the unique geographical and socioeconomic needs of different communities should factor into the provision of education in Vermont, taking into account and building upon the recommendations of the State Aid to School Construction Working Group. Recommendations under this subdivision (B) shall include, at a minimum, the following:~~

~~(i) an analysis and recommendation for the most efficient and effective number and location of school buildings, school districts, and supervisory unions needed to achieve Vermont's vision for education, provided that if there is a recommendation for any change, the recommendation shall include an implementation plan;~~

~~(ii) an analysis of the capacity and ability to staff all public schools with a qualified workforce, driven by data on class-size recommendations;~~

~~(iii) analysis of whether, and if so, how, collaboration with Vermont's postsecondary schools may support the development and retention of a qualified educator workforce;~~

~~(iv) an analysis of the current town tuition program and whether, and if so, what, changes are necessary to meet Vermont's vision for education, including the legal and financial impact of funding independent schools and other private institutions, including consideration of the following:~~

~~(I) the role designation, under 16 V.S.A. § 827, should play in the delivery of public education; and~~

~~(II) the financial impact to the Education Fund of public dollars being used in schools located outside Vermont; and~~

~~(v) an analysis of the current use of private therapeutic schools in the provision of special education services and whether, and if so, what, changes are necessary to meet Vermont's special education needs, including the legal and financial impact of funding private therapeutic schools.~~  
~~[Repealed.]~~

~~(C) The role of public schools. The Commission shall study and make recommendations regarding the role public schools should play in both the provision of education and the social and emotional well-being of students. Recommendations under this subdivision (C) shall include, at a minimum, the following:~~

~~(i) how public education in Vermont should be delivered;~~

~~(ii) whether Vermont's vision for public education shall include the provision of wraparound supports and collocation of services;~~

~~(iii) whether, and if so, how, collaboration with Vermont's postsecondary schools may support and strengthen the delivery of public education; and~~

~~(iv) what the consequences are for the Commission's recommendations regarding the role of public schools and other service providers, including what the role of public schools means for staffing, funding, and any other affected system, with the goal of most efficiently utilizing State funds and services and maximizing federal funding. [Repealed.]~~

~~(D) Education finance system. The Commission shall explore the efficacy and potential equity gains of changes to the education finance system, including weighted educational opportunity payments as a method to fund public education. The Commission's recommendations shall be intended to result in an education funding system designed to afford substantially equal access to a quality basic education for all Vermont students in accordance with State v. Brigham, 166 Vt. 246 (1997). Recommendations under this subdivision (D) shall include, at a minimum, the following:~~

~~(i) allowable uses for the Education Fund that shall ensure sustainable and equitable use of State funds;~~

~~(ii) the method for setting tax rates to sustain allowable uses of the Education Fund;~~

~~(iii) whether, and if so, what, alternative funding models would create a more affordable, sustainable, and equitable education finance system in Vermont, including the consideration of a statutory, formal base amount of per-pupil education spending and whether school districts should be allowed to spend above the base amount;~~

~~(iv) adjustments to the excess spending threshold, including recommendations that target specific types of spending;~~

~~(v) the implementation of education spending caps on different services, including administrative and support services and categorical aid;~~

~~(vi) how to strengthen the understanding and connection between school budget votes and property tax bills;~~

~~(vii) adjustments to the property tax credit thresholds to better match need to the benefit;~~

~~(viii) a system for ongoing monitoring of the Education Fund and Vermont's education finance system, to include consideration of a standing Education Fund advisory committee;~~

~~(ix) an analysis of the impact of healthcare costs on the Education Fund, including recommendations for whether, and if so, what, changes need to be made to contain costs; and~~

~~(x) implementation details for any recommended changes to the education funding system. [Repealed.]~~

(E) Additional considerations. The Commission may consider any other topic, factor, or issue that it deems relevant to its work and recommendations.

(f) Reports. The Commission shall prepare and submit to the General Assembly the following:

(1) a formal, written work plan, which shall include a communication plan to maximize public engagement, on or before September 15, 2024;

(2) a written report containing its preliminary findings and recommendations, including short-term cost containment considerations for the 2025 legislative session, on or before December 15, 2024; and

(3) a written report containing its final findings and recommendations ~~for a statewide vision for Vermont's public education system and the policy changes necessary to make that educational vision a reality~~ based on its analysis of the State-level governance topics contained in subdivision (e)(2)(A) of this section, on or before December 1, 2025; ~~and~~

~~(4) proposed legislative language to advance any recommendations for the education funding system on or before December 15, 2025.~~

(g) Assistance. The Agency of Education shall contract with one or more independent consultants or facilitators to provide technical and legal assistance to the Commission for the work required under this section. For the purposes of scheduling meetings and providing administrative assistance, the Commission shall have the assistance of the Agency of Education. The Agency shall also provide the educational and financial data necessary to facilitate the work of the Commission. School districts shall comply with requests from the Agency to assist in data collections.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Commission to occur on or before July 15, 2024.

(2) The Speaker of the House and the President Pro Tempore shall jointly select a Commission chair.

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

(4) Meetings shall be conducted in accordance with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(5) The Commission shall cease to exist on December 31, 2025.

(i) Compensation and reimbursement. Members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 30 meetings, including subcommittee meetings. These payments shall be made from monies appropriated to the Agency of Education.

\* \* \* School District Redistricting \* \* \*

### Sec. 3. SCHOOL DISTRICT REDISTRICTING TASK FORCE; REPORT

(a) Creation. There is created the School District Redistricting Task Force to recommend new school district boundaries and configurations to the General Assembly.

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

(1) the Director of the Vermont Center for Geographic Information;

(2) the Chair of the Vermont School Boards Association or designee;

(3) the Secretary of Education or designee;

(4) the Chair of the Vermont Superintendents Association or designee;

(5) the Chair of the Vermont Association of Planning and Development Agencies or designee;

(6) two members, appointed by the Speaker of the House:

(A) one member who shall be a current member of the House of Representatives; and

(B) one member with expertise in education data analysis who shall not be a current member of the House of Representatives;

(7) two members, appointed by the Senate Committee on Committees:

(A) one member who shall be a current member of the Senate; and

(B) one member with expertise in GIS analysis who shall not be a current member of the Senate;



(8) the chair of the Commission on the Future of Public Education or designee; and

(9) the Executive Director of the Vermont Association of School Business Officials or designee.

(c) Powers and duties. In consultation with the Commission on the Future of Public Education, the Task Force shall study and consider different configurations for school district consolidation and propose not fewer than three options for new school district boundaries. At least one boundary proposal recommendation shall consider the use of supervisory unions and supervisory districts, allow for the continuation of a tuitioning system that provides continued access to independent schools that have served geographic areas that do not operate public schools for the grades served by the independent schools, and to the extent practical, not separate geographic areas that contain nonoperating school districts as such districts exist on July 1, 2025.

(1) Proposed new school districts shall not have an average daily membership of more than 8,000 prekindergarten through grade 12 students.

(2) Proposed new school districts shall also be, to the greatest extent possible, grand list and pupil count balanced, demographically equitable, logistically feasible, and create the least amount of disruption to students as possible.

(3) In creating the proposed districts, the Task Force shall consider:

(A) current school district and town boundaries and other historic and current community connections, including access to regional services for students, such as designated agencies;

(B) geographic barriers, including mountains and rivers;

(C) population distribution;

(D) location, capacity, and the facility condition index score of current school buildings;

(E) transportation and employment patterns and practices;

(F) grand list values and current education spending;

(G) student demographics;

(H) the debt, liabilities, and assets of current school districts;

(I) staffing levels and salary scales; and

(J) any other factor the Task Force deems relevant.

(4) The report of the Task Force shall include detailed maps for each proposal, which shall include:

- (A) boundaries of the new proposed school districts;
- (B) average daily membership for the new proposed school districts;
- (C) grand list value of the new proposed school districts; and
- (D) the pros and cons for each proposal.

(5) The Task Force shall hold not fewer than two public hearings to receive and consider feedback from members of the public regarding school district consolidation and proposed boundaries and may coordinate with the Commission on the Future of Public Education's public engagement process to maximize public input regarding the development of the proposed new school district boundaries.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Agency of Digital Services, Vermont Center for Geographic Information. The Task Force may also retain the services of one or more independent third parties to provide contracted resources as the Task Force deems necessary.

(e) Report and maps. On or before November 1, 2025, the Task Force shall submit a written report to the House Committees on Education and on Government Operations and Military Affairs and the Senate Committees on Education and on Government Operations with its proposals for new consolidated school district boundaries. The report shall include how each proposal meets the requirements contained in subdivisions (c)(1) and (2) of this section, how the considerations in subdivision (c)(3) of this section factored into each proposal, and the pros and cons of each proposal. The detailed maps required under subdivision (c)(4) of this section shall also be included with the report.

(f) Meetings.

(1) The Chair of the Vermont School Boards Association shall call the first meeting of the Task Force to occur on or before July 15, 2025.

(2) The Chair of the Vermont School Boards Association shall be the chair.

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

(4) The Task Force shall cease to exist on May 31, 2026.

(g) Compensation and reimbursement. Members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted

under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Agency of Digital Services.

(h) Appropriation. The sum of \$100,000.00 is appropriated to the Office of Legislative Counsel from the General Fund in fiscal year 2026 to hire one or more consultants pursuant to subsection (d) of this section.

### Sec. 3a. TRANSITIONAL SCHOOL BOARDS; TRANSITION GRANTS

(a) Definitions. As used in this section:

(1) “Base amount” means a per pupil amount of \$15,033.00, which shall be adjusted for inflation annually on or before November 15 by the Secretary of Education. As used in this subdivision, “adjusted for inflation” means adjusting the base 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.

(2) “Forming districts” means all school districts, including union school districts, that are located within the geographical boundaries of a new school district created by the General Assembly during the 2026 session, prior to the operational date of the new school district.

(3) “New school district” means a larger, consolidated school district created by the General Assembly during the 2026 session.

(4) “New school district school board” means the elected school board of a new school district.

(5) “Operational date” means the date on which the new school district will assume full and sole responsibility for the education of all resident students in the grades for which it is organized.

(b) Creation of transitional school boards. On or before January 1, 2027, a transitional school board shall be formed for each new school district created by the General Assembly during the 2026 session. Each transitional school board shall be composed of the chair of each school board from each of the forming districts, as such school boards existed on December 31, 2026; provided, however, that by majority vote the board of a forming district may designate another board member to serve on the transitional board instead of the chair.

(c) Initial meeting of transitional board. The superintendent of the supervisory union with the forming district with the highest average daily membership shall convene the first meeting of the transitional board to occur

not later than 14 days after the organizational meeting of the new school district. The agenda for the first meeting of the transitional board shall include the election by the transitional board members of:

- (1) one of their members to serve as chair of the transitional board; and
- (2) one of their members to serve as clerk of the transitional board.

(d) Duties and authority of transitional board. During the period of its existence, the transitional board shall serve as the new district's school board and shall perform all functions required of and have all authority granted to the transitional board and the new school district school board, including:

- (1) preparing an initial budget for the new school district;

(2) following the principles of apportionment followed by the legislative apportionment board, create voting districts within each new school district that are compact, contiguous, and drawn to achieve substantially equal weighting of votes and that meet the requirements of applicable State and federal law to allow for initial elections of the new school district school board members to occur in March 2028; and

- (3) performing all necessary transitional processes, including:

(A) the transitional processes enumerated in 16 V.S.A. § 716;

(B) the hiring of a superintendent; and

(C) any other business process necessary to ensure the new school district is ready to assume the full and sole responsibility for the education of all resident students in the grades for which it is organized on July 1, 2029.

(e) New school district school board. The transitional board shall cease to exist and the new school district school board shall be solely responsible for the governance of the new school district upon the swearing in of all new school district school board members, which shall occur within 14 days after the initial election of new school district school board members in March 2028.

(f) Transition facilitation grants.

(1) Upon notice of formation of a transitional school board pursuant to subsection (b) of this section, the Secretary of Education shall pay the transitional school board of each new school district a transition facilitation grant from the Education Fund equal to the lesser of:

(A) five percent of the base amount, as defined in subdivision (a)(1) of this section, multiplied by the greater of either the combined enrollment or the average daily membership of the forming districts on October 1, 2026; or

(B) \$250,000.00.

(2) Grants awarded under this subsection shall be used by new school districts for the legal and other consulting services necessary ensure new school districts are fully operational on July 1, 2029.

\* \* \* Scale \* \* \*

Sec. 4. SCALE; INTENT

It is the intent of the General Assembly to transform education in Vermont by leveraging attainable and research-based scale to increase equity of opportunity and promote efficiency and affordability.

Sec. 5. 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, shall meet the following education quality standards:

\* \* \*

(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.

(A) Class size standards.

(i) The average class size minimum for kindergarten and first grade classes shall be 10 students.

(ii) The average class size minimum for grades two through five shall be 12 students.

(iii) The average class size minimum for grades six through eight in all required content areas shall be 15 students.

(iv) The average class size minimum for grades nine through 12 in all required content area classes shall be 18 students.

(v) Multiage classrooms for grades kindergarten through eight shall be limited to two grade levels per classroom.

(vi) Prekindergarten, career and technical education, flexible pathways, terminal courses, advanced placement courses, courses that require specialized equipment, and driver's education classes shall be excluded from the class size minimum requirements in this subdivision (9). Small group services for the purpose of providing special education, supplemental or targeted academic intervention, or English learner instruction shall also be excluded from the class size minimum requirements in this subdivision (9).

(vii) Class sizes shall not exceed the maximum occupancy limits established by local and State fire codes, including egress and safety requirements.

(B) Waivers. If a school board 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 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. 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 are provided educational opportunities substantially equal to those provided in other public schools. 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, ~~he or she~~ the Secretary shall describe in writing actions that a district 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 ~~of 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) the State Board adjust supervisory union boundaries or responsibilities of the superintendency pursuant to section 261 of this title;

(3) 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) 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) the State Board require two or more school districts to consolidate their governance structures.

(c) The State Board, after offering the school board 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. 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 aggrieved by an order of the State Board may appeal the order in accordance with the Rules of Civil Procedure.

\* \* \*

(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, ~~he or she~~ the Secretary may recommend to the State Board one or more of the actions listed in subsection (b) of this section. The State Board shall then follow the procedure of subsection (c) of this section.

\* \* \*

(g) In addition to the education quality standards provided in subsection (a) of this section, each Vermont school district shall meet the school district quality standards adopted by rule of the Agency of Education regarding the business, facilities management, and governance practices of school districts. These standards shall include a process for school district quality reviews to be conducted by the Agency of Education. Annually, the Secretary shall publish metrics regarding the outcomes of school district quality reviews.

#### Sec. 6. FAILURE TO COMPLY WITH EDUCATION QUALITY STANDARDS; STATE BOARD ACTION

Notwithstanding 16 V.S.A. § 165(b)(4) and (5) and any other provision of law to the contrary, the State Board shall be prohibited from ordering school

district consolidation or school consolidation if a school fails to comply with class size minimum education quality standards and the resulting consolidation would result in school construction costs in excess of the applicable district's capital reserve account until the General Assembly establishes new school district boundaries and takes further action regarding the consequences for failure to meet education quality standards.

#### Sec. 7. STATE BOARD OF EDUCATION; RULES; REPORT

(a) Rules. On or before August 1, 2026, the State Board of Education shall initiate rulemaking to amend:

(1) The Education Quality Standards rule 2000 series, Agency of Education, Education Quality Standards (22-000-003), pursuant to 3 V.S.A. chapter 25 to ensure compliance with the class size minimum standards set pursuant to 16 V.S.A. § 165(a)(9).

(2) The approved independent school rule 2200 series, Agency of Education, Independent School Program Approval (22-000-004), pursuant to 3 V.S.A. chapter 25, to require approved independent schools that intend to accept public tuition to comply with the class size minimum standards set pursuant to 16 V.S.A. § 165(a)(9). The amendments shall also create a process for review by the State Board for failure to meet the class size minimum requirements and the corresponding actions the Board may take for such noncompliance; provided, however, that the Board shall provide an approved independent school a substantially similar opportunity to come into compliance with class size minimum standards that it would provide to a public school.

(b) Report. On or before December 1, 2025, the State Board of Education shall submit a written report to the House and Senate Committees on Education with proposed standards for schools to be deemed "small by necessity."

#### Sec. 8. PROHIBITION ON SCHOOL CLOSURE AND TRANSITION TO PAYING TUITION

Notwithstanding any provision of law to the contrary, a school district shall be prohibited from closing an existing public school and then providing for the education of its resident students by paying tuition for its students to attend a public or approved independent school chosen by the parents of the district's students. If a school district that closes an existing public school is unable to provide for the education of its affected resident students in a different school or schools operated by the district, the school district shall provide for the education of its resident students by designating three or fewer public schools to serve as the public school or schools of the district; provided, however, that



if the closed public school is located in a geographically isolated area, as defined by the State Board of Education, and there is no reasonably accessible public school to designate, the applicable school district may provide for the education of its affected resident students by offering tuition pursuant to 16 V.S.A. chapter 21. Notwithstanding any provision of law to the contrary, if designation is required pursuant to this section, the designation process contained in 16 V.S.A. § 827 shall apply to schools operating grades kindergarten through grade 12, or any subset of grades therein.

Sec. 9. 16 V.S.A. § 3440 is added to read:

§ 3440. STATEMENT OF POLICY

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.

Sec. 10. 16 V.S.A. § 3442 is added 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:

(1) reviewing all preliminary applications for State school construction aid and issuing an approval or denial in accordance with section 3445 of this chapter;

(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;

(4) developing a prequalification and review process for project delivery consultants and architecture and engineering firms specializing in

prekindergarten through grade 12 school design, renovation, or construction and maintaining a list of such prequalified firms and consultants;

(5) providing technical assistance and guidance to school districts and supervisory unions on all phases of school capital projects;

(6) providing technical advice and assistance, training, and education to school districts, supervisory unions, general contractors, subcontractors, construction or project managers, designers, and other vendors in the planning, maintenance, and establishment of school facility space;

(7) maintaining a current list of school construction projects that have received preliminary approval, projects that have received final approval, and the priority points awarded to each project;

(8) collecting, maintaining, and making publicly available quarterly progress reports of all ongoing school construction projects that shall include, at a minimum, the costs of the project and the time schedule of the project;

(9) recommending policies and procedures designed to reduce borrowing for school construction programs at both State and local levels;

(10) conducting a needs survey at least every five years to ascertain the capital construction, reconstruction, maintenance, and other capital needs for all public schools and maintaining such data in a publicly accessible format;

(11) developing a formal enrollment projection model or using projection models already available;

(12) encouraging school districts and supervisory unions to investigate opportunities for the maximum utilization of space in and around the district or supervisory union;

(13) collecting and maintaining a clearinghouse of prototypical school plans, as appropriate, that may be consulted by eligible applicants;

(14) retaining the services of consultants, as necessary, to effectuate the roles and responsibilities listed within this section; and

(15) notwithstanding 2 V.S.A. § 20(d), annually on or before December 15, submitting a written report to the General Assembly regarding the status and implementation of the State Aid for School Construction Program, including the data required to be collected pursuant to this section.

Sec. 11. 16 V.S.A. § 3443 is added to read:

§ 3443. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD

(a) Creation. There is hereby created the State Aid for School Construction Advisory Board, which shall advise the Agency on the implementation of the State Aid for School Construction Program in accordance with the provisions of this chapter, including the adoption of rules, setting of statewide priorities, criteria for project approval, and recommendations for project approval and prioritization.

(b) Membership.

(1) Composition. The Board shall be composed of the following eight members:

(A) four members who shall serve as ex officio members:

(i) the State Treasurer or designee;

(ii) the Commissioner of Buildings and General Services or designee;

(iii) the Executive Director of the Vermont Bond Bank or designee; and

(iv) the Chair of the State Board of Education or designee; and

(B) four members, none of whom shall be a current member of the General Assembly, who shall serve four-year terms as follows:

(i) two members, appointed by the Speaker of the House, each of whom shall have expertise in education or construction, real estate, or finance and one of whom shall represent a supervisory union; and

(ii) two members, appointed by the Committee on Committees, each of whom shall have expertise in education or construction, real estate, or finance and one of whom shall be an educator.

(2) Members with four-year terms.

(A) A member with a term limit shall serve a term of four years and until a successor is appointed. A term shall begin on January 1 of the year of appointment and run through December 31 of the last year of the term. Terms of these members shall be staggered so that not all terms expire at the same time.

(B) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term.

(C) A member with a term limit shall not serve more than two consecutive terms. A member appointed to fill a vacancy created before the

expiration of a term shall not be deemed to have served a term for the purpose of this subdivision (C).

(c) Duties. The Board shall advise the Agency on the implementation of the State Aid for School Construction Program in accordance with the provisions of this chapter, including:

(1) rules pertaining to school construction and capital outlay;

(2) project priorities;

(3) proposed legislation the Board deems desirable or necessary related to the State Aid for School Construction Program, the provisions of this chapter, and any related laws;

(4) policies and procedures designed to reduce borrowing for school construction programs at both State and local levels;

(5) development of a formal enrollment projection model or the consideration of using projection models already available;

(6) processes and procedures necessary to apply for, receive, administer, and comply with the conditions and requirements of any grant, gift, appropriation of property, services, or monies;

(7) the collection and maintenance of a clearinghouse of prototypical school plans that may be consulted by eligible applicants and recommended incentives to utilize such prototypes;

(8) the determination of eligible cost components of projects for funding or reimbursement, including partial or full eligibility for project components for which the benefit is shared between the school and other municipal and community entities;

(9) development of a long-term vision for a statewide capital plan in accordance with needs and projected funding;

(10) collection and maintenance of data on all public school facilities in the State, including information on size, usage, enrollment, available facility space, and maintenance;

(11) advising districts on the use of a needs survey to ascertain the capital construction, reconstruction, maintenance, and other capital needs for schools across the State; and

(12) encouraging school districts and supervisory unions to investigate opportunities for the maximum utilization of space in and around the district or supervisory union.

(d) Meetings.

(1) The Chair of the State Board of Education shall call the first meeting of the Board to occur on or before September 1, 2025.

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

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

(4) The Board shall meet not more than six times per year.

(e) Assistance. The Board shall have the administrative, technical, and legal assistance of the Agency of Education.

(f) Compensation and reimbursement. Members of the Board shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings per year.

(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.

Sec. 12. PROSPECTIVE REPEAL OF STATE AID FOR SCHOOL  
CONSTRUCTION ADVISORY BOARD

16 V.S.A. § 3443 (State Aid for School Construction Advisory Board) is repealed on July 1, 2035.

Sec. 13. 16 V.S.A. § 3444 is added to read:

§ 3444. SCHOOL CONSTRUCTION AID SPECIAL FUND

(a) Creation. There is created the School Construction Aid Special Fund, to be administered by the Agency of Education. Monies in the Fund shall be used for the purposes of:

(1) awarding aid to school construction projects under section 3445 of this title;

(2) awarding grants through the Facilities Master Plan Grant Program established in section 3441 of this title;

(3) funding administrative costs of the State Aid for School Construction Program; and

(4) awarding emergency aid under section 3445 of this title.

(b) Funds. The Fund shall consist of:

(1) any amounts transferred or appropriated to it by the General Assembly;

(2) any amounts deposited in the Fund from the Supplemental District Spending Reserve; and

(3) any interest earned by the Fund.

Sec. 14. 16 V.S.A. § 3445 is added 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; 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. Following submission of the Governor’s recommended budget to the General Assembly pursuant to 32 V.S.A. § 306, the House Committee on Education and the Senate Committee on Education shall recommend a total school construction appropriation for the next fiscal year to the General Assembly.

(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;

(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 20 percent of the eligible debt service cost of a project. Projects are eligible for additional bonus incentives as specified in rule for up to an additional 20 percent of the eligible debt service cost. Amounts shall be awarded annually.

(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.

(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.

Sec. 15. 16 V.S.A. § 3446 is added to read:

§ 3446. APPEAL

Any municipal corporation as defined in section 3447 of this title aggrieved by an order, allocation, or award of the Agency of Education may, within 30 days, appeal to the Superior Court in the county in which the project is located.

Sec. 16. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF RULES

(a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A. § 3448(e) and 3 V.S.A. chapter 25 is transferred from the State Board of Education to the Agency of Education.

(b) All rules pertaining to school construction and capital outlay adopted by the State Board of Education under 3 V.S.A. chapter 25 prior to July 1, 2026 shall be deemed the rules of the Agency of Education and remain in effect until amended or repealed by the Agency of Education pursuant to 3 V.S.A. chapter 25.

(c) The Agency of Education shall provide notice of the transfer to the Secretary of State and the Legislative Committee on Administrative Rules in accordance with 3 V.S.A. § 848(d)(2).

Sec. 17. REPEALS

(a) 16 V.S.A. § 3448 (approval of funding of school construction projects; renewable energy) is repealed on July 1, 2026.

(b) 16 V.S.A. § 3448a (appeal) is repealed on July 1, 2026.

Sec. 18. 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 Vermont resident 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;

(3) an independent school meeting education quality standards;

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

(5) an approved education program;

(6) an independent school in another state or country approved under the laws of that state or country, that complies with the reporting requirement under subsection 4010(c) of this title, 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.

(b) nor shall payment Payment of tuition on behalf of a person shall not be denied on account of age.

(c) Unless otherwise provided, a person who is aggrieved by a decision of a school board relating to eligibility for tuition payments, the amount of tuition payable, or the school the person may attend, may appeal to the State Board and its decision shall be final.

(d) As used in this section, “therapeutic approved independent school” means an approved independent school that limits enrollment for publicly funded students residing in Vermont to students who are on an individualized education program or plan under Section 504 of the Rehabilitation Act of

1973, 29 U.S.C. § 794, or who are enrolled pursuant to a written agreement between a local education agency and the school or pursuant to a court order.

Sec. 19. TUITION TRANSITION

A school district that pays tuition pursuant to the provisions of 16 V.S.A. chapter 21 in effect on June 30, 2025 shall continue to pay tuition on behalf of a resident student enrolled for the 2024–2025 school year in or who has been accepted for enrollment for the 2025–2026 school year by an approved independent school subject to the provisions of 16 V.S.A. § 828 in effect on June 30, 2025, until such time as the student graduates from that school.

\* \* \* Statewide Cohesion \* \* \*

Sec. 20. STATEWIDE COHESION; INTENT

It is the intent of the General Assembly to consolidate structures and systems that are foundational to the administration of education.

Sec. 21. AGENCY OF EDUCATION; REPORT

On or before December 1, 2025, the Agency of Education shall submit a written report and recommended legislative language, as applicable, to the House and Senate Committees on Education with the following:

(1) In consultation with educators and administrators, a proposed implementation plan for statewide financial data and student information systems.

(2) Recommendations for a school construction division within the Agency of Education, including position descriptions and job duties for each position within the division, a detailed description of the assistance the division would provide to the field, and the overall role the Agency would play within a State aid to school construction program.

(3) A progress report regarding the development of clear, unambiguous guidance that would be provided to school officials and school board members regarding the business processes and transactions that would need to occur to facilitate school district mergers into larger, consolidated school districts, including the merging of data systems, asset and liability transfers, and how to address collective bargaining agreements for both educators and staff. The report shall include a detailed description of how the Agency will provide support and consolidation assistance to the field in each of these areas and an estimate of the costs associated with such work.

(4) In consultation with superintendents, directors of therapeutic independent schools, special education directors, and, in the opinion of the Agency, other experts, recommendations for the need for cooperative

education services and the oversight of therapeutic schools within the school governance framework both at a State and local level.

\* \* \* State-Level Governance \* \* \*

Sec. 22. STATE-LEVEL GOVERNANCE; INTENT

It is the intent of the General Assembly to ensure that the State Board of Education is the independent, transparent, and public facing body for public education and to ensure the Board maintains its ability provide an important outlet for the public to engage in the rulemaking process and regularly provide public comment regarding the state of Vermont's education system.

Sec. 23. 16 V.S.A. § 161 is amended to read:

§ 161. STATE BOARD OF EDUCATION; APPOINTMENT OF MEMBERS; TERM; VACANCY

The State Board shall consist of ~~ten~~ 10 members. Two of the members shall be secondary students, one of whom shall be a full member and the other of whom shall be a junior member who may not vote. All Eight members, including the two student members, shall be appointed by the Governor with the advice and consent of the Senate. One member shall be appointed by the Speaker of the House and one member shall be appointed by the Senate Committee on Committees. In the appointment of the nonstudent members, priority shall be given to the selection of persons with a demonstrated commitment to ensuring quality education for Vermont students. To the extent possible, the members shall represent the State's geographic, gender, racial, and ethnic diversity. The Secretary shall serve on the State Board as a nonvoting member.

(1) Upon the expiration of the respective terms of those members of the Board previously appointed, excluding the student members, the ~~Governor~~ appointing authority that made the initial appointment to the expired term shall, biennially in the month of February with the advice and consent of the Senate, as applicable, appoint members for terms of six years. The terms shall begin March 1 of the year in which the appointments are made. A member serving a term of six years shall not be eligible for reappointment for successive terms.

(2) In the event of any vacancy occurring in the membership of the Board, the ~~Governor~~ appointing authority that made the initial appointment to the vacated term shall fill the vacancy with a qualified person whose appointment shall be for the unexpired portion of the term.

(3) Biennially, the Board shall choose a member of the Board to be its chair.

(4) Annually, using an application process that is open and accessible to all eligible students, the Governor shall appoint a Vermont secondary school student who will continue to be a secondary student for at least two years following taking office, to serve on the State Board for two years, beginning on July 1 of the year of appointment. The student member shall not vote during the first year and shall be a full and voting member during the second year of ~~his or her~~ the student's term.

Sec. 24. TRANSITION PERIOD APPOINTMENTS; STATE BOARD OF EDUCATION

(a) Members currently serving on the State Board of Education may continue to serve for the duration of the term to which they were appointed.

(b) Beginning on July 1, 2025, as terms of currently serving members expire, appointments of successors shall be made in accordance with the considerations and appointment authority contained in 16 V.S.A. § 161.

(1) The Speaker of the House shall make the first appointment to a vacant or expired seat that occurs after July 1, 2025 and shall make any subsequent appointments to fill the vacated or expired term for that same seat after the initial transition period appointment.

(2) The Senate Committee on Committees shall make the second appointment to a vacant or expired seat that occurs after July 1, 2025 and shall make any subsequent appointments to fill the vacated or expired term for that same seat after the initial transition period appointment.

(3) The Governor shall make the third appointment, with the advice and consent of the Senate, to a vacant or expired seat that occurs after July 1, 2025 and shall make any subsequent appointments to fill the vacated or expired term for that same seat after the initial transition period appointment.

(c) Once the first three appointments after July 1, 2025 are made in accordance with subsection (b) of this section, the Governor shall make all subsequent appointments for the remaining five non-student seats, with the advice and consent of the Senate, in accordance with 16 V.S.A. § 161.

Sec. 25. 16 V.S.A. § 162 is amended to read:

§ 162. REMOVAL OF BOARD MEMBERS

After notice and hearing, the Governor may remove a member of the State Board for incompetency, failure to discharge ~~his or her~~ the member's duties, malfeasance, illegal acts, or other cause inimical to the welfare of the public schools; and in case of such removal, ~~he or she~~ the appointing authority that made the initial appointment shall appoint a person to fill the unexpired term.

Sec. 26. STATE BOARD OF EDUCATION; REVIEW OF RULES;  
APPROPRIATION

(a) The State Board of Education shall review each rule series the State Board is responsible for and make a determination as to the continuing need for, appropriateness of, or need for updating of said rules. On or before December 1, 2026, the State Board of Education shall submit a written report to the House and Senate Committees on Education with its recommendation for rules that are no longer needed and a plan to update rules that are still necessary, including the order in which the Board proposes to update the rules and any associated costs or staffing needs.

(b) The sum of \$200,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2026 to provide the State Board of Education with the contracted resources necessary to review and update the Board's rules.

\* \* \* Tuition \* \* \*

Sec. 27. 16 V.S.A. § 823 is amended to read:

§ 823. ~~ELEMENTARY TUITION~~

~~(a) Tuition for elementary students shall be paid by the district in which the student is a resident. The district shall pay the full tuition charged its students attending a public elementary school to a receiving school an amount equal to the base amount contained in subdivision 4001(16) of this title multiplied by the sum of one and any weights applicable to the resident student under section 4010 of this title, for each resident student attending the receiving school. If a payment made to a public elementary school is three percent more or less than the calculated net cost per elementary pupil in the receiving school district for the year of attendance, the district shall be reimbursed, credited, or refunded pursuant to section 836 of this title. Notwithstanding the provisions of this subsection or of subsection 825(b) of this title, the boards of both the receiving and sending districts may enter into tuition agreements with terms differing from the provisions of those subsections, provided that the receiving district must offer identical terms to all sending districts, and further provided that the statutory provisions apply to any sending district that declines the offered terms.~~

~~(b) Unless the electorate of a school district authorizes payment of a higher amount at an annual or special meeting warned for the purpose, the tuition paid to an approved independent elementary school or an independent school meeting education quality standards shall not exceed the least of:~~

~~(1) the average announced tuition of Vermont union elementary schools for the year of attendance;~~

~~(2) the tuition charged by the approved independent school for the year of attendance; or~~

~~(3) the average per-pupil tuition the district pays for its other resident elementary students in the year in which the student is enrolled in the approved independent school. [Repealed.]~~

Sec. 28. REPEALS

16 V.S.A. §§ 824 (high school tuition), 825 (maximum tuition rate; calculated net cost per pupil defined), 826 (notice of tuition rates; special education charges), and 836 (tuition overcharge or undercharge) are repealed on July 1, 2029.

\* \* \* Special Education Delivery \* \* \*

Sec. 29. STATE OF SPECIAL EDUCATION DELIVERY; AGENCY OF  
EDUCATION; REPORT

(a) On or before September 1, 2025, the Agency of Education shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance addressing the factors contributing to growth in extraordinary special education reimbursement costs. The report shall include detailed information regarding the current state of special education delivery in Vermont, including an update on the implementation of special education changes enacted pursuant to 2018 Acts and Resolves No. 173 (Act 173). The report shall include a description of the current state of support for students with disabilities in Vermont and recommended changes to structure, practice, and law with the goal of:

(1) improving the delivery of special education services and managing the rising extraordinary special education costs as Vermont's special education finance system transitions from a census block grant to a weight for special education costs;

(2) ensuring better, more inclusive services in the least restrictive environment in a way that makes efficient and effective use of limited resources while resulting in the best outcomes;

(3) responding to the challenges of fully implementing Act 173 and the lessons learned from implementation efforts to date;

(4) ensuring that the delivery of special education is responsive to student needs; and

(5) addressing drivers of growth of extraordinary expenditures in special education.

(b) The report shall include:

(1) An analysis of the costs of and services provided for students with extraordinary needs in specialized settings, separated by school-district-operated specialized programs, independent nonprofit programs, and independent for-profit programs. The report shall include a geographic map with the location of all specialized programs within the State of Vermont, as well as the following information for each individual specialized program:

(A) disability categories served;

(B) grade levels served;

(C) the number of students with IEPs and the average duration of time each student spent in the program over the last 10 years;

(D) average cost per pupil, inclusive of extraordinary spending and any costs in excess of general tuition rates;

(E) years of experience, training, and tenure of licensed special education staff;

(F) a review of the findings of all investigations conducted by the Agency of Education; and

(G) a review of the Agency's public assurance capabilities, with respect to special education programs in all settings, and an analysis of the effectiveness of current oversight or rule, and recommended changes if needed.

(2) An evaluation of the state of implementation of Act 173, including examples of where implementation has been successful, where it has not, and why.

(3) Identification of drivers of accelerating costs within the special education system.

(4) Identification of barriers to the success of students with disabilities.

(5) A description of how specialized programs for students with extraordinary needs operated by school districts, independent nonprofit schools, and independent for-profit schools are funded, with an analysis of the benefits and risks of each funding model.

(6) An assessment of whether Vermont's current special education laws ensure equitable access for all students with disabilities to education alongside their peers in a way that is consistent with the Vermont education quality standards for public schools and the right to a free appropriate public



education (FAPE) under the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482.

(7) A review of the capacity of the Agency to support and guide school districts on the effective support of students with disabilities, as well as compliance with federal law, which shall include:

(A) a review of final reports of investigations conducted by the Agency in school-district-operated specialized programs, independent nonprofit programs, and independent for-profit programs in the previous 10 years and an evaluation of what practices could reduce adverse findings in these settings;

(B) an assessment of the ability of the State to ensure State resources are used in the most efficient and effective way possible to support the success of students with disabilities and their access to a free and appropriate public education;

(C) a review of any pending and recent federal findings against the State or school districts, as well as progress on corrective actions;

(D) a review of the Agency's staffing and capacity to review and conduct monitoring and visits to schools, especially independent settings;

(E) a description of the process and status of reviews and approvals of approved independent schools that provide special education and therapeutic schools; and

(F) recommendations for whether the Agency has capacity to ensure timely review of approved independent schools and provide sufficient oversight for specialized programs in nonprofit independent schools and for-profit independent schools.

(8) Recommendations for needed capacity at the Agency to provide technical assistance and support to school districts in the provision of special education services.

(9) An analysis of whether more strategic support for better primary first instruction and more successful implementation of Act 173 needs to be in place for a weighted funding model for special education to succeed, including a suggested transition timeline, with indicators, to be incorporated into the Agency's strategic plan.

(10) If warranted, a review of options for changes to practice, structure, and law that ensure students with disabilities are provided access to quality education, in the least restrictive environment, in a cost-effective way that is consistent with State and federal law, which may include a review of the

possible role of BOCES and the impact of larger districts on effective, high-quality support for students with disabilities.

Sec. 30. SPECIAL EDUCATION STRATEGIC PLAN; AGENCY OF EDUCATION

(a) Strategic plan. In consultation with the State Advisory Panel on Special Education established under 16 V.S.A. § 2945, the Agency of Education shall develop a three-year strategic plan for the delivery of special education services in Vermont. The strategic plan shall include unambiguous measurable outcomes and a timeline for implementation. The strategic plan shall be informed by the analysis and findings of the report required of the Agency under Sec. 29 of this act and be designed to ensure successful implementation of 2018 Acts and Resolves No. 173 (Act 173) and provide the supports and processes that need to be in place for the transition to a weighted funding model for special education to succeed, including a suggested transition timeline, with benchmarks for success. The strategic plan shall also include contingency recommendations for special education funding in the event federal special education funding under the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482, is no longer available or transitions to a system that requires more planning and management on the part of the State to ensure funds are distributed equitably.

(b) Reports.

(1) On or before December 1, 2025, the Agency shall submit the three-year strategic plan created pursuant to subsection (a) of this section to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance.

(2) On or before December 1 of 2026, 2027, 2028, and 2029, the Agency shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with a detailed update on the Agency's implementation of its strategic plan and any recommendations for legislative changes needed to ensure a successful transition to a weighted funding model and continued successful implementation of Act 173.

Sec. 31. POSITION; AGENCY OF EDUCATION

(a) Establishment of one new permanent, classified position is authorized in the Agency of Education in fiscal year 2026, to support development and implementation of the three-year strategic plan required under Sec. 30 of this act.

(b) The sum of \$150,000.00 is appropriated from the General Fund to the Agency of Education's base budget in fiscal year 2026 for the purposes of

funding the position created in subsection (a) of this section. The Agency shall include funding for this permanent position in their annual base budget request in subsequent years.

\* \* \* Agency of Education Transformation Support \* \* \*

Sec. 32. AGENCY OF EDUCATION; TRANSFORMATION  
APPROPRIATION

The sum of \$3,400,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2026 to support education transformation work as follows:

(1) \$200,000.00 to support school boards transitioning to new governance models as contemplated in this act;

(2) \$562,500.00 for positions established in Sec. 33 of this act; and

(3) \$2,637,500.00 for contracted services to support school districts with administrative activities relating to consolidation, including accounting, budget and operational practice, and to support education quality activities including the alignment of curricula, instructional materials, and teaching activities.

Sec. 33. EDUCATION TRANSFORMATION; POOL POSITIONS

The General Fund appropriation in Sec. 32 of this act shall fund five limited service classified positions taken from the position pool. The pool positions shall be used to establish the following limited service classified positions at the Agency of Education in fiscal year 2026 to support education transformation work:

(1) one Business Operations Support Specialist;

(2) one Data Integration Support Specialist;

(3) one Curriculum and Education Quality Standards Integration Specialist;

(4) one Learning and Teaching Integration Specialist; and

(5) one School Facilities Field Support Specialist.

\* \* \* State Funding of Public Education \* \* \*

Sec. 34. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

(1) ~~“Average daily membership” of a school district or, if needed in order to calculate the appropriate homestead tax rate, of the municipality as defined in 32 V.S.A. § 5401(9), in any year means:~~

\* \* \*

(6) ~~“Education spending” means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.~~

(A) ~~[Repealed.]~~

(B) ~~For all bonds approved by voters prior to July 1, 2024, voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12). [Repealed.]~~

\* \* \*

(13) ~~“Base education Categorical base amount” means a number used to calculate categorical grants awarded under this title that is equal to \$6,800.00 per equalized pupil, adjusted as required under section 4011 of this title.~~

(14) ~~“Per pupil education spending” of a school district in any school year means the per pupil education spending of that school district as determined under subsection 4010(f) of this title. [Repealed.]~~

\* \* \*

(16) “Base amount” means a per pupil cost-factor amount of \$15,033.00, which shall be adjusted for inflation annually on or before November 15 by the Secretary of Education. As used in this subdivision, “adjusted for inflation” means adjusting the base 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.

(17) “Educational opportunity payment” means the base amount multiplied by the school district’s weighted long-term membership as determined under section 4010 of this title.

Sec. 35. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP  
AND PER PUPIL EDUCATION SPENDING EDUCATION  
OPPORTUNITY PAYMENT

(a) Definitions. As used in this section:

(1) “EL pupils” means pupils described under section 4013 of this title.

(2) “FPL” means the Federal Poverty Level.

(3) “Weighting categories” means the categories listed under subsection (b) of this section.

(4) “Child with a disability” has the same meaning as in section 2942 of this title.

(5) “Disability” means any of:

(A) a specific learning disability or a speech or language impairment, each of which is identified as “Category A”;

(B) an emotional disturbance, intellectual disability, developmental delay, or other health impairment, each of which is identified as “Category B”;  
or

(C) autism spectrum disorder, deaf-blindness, hearing impairment, orthopedic impairment, traumatic brain injury, or visual impairment, each of which is identified as “Category C.”

(6) “English language proficiency level” means each of the English language proficiency levels published as a standardized measure of academic language proficiency in WIDA ACCESS for ELLs 2.0 and available to members of the WIDA consortium of state departments of education.

(7) “Newcomer or SLIFE” means a pupil identified as a New American or as a student with limited or interrupted formal education.

(b) Determination of average daily membership and weighting categories. On or before the first day of December during each school year, the Secretary shall determine the average daily membership, as defined in subdivision 4001(1) of this title, of each school district for the current school year and shall ~~perform the following tasks:~~

~~(1) Using~~ using average daily membership, list for each school district the number of:

~~(A) pupils in prekindergarten;~~

~~(B) pupils in kindergarten through grade five;~~

~~(C) pupils in grades six through eight;~~

~~(D) pupils in grades nine through 12;~~

~~(E)(1) pupils whose families are at or below 185 percent of FPL, using the highest number of pupils in the district:~~

~~(i)(A) that meet this definition under the universal income declaration form; or~~

~~(ii)(B) who are directly certified for free and reduced-priced meals;~~  
and

~~(F)(2) EL pupils that have been most recently assessed at an English language proficiency level of:~~

~~(A) Level 1;~~

~~(B) Level 2 or 3;~~

~~(C) Level 4; or~~

~~(D) Level 5 or 6;~~

~~(3) EL pupils that are identified as Newcomer or SLIFE; and~~

~~(4) Children with a disability whose disability is identified as:~~

~~(A) Category A;~~

~~(B) Category B; or~~

~~(C) Category C, provided that a child with multiple disabilities shall be counted solely under this subdivision (C).~~

~~(2)(A) Identify all school districts that have low population density, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, equaling:~~

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

~~(ii) 36 or more persons per square mile but fewer than 55 persons per square mile; or~~

~~(iii) 55 or more persons per square mile but fewer than 100 persons per square mile.~~

~~(B) Population density data shall be based on the best available U.S. Census data as provided to the Agency of Education by the Vermont Center for Geographic Information.~~

~~(C) Using average daily membership, list for each school district that has low population density the number of pupils in each of subdivisions (A)(i)–(iii) of this subdivision (2).~~

~~(3)(A) Identify all school districts that have one or more small schools, which are schools that have an average two-year enrollment of:~~

~~(i) fewer than 100 pupils; or~~

~~(ii) 100 or more pupils but fewer than 250 pupils.~~

~~(B) As used in subdivision (A) of this subdivision (3), “average two-year enrollment” means the average enrollment of the two most recently completed school years, and “enrollment” means the number of pupils who are enrolled in a school operated by the district on October 1. A pupil shall be counted as one whether the pupil is enrolled as a full-time or part-time student.~~

~~(C) Using average two-year enrollment, list for each school district that has a small school the number of pupils in each of subdivisions (A)(i)–(ii) of this subdivision (3).~~

(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. 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 (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.

(d) Determination of weighted long-term membership. For each weighting category ~~except the small schools weighting category under subdivision (b)(3) of this section~~, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.

(1) ~~The Secretary shall first apply grade level weights. Each pupil included in long-term membership shall count as one, multiplied by the following amounts:~~

~~(A) prekindergarten—negative 0.54;~~

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

~~(C) grades nine through 12—0.39. [Repealed.]~~

(2) ~~The Secretary shall next apply a weight for pupils whose family is at or below 185 percent of FPL. Each pupil included in long-term membership whose family is at or below 185 percent of FPL shall receive an additional weighting amount of 1.03~~ 1.02.

(3) ~~The Secretary shall next apply a weight for EL pupils. Each EL pupil included in long-term membership shall receive an additional weighting amount, based on the EL pupil's English language proficiency level, of 2.49:~~

(A) 2.11, if assessed as Level 1;

(B) 1.41, if assessed as Level 2 or 3;

(C) 1.20, if assessed as Level 4; or

(D) 0.12, if assessed as Level 5 or 6.

(4) ~~The Secretary shall then apply a weight for pupils living in low population density school districts. Each EL pupil that is a Newcomer or SLIFE included in long-term membership residing in a low population density school district, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, shall receive an additional weighting amount of:~~ 0.42

(A) ~~0.15, where the number of persons per square mile is fewer than 36 persons;~~

(B) ~~0.12, where the number of persons per square mile is 36 or more but fewer than 55 persons; or~~

(C) ~~0.07, where the number of persons per square mile is 55 or more but fewer than 100.~~

(5) ~~The Secretary shall lastly apply a weight for pupils who attend a small school. If the number of persons per square mile residing within the land area of the geographic boundaries of a school district as of July 1 of the year of determination is 55 or fewer, then, for each pupil listed under subdivision (b)(3)(C) of this section (pupils who attend small schools) Each child with a disability included in long-term membership shall receive an additional weighting amount, based on the categorization of the child's disability, of:~~

(A) ~~where the school has fewer than 100 pupils in average two-year enrollment, the school district shall receive an additional weighting amount of 0.21 for each pupil included in the small school's average two-year enrollment~~ 0.79, if the disability is identified as Category A; or



~~(B) where the small school has 100 or more but fewer than 250 pupils, the school district shall receive an additional weighting amount of 0.07 for each pupil included in the small school's average two-year enrollment 1.89, if the disability is identified as Category B; or~~

~~(C) 2.49, if the disability is identified as Category C.~~

(6) A school district's weighted long-term membership shall equal long-term membership plus the cumulation of the weights assigned by the Secretary under this subsection.

(e) Hold harmless. A district's weighted long-term membership shall in no case be less than 96 and one-half percent of its actual weighted long-term membership the previous year prior to making any adjustment under this subsection.

~~(f) Determination of per pupil education spending educational opportunity payment. As soon as reasonably possible after a school district budget is approved by voters, the Secretary shall determine the per pupil education spending for the next fiscal year for the school district. Per pupil education spending shall equal a school district's education spending divided by its weighted long-term membership The Secretary shall determine each school district's educational opportunity payment by multiplying the school district's weighted long-term membership determined under subsection (d) of this section by the base amount.~~

\* \* \*

(h) Updates to weights, base amount, and transportation reimbursement. On or before January 1, ~~2027~~ 2026 and on or before January 1 of every fifth year thereafter, the Agency of Education and the Joint Fiscal Office shall calculate, based on their consensus view, updates to the weights and the base amount, including any inflationary measure, to account for cost changes underlying those weights and shall issue a written report on their work to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance. The General Assembly shall update the weights under this section, the base amount, and transportation reimbursement under section 4016 of this title not less than every five years and the implementation date for the updated weights and transportation reimbursement shall be delayed by a year in order to provide school districts with time to prepare their budgets. Updates to the weights may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions.

Sec. 36. 16 V.S.A. § 4011 is amended to read:

§ 4011. EDUCATION PAYMENTS

(a) Annually, the General Assembly shall appropriate funds to pay for ~~statewide education spending~~ 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 ~~base education~~ categorical base amount for each adult education and secondary credential program student.

(b) For each fiscal year, the categorical ~~base education~~ amount shall be \$6,800.00, which shall be adjusted for inflation annually on or before November 15 by the Secretary of Education. As used in this subsection, "adjusted for inflation" means adjusting the categorical base 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 2005 through the fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount.

(c) Annually, each school district shall receive ~~an education spending payment~~ for support of education costs its educational opportunity payment determined pursuant to subsection 4010(f) of this chapter and a dollar amount equal to its supplemental district spending, if applicable to that school district, as defined in 32 V.S.A. § 5401. ~~An unorganized town or gore shall receive an amount equal to its per pupil education spending for that year for each student. No district shall receive more than its education spending amount.~~

(d) [Repealed.]

(e) [Repealed.]

(f) Annually, the Secretary shall pay to a local adult education and literacy provider, as defined in section 942 of this title, that provides an adult education and secondary credential program an amount equal to 26 percent of the categorical ~~base education~~ amount for each student who completes the diagnostic portions of the program, based on an average of the previous two years; 40 percent of the payment required under this subsection shall be from State funds appropriated from the Education Fund and 60 percent of the payment required under this subsection shall be from State funds appropriated from the General Fund.

\* \* \*

(i) Annually, on or before October 1, the Secretary shall send to school boards for inclusion in town reports and publish on the Agency website the following information:

~~(1) the statewide average district per pupil education spending for the current fiscal year; and~~

(2) a statewide comparison of student-teacher ratios among schools that are similar in number of students and number of grades.

Sec. 37. 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 school that:

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

(B) has been determined by the State Board of Education, on an annual basis, to be "small by necessity" under standards consistent with those submitted to the General Assembly pursuant to Sec. 7(b) of this act.

(3) "Sparse area" means a geographic area corresponding to a zip code where the number of persons per square mile residing within the land area of the geographic boundaries of the zip code as of July 1 of the year of determination is fewer than 55 persons.

(4) "Sparse school" means a school within a sparse area.

(4) "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 within 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 within 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.

Sec. 38. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) all revenue paid to the State from the statewide education tax on nonhomestead and homestead property under 32 V.S.A. chapter 135;

(2) all revenue paid to the State from the supplemental district spending tax imposed pursuant to 32 V.S.A. § 5402(f);

\* \* \*

(b) Monies in the Education Fund shall be used for the following:

\* \* \*

~~(3) To make payments required under 32 V.S.A. § 6066(a)(1) and only that portion attributable to education taxes, as determined by the Commissioner of Taxes, of payments required under 32 V.S.A. § 6066(a)(3).~~ The State Treasurer shall withdraw funds from the Education Fund upon warrants issued by the Commissioner of Finance and Management based on information supplied by the Commissioner of Taxes. The Commissioner of Finance and Management may draw warrants for disbursements from the Fund in anticipation of receipts. All balances in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund. Interest accruing from the Fund shall remain in the Fund.

\* \* \*

Sec. 39. 16 V.S.A. § 4026 is amended to read:

§ 4026. EDUCATION FUND BUDGET STABILIZATION RESERVE;  
CREATION AND PURPOSE

\* \* \*

~~(e) The enactment of this chapter and other provisions of the Equal Educational Opportunity Act of which it is a part have been premised upon estimates of balances of revenues to be raised and expenditures to be made under the act for such purposes as education spending payments, categorical~~

~~State support grants, provisions for property tax income sensitivity, payments in lieu of taxes, current use value appraisals, tax stabilization agreements, the stabilization reserve established by this section, and for other purposes. If the stabilization reserve established under this section should in any fiscal year be less than 5.0 percent of the prior fiscal year's appropriations from the Education Fund, as defined in subsection (b) of this section, the Joint Fiscal Committee shall review the information provided pursuant to 32 V.S.A. § 5402b and provide the General Assembly its recommendations for change necessary to restore the stabilization reserve to the statutory level provided in subsection (b) of this section.~~

Sec. 40. 16 V.S.A. § 4028 is amended to read:

§ 4028. FUND PAYMENTS TO SCHOOL DISTRICTS

(a) ~~On or before September 10, December 10, and April 30 of each school year, one-third of the education spending payment under section 4011 of this title each school district's educational opportunity payment as determined under subsection 4010(f) of this chapter and supplemental district spending, as defined in 32 V.S.A. § 5401, shall become due to school districts, except that districts that have not adopted a budget by 30 days before the date of payment under this subsection shall receive one-quarter of the base education amount and upon adoption of a budget shall receive additional amounts due under this subsection.~~

(b) Payments made for special education under chapter 101 of this title, for career technical education under chapter 37 of this title, and for other aid and categorical grants paid for support of education shall also be from the Education Fund.

(c)(1) ~~Any district that has adopted a school budget that includes high spending, as defined in 32 V.S.A. § 5401(12), shall, upon timely notice, be authorized to use a portion of its high spending penalty to reduce future education spending:~~

~~(A) by entering into a contract with an operational efficiency consultant or a financial systems consultant to examine issues such as transportation arrangements, administrative costs, staffing patterns, and the potential for collaboration with other districts;~~

~~(B) by entering into a contract with an energy or facilities management consultant; or~~

~~(C) by engaging in discussions with other school districts about reorganization or consolidation for better service delivery at a lower cost.~~

~~(2) To the extent approved by the Secretary, the Agency shall pay the district from the property tax revenue to be generated by the high spending increase to the district's spending adjustment as estimated by the Secretary, up to a maximum of \$5,000.00. For the purposes of this subsection, "timely notice" means written notice from the district to the Secretary by September 30 of the budget year. If the district enters into a contract with a consultant pursuant to this subsection, the consultant shall not be an employee of the district or of the Agency. A copy of the consultant's final recommendations or a copy of the district's recommendations regarding reorganization, as appropriate, shall be submitted to the Secretary, and each affected town shall include in its next town report an executive summary of the consultant's or district's final recommendations and notice of where a complete copy is available. No district is authorized to obtain funds under this section more than one time in every five years. [Repealed.]~~

\* \* \*

Sec. 41. 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 ~~ten~~ 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 homestead tax rate and ~~the percentage of household income used to determine income sensitivity in the district as a result of passage of the budget, including those portions of the tax rate attributable to supervisory union assessments~~ nonhomestead tax rate; and

(iv) the definition of ~~“education spending supplemental district spending,” the number of pupils and number of equalized pupils in long-term membership of the school district, and the district’s education spending per equalized pupil~~ supplemental district spending in the proposed budget and in each of the prior three years; and

(v) the supplemental district spending yield.

(D) The board shall present the 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 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 education supplemental district spending of \$ \_\_\_\_\_, which is \_\_\_\_\_% higher/lower than per pupil education supplemental district spending for the current year, and a supplemental district spending tax rate of \_\_\_\_\_ per \$100.00 of equalized education property value.”

\* \* \*

#### Sec. 42. REPEALS

(a) 16 V.S.A. § 4031 (unorganized towns and gores) is repealed.

(b) 2022 Acts and Resolves No. 127, Sec. 8 (suspension of excess spending penalty, hold harmless provision, and ballot language requirement) is repealed.

(c) 16 V.S.A. § 2961 (census grant; special education) is repealed.

Sec. 43. 16 V.S.A. § 4032 is added to read

§ 4032. SUPPLEMENTAL DISTRICT SPENDING RESERVE

(a) There is hereby created the Supplemental District Spending Reserve within the Education Fund. Any recapture, as defined in 32 V.S.A. § 5401, paid to the Education Fund as part of the revenue from the supplemental district spending tax imposed pursuant to 32 V.S.A. § 5402(f) shall be reserved within the Supplemental District Spending Reserve.

(b) In any fiscal year in which the amounts raised through the supplemental district spending tax imposed pursuant to 32 V.S.A. § 5402(f) are insufficient to cover payment to each school district of its supplemental district spending, the Supplemental District Spending Reserve shall be used by the Commissioner of Finance and Management to the extent necessary to offset the deficit as determined by generally accepted accounting principles.

(c) Any funds remaining in the Supplemental District Spending Reserve at the close of the fiscal year after accounting for the process under subsection (b) of this section shall be transferred into the School Construction Aid Special Fund established in section 3444 of this title.

Sec. 44. AGENCY OF EDUCATION; TRANSPORTATION  
REIMBURSEMENT GUIDELINES

On or before December 15, 2025, the Agency of Education shall submit a written report to the House Committees on Ways and Means and on Education and the Senate Committees on Finance and on Education on clear and equitable guidelines for minimum transportation to be provided and covered by transportation reimbursement grant under 16 V.S.A. § 4016 as part of Vermont's education transformation.

Sec. 45. REPORTS; JOINT FISCAL OFFICE; INFLATIONARY  
MEASURES; PREKINDERGARTEN EDUCATION FUNDING

(a) On or before December 15, 2025, the Joint Fiscal Office shall submit a report to the House Committees on Ways and Means and on Education and the Senate Committees on Finance and on Education that analyzes 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, and alternative inflationary measures that may be applied to state education funding systems. As part of the report, the Joint Fiscal Office shall analyze options and provide considerations for selecting an inflationary measure appropriate to Vermont's education funding system.

(b) On or before December 15, 2025, the Joint Fiscal Office shall submit a report to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Education on the current funding systems for prekindergarten education, the Child Care Financial



Assistance Program, or any other early care and learning systems. The report shall review financial incentives in these existing early care and learning systems. As part of the report, the Joint Fiscal Office shall provide considerations for changing the funding streams associated with these early care and learning systems to align with the education transformation initiatives envisioned in this act.

Sec. 45a. FOUNDATION FORMULA; JOINT FISCAL OFFICE; REPORT

(a) The Joint Fiscal Office shall contract with a contractor with expertise in Vermont's education funding system to develop a cost-factor foundation formula for Vermont's education system that includes tiered weights for CTE, English learners, and special education, and any other weights determined to be empirically necessary for an adequate and equitable education. The contractor shall recommend suitable geographic measures for determining sparsity within the foundation formula and shall specifically address the effects of using zip code as a geographic measure. The report shall include a detailed explanation of the analysis of the work done to arrive at the recommended weights and whether it costs more to educate a secondary student than an elementary student in Vermont. The contractor shall submit the foundation formula and analysis of geographic measures to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Education on or before December 1, 2026.

(b) The sum of \$150,000.00 is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2026 to hire a consultant for the purposes in subsection (a) of this section.

Sec. 45b. EDUCATIONAL OPPORTUNITY PAYMENTS; TRANSITION;  
FYS 2030–2033

(a) Notwithstanding 16 V.S.A. § 4001(16), in each of fiscal years 2030, 2031, 2032, and 2033, 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 2030, the transition gap multiplied by 0.80;
- (2) in fiscal year 2031, the transition gap multiplied by 0.60;
- (3) in fiscal year 2032, the transition gap multiplied by 0.40; and
- (4) in fiscal year 2033, the transition gap multiplied by 0.20.

(b) As used in this section:

(1) “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 2028 through the fiscal year for which the amount is being determined and rounding upward to the nearest whole dollar amount.

(2) “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) from the school district’s education spending in fiscal year 2028, as adjusted for inflation. The school district’s education spending shall be adjusted for inflation annually on or before November 15 by the Secretary of Education.

Sec. 45c. 32 V.S.A. § 5414 is amended to read:

§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

\* \* \*

(e) Meetings.

(1) The Commissioner of Taxes shall call the first meeting of the Committee to occur on or before July 15, 2025 2027.

\* \* \*

\* \* \* Education Property Tax Rate Formula \* \* \*

Sec. 46. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(8) ~~“Education spending” means “education spending” as defined in 16 V.S.A. § 4001(6). [Repealed.]~~

\* \* \*

(12) ~~“Excess spending” means:~~

~~(A) The per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b).~~

~~(B) In excess of 118 percent of the statewide average district per pupil education spending increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the~~

~~passed budgets to date. As used in this subdivision, “increased by inflation” means increasing the statewide average district per pupil education spending for fiscal year 2025 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2025 through the fiscal year for which the amount is being determined. [Repealed.]~~

~~(13)(A) — “Education property tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section.~~

~~(B) — “Education income tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section. [Repealed.]~~

\* \* \*

~~(15) “Property dollar equivalent yield” means the amount of per pupil education spending that would result if the homestead tax rate were \$1.00 per \$100.00 of equalized education property value and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained. [Repealed.]~~

~~(16) “Income dollar equivalent yield” means the amount of per pupil education spending that would result if the income percentage in subdivision 6066(a)(2) of this title were 2.0 percent and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained. [Repealed.]~~

~~(17) “Statewide adjustment” means the ratio of the aggregate education property tax grand list of all municipalities to the aggregate value of the equalized education property tax grand list of all municipalities. [Repealed.]~~

~~(18) “Recapture” means the amount of revenue raised through imposition of the supplemental district spending tax pursuant to subsection 5402(f) of this chapter that is in excess of the school district’s supplemental district spending.~~

~~(19) “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 10 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).~~

(20) “Supplemental district spending yield” means the amount of property tax revenue per long-term membership as defined in 16 V.S.A. § 4001(7) that would be raised in the school district with the lowest taxing capacity using a supplemental district spending tax rate of \$1.00 per \$100.00 of equalized education property value.

(21) “Per pupil supplemental district spending” means the per pupil amount of supplemental district spending resulting from dividing a school district’s supplemental district spending by its long-term membership as defined in 16 V.S.A. § 4001(7).

(22) “School district with the lowest taxing capacity” means the school district other than an interstate school district anticipated to have the lowest aggregate equalized education property tax grand list of its municipal members per long-term membership as defined in 16 V.S.A. § 4001(7) in the following fiscal year.

Sec. 47. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:

(1) ~~The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.~~

(2) ~~The tax rate for homestead property shall be \$1.00 multiplied by the education property tax spending adjustment for the municipality per \$100.00 of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality that is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section. a uniform tax rate for nonhomestead property and a uniform tax rate for homestead property set sufficient to cover expenditures from the Education Fund other than supplemental district spending, after accounting for the forecasted available revenues. It is the intention of the General Assembly that the nonhomestead property tax rate and the homestead property tax rate under this section shall be adopted for each fiscal year by act of the General Assembly.~~

(b) The statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section divided by the ~~number resulting from dividing the municipality’s most recent common level of appraisal by the statewide adjustment.~~ The legislative body in each municipality shall then bill each property taxpayer at the homestead or

nonhomestead rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonhomestead property and without regard to any other tax classification of the property not authorized under this chapter. Statewide education property tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by ~~the number resulting from dividing~~ the municipality's most recent common level of appraisal ~~by the statewide adjustment~~, multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

~~(3) If a district has not voted a budget by June 30, an interim homestead education tax shall be imposed at the base rate determined under subdivision (a)(2) of this section, divided by the number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment, but without regard to any spending adjustment under subdivision 5401(13) of this title. Within 30 days after a budget is adopted and the deadline for reconsideration has passed, the Commissioner shall determine the municipality's homestead tax rate as required under subdivision (1) of this subsection. [Repealed.]~~

(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 nonhomestead tax and one-half of the municipality's homestead education tax, as determined under subdivision (b)(1) of this section.

(2) The Secretary of Education shall determine each municipality's net nonhomestead education tax payment and its net homestead 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.

(d) [Repealed.]

(e) ~~The Commissioner of Taxes shall determine a homestead education tax rate for each municipality that is a member of a union or unified union school district as follows:~~

~~(1) For a municipality that is a member of a unified union school district, use the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based upon the per pupil education spending of the unified union.~~

~~(2) For a municipality that is a member of a union school district:~~

~~(A) Determine the municipal district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending in the municipality who attends a school other than the union school.~~

~~(B) Determine the union district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending of the union school district.~~

~~(C) Determine a combined homestead tax rate by calculating the weighted average of the rates determined under subdivisions (A) and (B) of this subdivision (2), with weighting based upon the ratio of union school long-term membership, as defined in 16 V.S.A. § 4001(7), from the member municipality to total long-term membership of the member municipality; and the ratio of long-term membership attending a school other than the union school to total long-term membership of the member municipality. Total long-term membership of the member municipality is based on the number of pupils who are legal residents of the municipality and attending school at public expense. If necessary, the Commissioner may adopt a rule to clarify and facilitate implementation of this subsection (e). [Repealed.]~~

(f)(1) A supplemental district spending tax is imposed on all homestead and nonhomestead property in each member municipality of a school district that approves spending pursuant to a budget presented to the voters of a school district under 16 V.S.A. § 563. The Commissioner of Taxes shall determine the supplemental district spending tax rate for each school district by dividing the school district's per pupil supplemental district spending as certified by the Secretary of Education by the supplemental district spending yield. The legislative body in each member municipality shall then bill each property

taxpayer at the rate determined by the Commissioner under this subsection, divided by the municipality's most recent common level of appraisal and multiplied by the current grand list value of the property to be taxed. The bill shall show the tax due and the calculation of the rate.

(2) The supplemental district spending tax assessed under this subsection shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133 and the statewide education property tax under this section, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the supplemental district spending tax, the statewide education tax, and other taxes presented separately and side by side.

(3) The treasurer of each municipality shall on or before December 1 of the year in which the tax is levied and on or before June 1 of the following year pay to the State Treasurer for deposit in the Education Fund one-half of the municipality's supplemental district spending tax, as determined under subdivision (1) of this subsection.

(4) The Secretary of Education shall determine each municipality's net supplemental district spending 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 supplemental district spending tax collected, only upon timely remittance of net payment to the State Treasurer or to the applicable school district.

Sec. 48. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX ~~YIELDS RATES;~~  
SUPPLEMENTAL DISTRICT SPENDING YIELD;  
RECOMMENDATION OF THE COMMISSIONER

(a) Annually, not later than December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend a ~~property dollar equivalent yield, an income dollar equivalent yield, and a nonhomestead property tax rate,~~ a homestead property tax rate, and the supplemental district spending yield for the following fiscal year. In making these calculations, the Commissioner shall assume: the statutory reserves are maintained at five percent pursuant to 16 V.S.A. § 4026 and the amounts in the Supplemental

District Spending Reserve are unavailable for any purpose other than that specified in 16 V.S.A. § 4032(b)

~~(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is \$1.00 per \$100.00 of equalized education property value;~~

~~(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;~~

~~(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent;~~

~~(4) the percentage change in the average education tax bill applied to nonhomestead property and the percentage change in the average education tax bill of homestead property and the percentage change in the average education tax bill for taxpayers who claim a credit under subsection 6066(a) of this title are equal;~~

~~(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and~~

~~(6) the nonhomestead rate is divided by the statewide adjustment.~~

~~(b) For each fiscal year, the property dollar equivalent supplemental district spending yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.~~

\* \* \*

~~(d) Along with the recommendations made under this section, the Commissioner shall include:~~

~~(1) the base amount as defined in 16 V.S.A. § 4001(16);~~

~~(2) for each school district, the estimated long-term membership, weighted long-term membership, and aggregate equalized education property tax grand list of its municipal members;~~

~~(3) for each school district, the estimated aggregate equalized education property tax grand list of its municipal members per long-term membership;~~

~~(4) the estimated school district with the lowest taxing capacity; and~~

~~(5) the range of per pupil supplemental district spending between all districts in the State for the previous year.~~

\* \* \*

#### Sec. 48a. HOMESTEAD PROPERTY TAX RATE; TRANSITION; FYS 2030–2033

(a) Notwithstanding 32 V.S.A. § 5402, in each of fiscal years 2030, 2031, 2032, and 2033, 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 2030, the transition gap multiplied by 0.80;
- (2) in fiscal year 2031, the transition gap multiplied by 0.60;
- (3) in fiscal year 2032, the transition gap multiplied by 0.40; and
- (4) in fiscal year 2033, 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 2030 were it calculated assuming no tax rate transition under this section from the homestead property tax rate for the school district in fiscal year 2029.

\* \* \* Conforming Revisions; Statewide Property Tax Rate \* \* \*

Sec. 49. 32 V.S.A. § 5404a(b)(1) is amended to read:

(b)(1) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality’s education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years. A municipality’s property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized ~~nonhomestead~~ rate for the tax year.

Sec. 50. 32 V.S.A. § 5405(g) is amended to read:

(g) The Commissioner shall provide to municipalities for the front of property tax bills the ~~district~~ homestead property tax rate before equalization, the ~~nonresidential~~ nonhomestead property tax rate before equalization, and the calculation process that creates the equalized homestead and nonhomestead tax rates. The Commissioner shall further provide to municipalities for the back of property tax bills an explanation of the common level of appraisal, including its origin and purpose.

\* \* \* Statewide Property Tax Credit Repeal; Homestead Exemption  
Created \* \* \*

Sec. 51. 32 V.S.A. § 5400 is amended to read:

§ 5400. STATUTORY PURPOSES

\* \* \*

(c) The statutory purpose of the exemption for qualified housing in subdivision 5404a(a)(6) of this title is to ensure that taxes on this rent-restricted housing provided to Vermonters of low and moderate income are more equivalent to property taxed ~~using the State as a homestead rate property~~ and to adjust the costs of investment in rent-restricted housing to reflect more accurately the revenue potential of such property.

\* \* \*

(j) The statutory purpose of the homestead property tax exemption in subdivision 6066(a)(1) of this title is to reduce the property tax liability for Vermont households with low and moderate household income.

Sec. 52. 32 V.S.A. chapter 154 is amended to read:

CHAPTER 154. HOMESTEAD PROPERTY TAX EXEMPTION,  
MUNICIPAL PROPERTY TAX CREDIT, AND RENTER CREDIT

§ 6061. DEFINITIONS

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

(1) ~~“Property Municipal property tax credit” means a credit of the prior tax year’s statewide or municipal property tax liability or a homestead owner credit, as authorized under section subdivision 6066(a)(2) of this title, as the context requires chapter.~~

\* \* \*

(8) ~~“Annual tax levy” means the property taxes levied on property taxable on April 1 and without regard to the year in which those taxes are due or paid. [Repealed.]~~

(9) “Taxable year” means the calendar year preceding the year in which the claim is filed.

(10) [Repealed.]

(11) “Housesite” means that portion of a homestead, as defined under subdivision 5401(7) of this title but not under subdivision 5401(7)(G) of this title, that includes as much of the land owned by the claimant surrounding the dwelling as is reasonably necessary for use of the dwelling as a home, but in no event more than two acres per dwelling unit, and, in the case of multiple dwelling units, not more than two acres per dwelling unit up to a maximum of 10 acres per parcel.

(12) “Claim year” means the year in which a claim is filed under this chapter.

(13) "Homestead" means a homestead as defined under subdivision 5401(7) of this title, but not under subdivision 5401(7)(G) of this title, and declared on or before October 15 in accordance with section 5410 of this title.

(14) ~~"Statewide education tax rate" means the homestead education property tax rate multiplied by the municipality's education spending adjustment under subdivision 5402(a)(2) of this title and used to calculate taxes assessed in the municipal fiscal year that began in the taxable year.~~  
[Repealed.]

\* \* \*

(21) "Homestead property tax exemption" means a reduction in the amount of housesite value subject to the statewide education tax and the supplemental district spending tax in the claim year as authorized under sections 6066 and 6066a of this chapter.

#### § 6062. NUMBER AND IDENTITY OF CLAIMANTS; APPORTIONMENT

\* \* \*

(d) Whenever a housesite is an integral part of a larger unit such as a farm or a multi-purpose or multi-dwelling building, property taxes paid shall be that percentage of the total property tax as the value of the housesite is to the total value. Upon a claimant's request, the listers shall certify to the claimant the value of ~~his or her~~ the claimant's homestead and housesite.

\* \* \*

#### § 6063. CLAIM AS PERSONAL; CREDIT AND EXEMPTION AMOUNT AT TIME OF TRANSFER

(a) The right to file a claim under this chapter is personal to the claimant and shall not survive ~~his or her~~ the claimant's death, but the right may be exercised on behalf of a claimant by ~~his or her~~ the claimant's legal guardian or attorney-in-fact. When a claimant dies after having filed a timely claim, the municipal property tax credit and the homestead exemption amount shall be ~~credited~~ applied to the ~~homestead~~ property tax liability of the claimant's estate as provided in section 6066a of this title.

(b) In case of sale or transfer of a residence, after April 1 of the claim year:

(1) any municipal property tax credit ~~amounts~~ amount related to that residence shall be allocated to the seller transferor at closing unless the parties otherwise agree;

(2) any homestead property tax exemption related to that residence based on the transferor's household income under subdivision 6066(a)(1) of this chapter shall cease to be in effect upon transfer; and

(3) a transferee who is eligible to declare the residence as a homestead but for the requirement to own the residence on April 1 of the claim year shall, notwithstanding subdivision 5401(7) and subsection 5410(b) of this title, be eligible to apply for a homestead property tax exemption in the claim year when the transfer occurs by filing with the Commissioner of Taxes a homestead declaration pursuant to section 5410 of this title and a claim for exemption on or before the due date prescribed under section 6068 of this chapter.

\* \* \*

§ 6065. FORMS; TABLES; NOTICES

(a) In administering this chapter, the Commissioner shall provide suitable claim forms with tables of allowable claims, instructions, and worksheets for claiming a homestead property tax exemption and municipal property tax credit.

(b) Prior to June 1, the Commissioner shall also prepare and supply to each town in the State notices describing the homestead property tax exemption and municipal property tax credit for inclusion in property tax bills. The notice shall be in simple, plain language and shall explain how to file for a homestead property tax exemption and a municipal property tax credit, where to find assistance filing for a credit or an exemption, or both, and any other related information as determined by the Commissioner. The notice shall direct taxpayers to a resource where they can find versions of the notice translated into the five most common non-English languages in the State. A town shall include such notice in each tax bill and notice of delinquent taxes that it mails to taxpayers who own in that town a residential property, without regard for whether the property was declared a homestead pursuant to subdivision 5401(7) of this title.

(c) Notwithstanding the provisions of subsection (b) of this section, towns that use envelopes or mailers not able to accommodate notices describing the homestead property tax exemption and municipal property tax credit may distribute such notices in an alternative manner.

§ 6066. COMPUTATION OF HOMESTEAD PROPERTY TAX EXEMPTION, MUNICIPAL PROPERTY TAX CREDIT, AND RENTER CREDIT

(a) ~~An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to a credit for the prior year's homestead property tax liability amount determined as follows:~~

~~(1)(A) For a claimant with household income of \$90,000.00 or more:~~

~~(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;~~

~~(ii) minus (if less) the sum of:~~

~~(I) the income percentage of household income for the taxable year; plus~~

~~(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$225,000.00.~~

~~(B) For a claimant with household income of less than \$90,000.00 but more than \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:~~

~~(i) the income percentage of household income for the taxable year; plus~~

~~(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$400,000.00.~~

~~(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:~~

~~(i) the sum of the income percentage of household income for the taxable year plus the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$400,000.00; or~~

~~(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.~~

~~(2) "Income percentage" in this section means two percent, multiplied by the education income tax spending adjustment under subdivision 5401(13)(B) of this title for the property tax year that begins in the claim year for the municipality in which the homestead residence is located~~

(1) An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed \$100,000.00 shall be entitled to a homestead property tax exemption in the claim year in an amount determined as follows:

If household income (rounded to the nearest dollar) is:

\$0.00 — 9,999.00

then the claimant is entitled to a homestead property tax exemption against the first \$425,000.00 in housesite value of this percent:

99.00

<u>\$10,000.00 — 14,999.00</u>	<u>97.00</u>
--------------------------------	--------------

<u>\$15,000.00 — 24,999.00</u>	<u>95.00</u>
--------------------------------	--------------

<u>\$25,000.00 — 39,999.00</u>	<u>90.00</u>
--------------------------------	--------------

<u>\$40,000.00 — 44,999.00</u>	<u>85.00</u>
--------------------------------	--------------

<u>\$45,000.00 — 49,999.00</u>	<u>80.00</u>
--------------------------------	--------------

If household income (rounded to the nearest dollar) is:

then the claimant is entitled to a homestead property tax exemption against the first \$400,000.00 in housesite value of this percent:

<u>\$50,000.00 — 54,999.00</u>	<u>75.00</u>
--------------------------------	--------------

<u>\$55,000.00 — 59,999.00</u>	<u>65.00</u>
--------------------------------	--------------

<u>\$60,000.00 — 64,999.00</u>	<u>55.00</u>
--------------------------------	--------------

<u>\$65,000.00 — 69,999.00</u>	<u>45.00</u>
--------------------------------	--------------

<u>\$70,000.00 — 74,999.00</u>	<u>35.00</u>
--------------------------------	--------------

<u>\$75,000.00 — 79,999.00</u>	<u>25.00</u>
--------------------------------	--------------

<u>\$80,000.00 — 84,999.00</u>	<u>20.00</u>
--------------------------------	--------------

<u>\$85,000.00 — 89,999.00</u>	<u>15.00</u>
--------------------------------	--------------

<u>\$90,000.00 — 94,999.00</u>	<u>10.00</u>
--------------------------------	--------------

<u>\$95,000.00 — 100,000.00</u>	<u>5.00</u>
---------------------------------	-------------

(3)(2) A An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed \$47,000.00 shall also be entitled to ~~an additional~~ a credit amount ~~from~~ against the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year that began in the taxable year upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:

then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:

<u>\$0.00 — 9,999.00</u>	<u>1.50</u>
--------------------------	-------------

<u>\$10,000.00 — 47,000.00</u>	<u>3.00</u>
--------------------------------	-------------

~~(4) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional credit amount from the claimant's statewide education tax for the upcoming fiscal year that is equal to the amount by which the education property tax for the municipal fiscal year that began in the taxable year upon the claimant's housesite, reduced by the credit amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:~~

<del>If household income (rounded to the nearest dollar) is:</del>	<del>then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:</del>
<del>\$0.00 — 9,999.00</del>	<del>0.5</del>
<del>\$10,000.00 — 24,999.00</del>	<del>1.5</del>
<del>\$25,000.00 — 47,000.00</del>	<del>2.0</del>

~~(5)(3) In no event shall the homestead property tax exemption provided for in subdivision (1) of this subsection reduce the housesite value below zero. In no event shall the municipal property tax credit provided for in subdivision (3) or (4)(2) of this subsection exceed the amount of the reduced municipal property tax. The credits under subdivision (4) of this subsection shall be calculated considering only the tax due on the first \$400,000.00 in equalized housesite value.~~

~~(4) Each dollar amount in subdivision (1) of this subsection shall be adjusted for inflation annually on or before November 15 by the Commissioner of Taxes. As used in this subdivision, "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.~~

~~(b)(1) An eligible claimant who rented the homestead shall be entitled to a credit for the taxable year in an amount not to exceed \$2,500.00, to be calculated as follows:~~

~~\* \* \*~~

~~(c) To be eligible for an adjustment exemption or credit under this chapter, the claimant:~~

~~(1) must have been domiciled in this State during the entire taxable year;~~

(2) may not be a person claimed as a dependent by any taxpayer under the federal Internal Revenue Code during the taxable year; and

(3) in the case of a renter, shall have rented property for at least six calendar months, which need not be consecutive, during the taxable year.

(d) The owner of a mobile home that is sited on a lot not owned by the homeowner may include an amount determined under subdivision 6061(7) of this title as allocable rent paid on the lot with the amount of property taxes paid by the homeowner on the home for the purpose of computation of ~~credits~~ the municipal property tax credit under subdivision (a)(3)(2) of this section, unless the homeowner has included in the claim an amount of property tax on common land under the provisions of subsection (e) of this section.

(e) Property taxes paid by a cooperative, not including a mobile home park cooperative, allocable to property used as a homestead shall be attributable to the co-op member for the purpose of computing the ~~credit~~ of property tax liability of the co-op member under this section. Property owned by a cooperative declared as a homestead may only include the homestead and a pro rata share of any common land owned or leased by the cooperative, not to exceed the two-acre housesite limitation. The share of the cooperative's assessed value attributable to the housesite shall be determined by the cooperative and specified annually in a notice to the co-op member. Property taxes paid by a mobile home park cooperative, allocable to property used as a housesite, shall be attributed to the owner of the housesite for the purpose of computing the ~~credit~~ of property tax liability of the housesite owner under this section. Property owned by the mobile home park cooperative and declared as a housesite may only include common property of the cooperative contiguous with at least one mobile home lot in the park, not to exceed the two-acre housesite limitation. The share attributable to any mobile home lot shall be determined by the cooperative and specified in the cooperative agreement. A co-op member who is the housesite owner shall be entitled to a property tax credit in an amount determined by multiplying the property taxes allocated under this subsection by the percentage of the exemption for which the housesite owner's household income qualifies under subdivision (a)(1) of this section.

(f) [Repealed.]

(g) Notwithstanding subsection (d) of this section, if the land surrounding a homestead is owned by a nonprofit corporation or community land trust with tax exempt status under 26 U.S.C. § 501(c)(3), the homeowner may include an allocated amount as property tax paid on the land with the amount of property taxes paid by the homeowner on the home for the purposes of computation of ~~the credit~~ property tax liability under this section. The allocated amount shall



be determined by the nonprofit corporation or community land trust on a proportional basis. The nonprofit corporation or community land trust shall provide to that homeowner, by January 31, a certificate specifying the allocated amount. The certificate shall indicate the proportion of total property tax on the parcel that was assessed for municipal property tax and for statewide property tax and the proportion of total value of the parcel. A homeowner under this subsection shall be entitled to a property tax credit in an amount determined by multiplying the property taxes allocated under this subsection by the percentage of the exemption for which the homeowner's household income qualifies under subdivision (a)(1) of this section.

(h) A homestead owner shall be entitled to an additional property tax credit amount equal to one percent of the amount of income tax refund that the claimant elects to allocate to payment of homestead property tax under section 6068 of this title.

(i) ~~Adjustments~~ The homestead property tax exemption and the municipal property tax credit under subsection (a) of this section shall be calculated without regard to any exemption under subdivision 3802(11) of this title.

§ 6066a. DETERMINATION OF HOMESTEAD PROPERTY TAX  
EXEMPTION AND MUNICIPAL PROPERTY TAX CREDIT

(a) Annually, the Commissioner shall determine the homestead property tax exemption and the municipal property tax credit amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year's income and for the municipal property tax credit, crediting property taxes paid in the prior year, and for the homestead property tax exemption, exempting the housesite value in the claim year. The Commissioner shall notify the municipality in which the housesite is located of the amount of the homestead property tax exemption and municipal property tax credit for the claimant for homestead property tax liabilities on a monthly basis. The municipal property tax credit of a claimant who was assessed property tax by a town that revised the dates of its fiscal year, however, is the excess of the property tax that was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year, as determined under section 6066 of this title, related to a homestead owned by the claimant.

(b) The Commissioner shall include in the total homestead property tax exemption and municipal property tax credit amount determined under subsection (a) of this section, for credit to the taxpayer for homestead property tax and supplemental district spending tax liabilities, any income tax overpayment remaining after allocation under section 3112 of this title and

setoff under section 5934 of this title, which the taxpayer has directed to be used for payment of property taxes.

(c) The Commissioner shall notify the municipality of any claim and refund amounts unresolved by November 1 at the time of final resolution, including adjudication, if any; provided, however, that towns will not be notified of any additional credit amounts after November 1 of the claim year, and such amounts shall be paid to the claimant by the Commissioner.

(d) [Repealed.]

(e) At the time of notice to the municipality, the Commissioner shall notify the taxpayer of the homestead property tax credit exemption amount determined under subdivision 6066(a)(1) of this title, ~~the amount determined under subdivision 6066(a)(3) of this title;~~ any additional municipal property credit amounts amount due the homestead owner under ~~section~~ subdivision 6066(a)(2) of this title; the amount of income tax refund, if any, allocated to payment of homestead property tax liabilities; and any late-claim reduction amount.

(f)(1) For taxpayers and amounts stated in the notice to towns on or before July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Municipalities shall apply the amount of the homestead property tax exemption allocated under this chapter to current year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes and the amount of the municipal property tax credit allocated under this chapter to current year municipal property taxes in equal amounts to each of the taxpayers' property tax installments that include municipal taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the notice sent by the Commissioner under subsection (a) of this section, issuance of the corrected new bill 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 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.

(2) For homestead property tax exemption and municipal property tax credit amounts for which municipalities receive notice after November 1, municipalities shall issue a new homestead property tax bill with notice to the

taxpayer of the total amount allocated to payment of homestead property tax liabilities and notice of the balance due.

(3) The homestead property tax exemption and municipal property tax credit amount determined for the taxpayer shall be allocated first to current year housesite value and property tax on the homestead parcel, next to current-year homestead parcel penalties and interest, next to any prior year homestead parcel penalties and interest, and last to any prior year housesite value and property tax on the homestead parcel. No homestead property tax exemption or municipal credit shall be allocated to a housesite value or property tax liability for any year after the year for which the claim or refund allocation was filed. No municipal tax-reduction incentive for early payment of taxes shall apply to any amount allocated to the property tax bill under this chapter.

(4) If the homestead property tax exemption or the municipal property tax credit amount as described in subsection (e) of this section exceeds the property tax, penalties, and interest due for the current and all prior years, the municipality shall refund the excess to the taxpayer, without interest, within 20 days of the first date upon which taxes become due and payable or 20 days after notification of the exemption or credit amount by the Commissioner of Taxes, whichever is later.

(g) The Commissioner of Taxes shall pay monthly to each municipality the amount of municipal property tax credit of which the municipality was last notified related to municipal property tax on homesteads within that municipality, as determined by the Commissioner of Taxes.

#### § 6067. CREDIT CLAIM LIMITATIONS

(a) Claimant. Only one individual per household per taxable year shall be entitled to a homestead exemption claim or property tax credit claim, or both, under this chapter.

(b) Other states. An individual who received a homestead exemption or credit with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive a credit under this chapter.

(c) Dollar amount. No ~~taxpayer claimant~~ shall receive a renter credit under subsection 6066(b) of this title in excess of \$2,500.00. No ~~taxpayer claimant~~ shall receive a municipal property tax credit under subdivision 6066(a)(3)(2) of this title greater than \$2,400.00 ~~or cumulative credit under subdivisions 6066(a)(1)-(2) and (4) of this title greater than \$5,600.00.~~

#### § 6068. APPLICATION AND TIME FOR FILING

(a) A homestead property tax exemption or municipal property tax credit claim or request for allocation of an income tax refund to homestead property

tax payment shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension, and shall describe the school district in which the homestead property is located and shall particularly describe the homestead property for which the exemption or credit ~~or allocation~~ is sought, including the school parcel account number prescribed in subsection 5404(b) of this title. A renter credit claim shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension.

(b)(1) If ~~the~~ a claimant files a municipal property tax credit claim after October 15 but on or before March 15 of the following calendar year, the municipal property tax credit under this chapter:

(1)(A) shall be reduced in amount by \$150.00, but not below \$0.00;

(2)(B) shall be issued directly to the claimant; and

(3)(C) shall not require the municipality where the claimant's property is located to issue an adjusted ~~homestead~~ property tax bill.

(2) If a claimant files a homestead property tax exemption claim under this chapter after October 15 but on or before March 15 of the following calendar year, the claimant shall pay a penalty of \$150.00 and the municipality where the claimant's property is located shall not be required to issue an adjusted property tax bill.

(c) No request for allocation of an income tax refund or for a renter credit claim may be made after October 15. No homestead property tax exemption or municipal property tax credit claim may be made after March 15 of the calendar year following the due date under subsection (a) of this section.

\* \* \*

#### § 6070. DISALLOWED CLAIMS

A claim shall be disallowed if the claimant received title to ~~his or her~~ the claimant's homestead primarily for the purpose of receiving benefits under this chapter.

#### § 6071. EXCESSIVE AND FRAUDULENT CLAIMS

(a) In any case in which it is determined under the provisions of this title that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full and the Commissioner may impose a penalty equal to the amount claimed. A disallowed claim may be recovered by assessment as income taxes are assessed. The assessment, including assessment of penalty, shall bear interest from the date the claim was credited against property tax or income tax or paid by the State until repaid by the claimant at

the rate per annum established from time to time by the Commissioner pursuant to section 3108 of this title. The claimant in that case, and any person who assisted in the preparation of filing of such excessive claim or supplied information upon which the excessive claim was prepared, with fraudulent intent, shall be fined not more than \$1,000.00 or be imprisoned not more than one year, or both.

(b) In any case in which it is determined that a claim is or was excessive, the Commissioner may impose a 10 percent penalty on such excess, and if the claim has been paid or credited against property tax or income tax otherwise payable, the municipal property tax credit or homestead exemption shall be reduced or canceled and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate per annum established from time to time by the Commissioner pursuant to section 3108 of this title from the date of payment or, in the case of credit of a municipal property tax bill under section 6066a of this title, from December 1 of the year in which the claim is filed until refunded or paid.

\* \* \*

#### § 6073. REGULATIONS RULES OF THE COMMISSIONER

The Commissioner may, from time to time, ~~issue~~ adopt, amend, and withdraw ~~regulations~~ rules interpreting and implementing this chapter.

#### § 6074. AMENDMENT OF CERTAIN CLAIMS

At any time within three years after the date for filing claims under subsection 6068(a) of this chapter, a claimant who filed a claim by October 15 may file to amend that claim with regard to housesite value, ~~housesite education tax~~, housesite municipal tax, and ownership percentage or to correct the amount of household income reported on that claim.

#### Sec. 53. DEPARTMENT OF TAXES; HOMESTEAD DECLARATION; SAMPLE FORM;

On or before December 15, 2025, the Department of Taxes shall provide to the House Committee on Ways and Means and the Senate Committee on Finance suggestions for updating the homestead declaration under 32 V.S.A. § 5410 to address the implementation of the homestead exemption under section 19 of this act, which may be provided as a sample form.

Sec. 53a. DEPARTMENT OF TAXES; HOMESTEAD EXEMPTION;  
REPORT

(a) It is the intent of the General Assembly to transition the way income-based property tax relief is provided to homestead property owners from the existing credit system towards an income-based homestead exemption.

(b) On or before January 15, 2026, 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:

(1) property tax impacts for homestead property owners under the new education tax structure established in this act;

(2) benefit cliffs compared to those in the existing credit system; and

(3) aggregate fiscal impact relative to the existing credit system.

(c) The Department of Taxes shall additionally include with its proposal recommendations for an inflationary adjustment measure suited to the income sensitivity and housesite value measures of the proposed homestead exemption.

\* \* \* Conforming Revisions; Property Tax Credit Repeal \* \* \*

Sec. 54. 11 V.S.A. § 1608 is amended to read:

§ 1608. ELIGIBILITY FOR PROPERTY TAX RELIEF

Members of cooperative housing corporations shall be eligible to apply for and receive a homestead property tax ~~adjustment~~ exemption and municipal property tax credit under 32 V.S.A. § 6066, subject to the conditions of eligibility set forth therein.

Sec. 55. 32 V.S.A. § 3102(j) is amended to read:

(j) Tax bills prepared by a municipality under subdivision 5402(b)(1) of this title showing only the amount of total tax due shall not be considered confidential return information under this section. For the purposes of calculating ~~credits~~ the homestead property tax exemption and the municipal property tax credit under chapter 154 of this title, information provided by the Commissioner to a municipality under subsection 6066a(a) of this title and information provided by the municipality to a taxpayer under subsection 6066a(f) shall be considered confidential return information under this section.

Sec. 56. 32 V.S.A. § 3206(b) is amended to read:

(b) As used in this section, “extraordinary relief” means a remedy that is within the power of the Commissioner to grant under this title, a remedy that

compensates for the result of inaccurate classification of property as homestead or nonhomestead pursuant to section 5410 of this title through no fault of the taxpayer, or a remedy that makes changes to a taxpayer's homestead property tax exemption, municipal property tax credit, or renter credit claim necessary to remedy the problem identified by the Taxpayer Advocate.

\* \* \* Future Review of Foundation Formula \* \* \*

Sec. 57. 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, assist with the transformation of Vermont's education finance system, and perform the duties under subsection (c) of this section.

\* \* \*

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

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

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

(G) school district use of reserve fund accounts;

(H) national best practices for addressing intra-school district effects of a foundation formula, including through the use of weighting factors;

(I) whether to transition from a cost-based foundation formula to an evidence-based foundation formula;

(J) methods for ensuring school districts spend their educational opportunity payments on the costs that underlie Vermont's foundation formula;  
and

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

\* \* \*

Sec. 58. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

\* \* \*

(16) “Base amount” means a per pupil ~~cost-factor~~ evidence-based amount of ~~\$15,033.00~~ 10,000.00, which shall be adjusted for inflation annually on or before November 15 by the Secretary of Education. As used in this subdivision, “adjusted for inflation” means adjusting the base 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.

\* \* \*

Sec. 59. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP  
AND EDUCATION OPPORTUNITY PAYMENT

\* \* \*

(d) Determination of weighted long-term membership. For each weighting category, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.

(1) [Repealed.]

(2) Each pupil included in long-term membership whose family is at or below 185 percent of FPL shall receive an additional weighting amount of ~~1.02~~ 1.00.

(3) Each EL pupil included in long-term membership shall receive an additional weighting amount, based on the EL pupil's English language proficiency level, of:



- (A) ~~2.44~~ 1.00, if assessed as Level 1;
- (B) ~~1.44~~ 1.00, if assessed as Level 2 or 3;
- (C) ~~1.20~~ 1.00, if assessed as Level 4; or
- (D) ~~0.42~~ 1.00, if assessed as Level 5 or 6.

(4) Each EL pupil that is a Newcomer or SLIFE included in long-term membership shall receive an additional weighting amount of ~~0.42~~ 1.00.

(5) Each child with a disability included in long-term membership shall receive an additional weighting amount, based on the categorization of the child's disability, of:

- (A) ~~0.79~~ 1.00, if the disability is identified as Category A;
- (B) ~~1.35~~ 1.00, if the disability is identified as Category B; or
- (C) ~~2.49~~ 1.00, if the disability is identified as Category C.

\* \* \*

\* \* \* Grand List Parcel Data \* \* \*

Sec. 60. 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:

- (1) In alphabetical order, the name of each real property owner and each owner of taxable personal property.
- (2) The last known mailing address of all such owners.
- (3) A brief description of each parcel of taxable real estate in the town. "Parcel" As used in this subdivision, "parcel" means a separate and sellable lot or piece of real estate. Parcels may be combined to represent all contiguous land in the same ownership, together with all improvements thereon.

Sec. 61. PROPERTY TAX CLASSIFICATIONS STUDY;  
IMPLEMENTATION PROPOSAL

On or before December 15, 2025, in consultation with relevant stakeholders, the Commissioner of Taxes shall submit in writing to the House Committee on Ways and Means and the Senate Committee on Finance a report regarding the establishment of a system for property tax classifications that would allow for different tax rates on different classes of property. The report shall include:

- (1) one or more ways to define, identify, and classify residential properties based on present-day use;
- (2) a proposed method for classifying mixed-use parcels wherein different portions of the same parcel are used for different purposes;
- (3) proposed methods for collecting the data necessary to administer the proposed tax classification system, including a description of any new or revised forms;
- (4) a proposed method for appeals under the proposed tax classification system; and
- (5) proposed methods to ensure taxpayer compliance with the new system, including ways to prevent taxpayers from circumventing the legislative intent to tax properties used primarily as second homes and short-term rentals at a higher rate.

\* \* \* Regional Assessment Districts \* \* \*

Sec. 62. 32 V.S.A. chapter 121, subchapter 1A is added to read:

Subchapter 1A. Statewide and Regional Property Assessment

§ 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) There are hereby established 12 regional assessment districts, whose member municipalities shall fully and jointly reappraise their grand lists every six years pursuant to subsection 3417(b) of this subchapter. Member municipalities shall contract jointly with one or more third parties to conduct reappraisals.

(b) Each county shall constitute one regional assessment district, except that Franklin and Grand Isle Counties shall constitute one district and Essex and Orleans Counties shall constitute one district.

§ 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.

\* \* \* Transition to Regional Assessment Districts \* \* \*

Sec. 63. 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 is not part of a regionalized reappraisal system on and after January 1, 2027;

(2) a reappraisal order for which a municipality does not have a contract in place before January 1, 2030 shall no longer have the force and effect of law on and after January 1, 2030, except for those that are part of a regionalized reappraisal system; and

(3) a municipality shall not enter into a new reappraisal contract on or after January 1, 2027, except for those that are part of a regionalized reappraisal system.

(b) On or before every January 15 from January 15, 2027 to January 15, 2030, 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. 64. REGIONAL ASSESSMENT DISTRICT STAKEHOLDER  
WORKING GROUP

On or before January 15, 2026, the Department of Taxes, in consultation with relevant stakeholders, shall submit recommendations to the House Committee on Ways and Means and the Senate Committee on Finance advising on the implementation of regional assessment districts and on the development of guidelines, procedures, and rules needed to effectuate a regionalized reappraisal system. The recommendations will include an analysis of the advantages and disadvantages of having the State take full responsibility for regionalized appraisals. In making its recommendation, the Department of Taxes shall provide suggestions for legislative language that address:

(1) the authority or authorities who will contract for and conduct reappraisals;

(2) the authority or authorities who will hear and decide property valuation appeals;

(3) amendments necessary to conform statute to the change from an April 1 to January 1 grand list assessment date; and

(4) any other recommended revisions to achieve a regionalized reappraisal system.

\* \* \* Miscellaneous Tax \* \* \*

Sec. 65. 32 V.S.A. § 6066a(f)(1) is amended to read:

(f)(1) For taxpayers and amounts stated in the notice to towns on or before July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Nothing in this subdivision, however, shall be interpreted as altering the requirement under subdivision 5402(b)(2) of this title that the statewide education homestead tax be billed in a manner that is stated clearly and separately from any other tax. Municipalities shall apply the amount allocated under this chapter to current year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the notice sent by the Commissioner under subsection (a) of this section, issuance of the corrected new bill 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 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.

Sec. 66. 32 V.S.A. § 5252 is amended to read:

§ 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY

(a) When the collector of taxes of a town or of a municipality within it has for collection a tax assessed against real estate in the town and the taxpayer owes a minimum of \$1,500.00 and is delinquent for a period longer than one year, the collector may extend a warrant on such land. However, no warrant shall be extended until a delinquent taxpayer is given an opportunity to enter a written reasonable repayment plan pursuant to subsection (c) of this section. If a collector receives notice from a mobile home park owner pursuant to 10 V.S.A. § 6248(b), the collector shall, within 15 days after the notice, commence tax sale proceedings to hold a tax sale within 60 days after the notice. If the collector fails to initiate such proceedings, the town may initiate tax sale proceedings only after complying with 10 V.S.A. § 6249(f). If the tax collector extends the warrant, the collector shall:

\* \* \*

Sec. 67. 32 V.S.A. § 4465 is amended to read:

§ 4465. APPOINTMENT OF PROPERTY VALUATION HEARING  
OFFICER; OATH; PAY

When an appeal to the Director is not withdrawn or forwarded by the Director to Superior Court pursuant to subsection 4461(a) of this title, the Director shall refer the appeal in writing to a person not employed by the Director, appointed by the Director as hearing officer. The Director shall have the right to remove a hearing officer for inefficiency, malfeasance in office, or other cause. In like manner, the Director shall appoint a hearing officer to fill any vacancy created by resignation, removal, or other cause. Before entering into their duties, persons appointed as hearing officers shall take and subscribe the oath of the office prescribed in the Constitution, which oath shall be filed with the Director. The Director Commissioner of Taxes shall pay each hearing officer a sum not to exceed \$150.00 per diem for each day wherein hearings are held \$38.00 per hour plus a cost-of-living adjustment in an amount equal to any adjustment approved for exempt employees by the Secretary of Administration, together with reasonable expenses as the Director Commissioner may determine. A hearing officer may subpoena witnesses, records, and documents in the manner provided by law for serving subpoenas in civil actions and may administer oaths to witnesses.

Sec. 68. 32 V.S.A. § 5402(c)(2) is amended to read:

(2) The Secretary of Education shall determine each municipality's net nonhomestead education tax payment and its net homestead 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. ~~Each municipality may also retain \$15.00 for each late property tax credit claim filed after April 15 and before September 2, as notified by the Department of Taxes, for the cost of issuing a new property tax bill.~~

Sec. 69. 32 V.S.A. § 5401(13) is amended to read:

(13)(A) "Education property tax spending adjustment" means the greater of one or a fraction in which:

(i) the numerator is the district's per pupil education spending plus excess spending for the school year, and

(ii) the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section, ~~multiplied by the statewide adjustment.~~

(B) "Education income tax spending adjustment" means the greater of one or a fraction in which the numerator is the district's per pupil education spending plus excess spending for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.

\* \* \* Effective Dates \* \* \*

Sec. 70. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

- (1) Sec. 1 (findings; intent; plan);
- (2) Sec. 2 (Commission on the Future of Public Education);
- (3) Sec. 3 (School District Redistricting Task Force);
- (4) Sec. 32 (Agency of Education transformation support);
- (5) Sec. 33. (Agency of Education positions);
- (6) Sec. 44 (transportation reimbursement guidelines);
- (7) Sec. 45 (inflationary measures; prekindergarten; reports);

- (8) Sec. 45a (foundation formula report);
  - (9) Sec. 45c (Education Fund Advisory Committee; delay);
  - (10) Sec. 53 (homestead declaration sample form);
  - (11) Sec. 53a (homestead exemption report);
  - (12) Sec. 61 (tax classification study);
  - (13) Sec. 63 (regional assessment district transition);
  - (14) Sec. 64 (RAD stakeholder working group);
  - (15) Sec. 65 (inadvertently removed language);
  - (16) Sec. 66 (minimum debt for tax sales);
  - (17) Sec. 68 (property tax credit late fee); and
  - (18) Sec. 69 (education property tax spending adjustment).
- (b) The following sections shall take effect on July 1, 2025:
- (1) Sec. 4 (scale; intent);
  - (2) Sec. 7 (SBE rules; report);
  - (3) Sec. 8 (school closure);
  - (4) Sec. 11 (16 V.S.A. § 3443);
  - (5) Sec. 12 (School Construction Advisory Board sunset);
  - (6) Sec. 18 (16 V.S.A. § 828);
  - (7) Sec. 19 (tuition transition);
  - (8) Sec. 20 (statewide cohesion; intent);
  - (9) Sec. 21 (AOE report; graduation requirements);
  - (10) Sec. 22 (State-level governance; intent);
  - (11) Sec. 23 (16 V.S.A. § 161);
  - (12) Sec. 24 (SBE appointments transition);
  - (13) Sec. 25 (16 V.S.A. § 162);
  - (14) Sec. 26 (SBE rule review; appropriation);
  - (15) Sec. 29 (special education report);
  - (16) Sec. 30 (AOE special education strategic plan);
  - (17) Sec. 31 (AOE position);
  - (18) Sec. 60 (grand list parcel definition); and

(19) Sec. 67 (PVR hearing officer pay).

(c) The following sections shall take effect on July 1, 2026:

(1) Sec. 3a (transitional school boards);

(2) Sec. 5 (class size minimums);

(3) Sec. 6 (failure to comply with class size minimums);

(4) Sec. 9 (school construction policy);

(5) Sec. 10 (16 V.S.A. § 3442);

(6) Sec. 13 (16 V.S.A. § 3444);

(7) Sec. 14 (16 V.S.A. § 3445);

(8) Sec. 15 (16 V.S.A. § 3446);

(9) Sec. 16 (transfer of rulemaking authority); and

(10) Sec. 17 (repeals).

(d) Sec. 48 (December 1 letter) shall take effect on July 1, 2028.

(e) The following sections shall take effect on July 1, 2029, 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:

(1) Secs. 27 (16 V.S.A. § 823) and 28 (repeals);

(2) Secs. 34–43 (transition to cost-factor foundation formula);

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

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

(5) Sec. 48a (homestead property tax rate transition);

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

(7) Sec. 57 (Education Fund Advisory Committee; review of foundation formula).

(f) Sec. 62 (regional assessment districts) shall take effect on January 1, 2030.

(g) Secs. 58 and 59 (transition to evidence-based foundation formula) shall take effect upon:



(1) development and review of an evidence-based foundation formula by professional judgment panels;

(2) compliance by 90 percent of Vermont classes with class-size minimum standards set in the education quality standards;

(3) compliance by 90 percent of Vermont school buildings with school size standards set in the education quality standards; and

(4) implementation of a multitiered system of supports in each classroom in each Vermont school.

Which was agreed to.

**The President *pro tempore* Assumes the Chair**

**The President Resumes the Chair**

Thereupon, pending the question, Shall the bill be read a third time?, Senator Vyhovsky moved to amend the recommendation of proposal of amendment, as follows

First: By adding a new section to be Sec. 53b to read as follows:

Sec. 53b. 32 V.S.A. § 5410 is amended to read:

**§ 5410. DECLARATION OF HOMESTEAD**

(a) A homestead owner shall declare ownership of a homestead for purposes of education property tax and provide the homestead owner's household income as defined in section 6061 of this title.

(b) Annually, on or before the due date for filing the Vermont income tax return, without extension, each homestead owner shall, on a form prescribed by the Commissioner, which shall be verified under the pains and penalties of perjury, declare the owner's homestead, if any, as of, or expected to be as of, April 1 of the year in which the declaration is made, and provide the homestead owner's household income as defined in section 6061 of this title.

\* \* \*

Second: In Sec. 70, effective dates, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) The following sections shall take effect on July 1, 2025:

(1) Sec. 3 (scale; intent);

(2) Sec. 6 (SBE rules; report);

(3) Sec. 7 (school size; intent);

(4) Sec. 8 (school closure);

- (5) Sec. 11 (16 V.S.A. § 3443);
- (6) Sec. 12 (School Construction Advisory Board sunset);
- (7) Sec. 18 (16 V.S.A. § 828);
- (8) Sec. 19 (tuition transition);
- (9) Sec. 20 (statewide cohesion; intent);
- (10) Sec. 21 (AOE report);
- (11) Sec. 22 (State-level governance; intent);
- (12) Sec. 23 (16 V.S.A. § 161);
- (13) Sec. 24 (SBE appointments transition);
- (14) Sec. 25 (16 V.S.A. § 162);
- (15) Sec. 26 (SBE rule review; appropriation);
- (16) Sec. 29 (special education report);
- (17) Sec. 30 (AOE special education strategic plan);
- (18) Sec. 31 (AOE position);
- (19) Sec. 53b (32 V.S.A. § 5410);
- (20) Sec. 60 (grand list parcel definition); and
- (21) Sec. 67 (PVR hearing officer pay).

Which was disagreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senator Vyhovsky moved to amend the recommendation of proposal of amendment, as follows

First: By adding a reader assistance heading and a new section to be Sec. 69a. to read as follows:

\* \* \* Education Fund Cost Report \* \* \*

Sec. 69a. COSTS ON THE EDUCATION FUND; REPORT

On or before January 15, 2026, the Joint Fiscal Office, in consultation with the Secretary of Education, shall submit a report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance that estimates the annual cost of providing health care and social services to students in public schools and the impact of those costs on the Education Fund.

Second: In Sec. 70, effective dates, by striking out subdivisions (a)(16) and (a)(17) in their entirety and inserting in lieu thereof the following:

(16) Sec. 68 (property tax credit late fee);

(17) Sec. 69 (education property tax spending adjustment); and

(18) Sec. 69a (study on costs to the Education Fund).

Which was disagreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senator Beck moved to amend the recommendation of proposal of amendment as follows:

First: By adding two new sections to be Secs. 69a–69b to read as follows:

Sec. 69a. ALLOWABLE GROWTH IN EDUCATION SPENDING FOR  
FISCAL YEARS 2027 AND 2028

(a) Notwithstanding any other provision of law, for fiscal years 2027 and 2028 only, “excess spending” under 32 V.S.A. § 5401(12) means the per pupil education spending, as defined in 16 V.S.A. § 4001(14), adjusted to include any amount required to be added to education spending from a Capital Construction Reserve Fund under 24 V.S.A. § 2804(b), that is in excess of the district’s per pupil education spending in the prior fiscal year, plus the district’s allowable growth.

(b) For fiscal years 2027 and 2028, the “allowable growth” for any individual school district is an amount equal to the actual amount of per pupil education spending in the district in the prior fiscal year, multiplied by the district’s “allowable growth percentage,” provided that the minimum allowable growth percentage for a school district shall be one percent. A district’s “allowable growth percentage” means a percentage that results from the following equation: the highest per pupil education spending in any district in the State, excluding gores, in the prior fiscal year, divided by the actual amount of per pupil education spending in the district in the prior fiscal year, minus one, multiplied by five and one-half percent. For the purpose of the calculations made under this section, the term “per pupil education spending” shall include all the adjustments under 16 V.S.A. § 4001(6)(B).

Sec. 69b. REPEAL

2022 Acts and Resolves No. 127, Sec. 8(a) (suspension of excess spending penalty) is repealed.

Second: In Sec. 70, effective dates, in subsection (c), by striking out subdivisions (9) and (10) in their entirety and inserting in lieu thereof new subdivisions (9)–(11) to read as follows:

(9) Sec. 16 (transfer of rulemaking authority);

(10) Sec. 17 (repeals); and

(11) Secs. 69a and 69b (allowable growth; FYs 27–28).

Which was disagreed to.

Thereupon, pending the question, Shall the proposal of amendment be amended as recommended by Senator Beck?, Senator Beck requested and was granted leave to withdraw the recommendation of amendment.

Thereupon, pending the question, Shall the bill be read the third time?, Senator Beck moved to amend the recommendation of proposal of amendment as follows:

First: By striking out Sec. 27, 16 V.S.A. § 823, in its entirety and inserting in lieu thereof new Sec. 27 to read as follows:

Sec. 27. 16 V.S.A. § 823 is amended to read:

§ 823. ~~ELEMENTARY TUITION~~

(a) Tuition for ~~elementary~~ students shall be paid by the district in which the student is a resident. The district shall pay ~~the full tuition charged its students attending a public elementary school~~ to a receiving school an amount equal to the base amount contained in subdivision 4001(17) of this title multiplied by the sum of one and any weights applicable to the resident student under section 4010 of this title, prorated to correspond to the district's approved percentage, as defined in subdivision 4001(16) of this title; provided, however, that a district that operates no grades shall pay 100 percent. If a payment made to a public elementary school is three percent more or less than the calculated net cost per elementary pupil in the receiving school district for the year of attendance, the district shall be reimbursed, credited, or refunded pursuant to section 836 of this title. Notwithstanding the provisions of this subsection or of subsection 825(b) of this title, the boards of both the receiving and sending districts may enter into tuition agreements with terms differing from the provisions of those subsections, provided that the receiving district must offer identical terms to all sending districts, and further provided that the statutory provisions apply to any sending district that declines the offered terms.

(b) ~~Unless the electorate of a school district authorizes payment of a higher amount at an annual or special meeting warned for the purpose, the tuition paid to an approved independent elementary school or an independent school meeting education quality standards shall not exceed the least of:~~

~~(1) the average announced tuition of Vermont union elementary schools for the year of attendance;~~

~~(2) the tuition charged by the approved independent school for the year of attendance; or~~

~~(3) the average per-pupil tuition the district pays for its other resident elementary students in the year in which the student is enrolled in the approved independent school. [Repealed.]~~

Second: By striking out Sec. 34 in its entirety and inserting in lieu thereof new Sec. 34 to read as follows:

Sec. 34. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

~~(1) “Average daily membership” of a school district or, if needed in order to calculate the appropriate homestead tax rate, of the municipality as defined in 32 V.S.A. § 5401(9), in any year means:~~

~~\* \* \*~~

~~(6) “Education spending” means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.~~

~~(A) [Repealed.]~~

~~(B) For all bonds approved by voters prior to July 1, 2024, voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12). [Repealed.]~~

~~\* \* \*~~

~~(13) “Base education Categorical base amount” means a number used to calculate categorical grants awarded under this title that is equal to \$6,800.00 per equalized pupil, adjusted as required under section 4011 of this title.~~

~~(14) “Per pupil education spending” of a school district in any school year means the per pupil education spending of that school district as determined under subsection 4010(f) of this title. [Repealed.]~~

~~\* \* \*~~

(16) “Approved percentage” means the percentage of the foundation amount approved by the voters of the school district pursuant to section 563 of this title, provided that the voters shall only approve a percentage within the range of 85–100 percent.

(17) “Base amount” means a per pupil amount of \$15,033.00, which shall be adjusted for inflation annually on or before November 15 by the Secretary of Education. As used in this subdivision, “adjusted for inflation” means adjusting the base 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.

(18) “Educational opportunity payment” means the product of the school district’s foundation amount and the school district’s approved percentage as determined under section 4010 of this title.

(19) “Foundation amount” means the base amount multiplied by the school district’s weighted long-term membership as determined under section 4010 of this title.

Third: By striking out Sec. 41 in its entirety and inserting in lieu thereof new Sec. 41 to read as follows:

Sec. 41. 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 ~~ten~~ 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 uniform homestead tax rate and the percentage of household income used to determine income sensitivity in the district as a result of passage of the budget, including those portions of the tax rate attributable to supervisory union assessments uniform nonhomestead tax rate; and

(iv) the definition of "foundation amount";

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

(vi) the supplemental district spending yield.

(D) The board shall present the budget to the voters by means of a ballot in the following form, provided that the board of a school district that does not operate any grades for its resident students shall only present for vote the supplemental district spending budget:

"Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$ \_\_\_\_\_ % of the foundation amount, which is the ~~amount~~ percentage of the foundation amount the school board has determined to be necessary for the ensuing fiscal year and which equals \$ \_\_\_\_\_?

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

(E) If the board determines that additional spending is necessary in excess of 100 percent of the foundation amount, the board shall present the supplemental district spending budget to the voters by means of a ballot in the following form:

“Article #2 (Supplemental District Spending 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 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.”

\* \* \*

Fourth: By striking out Sec. 43 in its entirety and inserting in lieu thereof new Sec. 43 to read as follows:

Sec. 43. 16 V.S.A. § 4032 is added to read

§ 4032. SUPPLEMENTAL DISTRICT SPENDING RESERVE

(a) There is hereby created the Supplemental District Spending Reserve within the Education Fund. Any revenue remaining from the supplemental district spending tax imposed pursuant to 32 V.S.A. § 5402(f) after accounting for the payment of supplemental district spending to each school district shall be reserved within the Supplemental District Spending Reserve.

(b) In any fiscal year in which the amounts raised through the supplemental district spending tax imposed pursuant to 32 V.S.A. § 5402(f) are insufficient to cover payment to each school district of its supplemental district spending, the Supplemental District Spending Reserve shall be used by the Commissioner of Finance and Management to the extent necessary to offset the deficit as determined by generally accepted accounting principles.

Fifth: By striking out Sec. 45b, educational opportunity payments; transition; FYs 2030–2033, in its entirety and inserting in lieu thereof new Sec. 45b to read as follows:

Sec. 45b. [Deleted.]

Sixth: By striking out Secs. 46–50 and their reader assistance headings in their entirety and inserting in lieu thereof new reader assistance headings and Secs. 46–50 to read as follows:



\* \* \* Education Property Tax Rate Formula \* \* \*

Sec. 46. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(8) ~~“Education spending” means “education spending” as defined in 16 V.S.A. § 4001(6). [Repealed.]~~

\* \* \*

(12) ~~“Excess spending” means:~~

~~(A) The per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b).~~

~~(B) In excess of 118 percent of the statewide average district per pupil education spending increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, “increased by inflation” means increasing the statewide average district per pupil education spending for fiscal year 2025 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2025 through the fiscal year for which the amount is being determined. [Repealed.]~~

~~(13)(A) “Education property tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section.~~

~~(B) “Education income tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section. [Repealed.]~~

\* \* \*

~~(15) “Property dollar equivalent yield” means the amount of per pupil education spending that would result if the homestead tax rate were \$1.00 per \$100.00 of equalized education property value and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained. [Repealed.]~~

(16) ~~“Income dollar equivalent yield” means the amount of per pupil education spending that would result if the income percentage in subdivision 6066(a)(2) of this title were 2.0 percent and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained. [Repealed.]~~

(17) ~~“Statewide adjustment” means the ratio of the aggregate education property tax grand list of all municipalities to the aggregate value of the equalized education property tax grand list of all municipalities. [Repealed.]~~

(18) “Per pupil supplemental district spending” means the per pupil amount of supplemental district spending resulting from dividing a school district’s supplemental district spending by its long-term membership as defined in 16 V.S.A. § 4001(7).

(19) “State average taxing capacity” means the ratio, in the following fiscal year, of the anticipated aggregate equalized education property tax grand list of all municipalities to the anticipated aggregate long-term membership, as defined in 16 V.S.A. § 4001(7), of all school districts.

(20) “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(18), 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 15 percent of the school district’s unweighted foundation amount.

(21) “Supplemental district spending yield” means the amount of property tax revenue per long-term membership as defined in 16 V.S.A. § 4001(7) that would be raised in a school district with the State average taxing capacity using a supplemental district spending tax rate of \$1.00 per \$100.00 of equalized education property value.

(22) “Unweighted foundation amount” means the base amount, as defined in 16 V.S.A. § 4001(17), multiplied by the school district’s long-term membership as determined under 16 V.S.A. § 4010.

Sec. 47. 32 V.S.A. § 5402 is amended to read:

#### § 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:

(1) ~~The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.~~

(2) ~~The tax rate for homestead property shall be \$1.00 multiplied by the education property tax spending adjustment for the municipality per \$100.00~~

~~of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality that is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section a uniform tax rate for nonhomestead property and a uniform tax rate for homestead property set sufficient to cover expenditures from the Education Fund, after accounting for the forecasted available revenues and any anticipated revenues from the supplemental district spending tax. It is the intention of the General Assembly that the nonhomestead property tax rate and the homestead property tax rate under this section shall be adopted for each fiscal year by act of the General Assembly.~~

(b) The statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section divided by the ~~number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment and, for the homestead property tax rate, multiplied by the municipality's approved percentage as defined in 16 V.S.A. § 4001(16).~~ The legislative body in each municipality shall then bill each property taxpayer at the homestead or nonhomestead rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonhomestead property and without regard to any other tax classification of the property. Statewide education property tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the ~~number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment,~~ multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

(3) If a district has not voted a budget by June 30, an interim homestead education tax shall be imposed at 85 percent of the base uniform homestead

~~property tax~~ rate determined under ~~subdivision subsection (a)(2)~~ of this section, divided by the ~~number resulting from dividing the~~ municipality's most recent common level of appraisal ~~by the statewide adjustment, but without regard to any spending adjustment under subdivision 5401(13) of this title.~~ Within 30 days after a budget is adopted and the deadline for reconsideration has passed, the Commissioner shall determine the municipality's homestead tax rate as required under subdivision (1) of this subsection.

(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 nonhomestead tax and one-half of the municipality's homestead education tax, as determined under subdivision (b)(1) of this section.

(2) The Secretary of Education shall determine each municipality's net nonhomestead education tax payment and its net homestead 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.

(d) [Repealed.]

(e) The Commissioner of Taxes shall determine a homestead education tax rate for each municipality that is a member of a union or unified union school district as follows:

(1) For a municipality that is a member of a unified union school district, use the base uniform homestead property tax rate determined under ~~subdivision subsection (a)(2)~~ of this section ~~and a spending adjustment under subdivision 5401(13) of this title based upon the per pupil education spending of the unified union~~ multiplied by the approved percentage for the unified union school district.

(2) For a municipality that is a member of a union school district that is not a unified union school district:

(A) Determine the ~~municipal district~~ homestead property tax rate for each union school district of which the municipality is a member using the base uniform homestead property tax rate determined under ~~subdivision subsection (a)(2)~~ of this section ~~and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending in the municipality who attends a school other than the union school~~ multiplied by the approved percentage for the union school district.

~~(B) Determine the union district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a spending adjustment under subdivision 5401(13) of this title based on the per pupil education spending of the union school district.~~

~~(C) Determine a combined homestead tax rate by calculating the weighted average of the rates determined under subdivisions subdivision (A) and (B) of this subdivision (2), with weighting based upon the ratio of union school proportion of the municipality's total long-term membership, as defined in 16 V.S.A. § 4001(7), from the member municipality to total long-term membership of the member municipality; and the ratio of long-term membership attending a school other than the union school to total long-term membership of the member municipality attending each union school district. Total long-term membership of the member municipality is based on the number of pupils who are legal residents of the municipality and attending school at public expense. If necessary, the Commissioner may adopt a rule to clarify and facilitate implementation of this subsection (e).~~

(f)(1) A supplemental district spending tax is imposed on all homestead and nonhomestead property in each member municipality of a school district that approves spending pursuant to a budget presented to the voters of a school district under 16 V.S.A. § 563. The Commissioner of Taxes shall determine the supplemental district spending tax rate for each school district by dividing the school district's per pupil supplemental district spending as certified by the Secretary of Education by the supplemental district spending yield. The legislative body in each member municipality shall then bill each property taxpayer at the rate determined by the Commissioner under this subsection, divided by the municipality's most recent common level of appraisal and multiplied by the current grand list value of the property to be taxed. The bill shall show the tax due and the calculation of the rate.

(2) The supplemental district spending tax assessed under this subsection shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133 and the statewide education property tax under this section, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the supplemental district spending tax, the statewide education tax, and other taxes presented separately and side by side.

(3) The treasurer of each municipality shall on or before December 1 of the year in which the tax is levied and on or before June 1 of the following

year pay to the State Treasurer for deposit in the Education Fund one-half of the municipality's supplemental district spending tax, as determined under subdivision (1) of this subsection.

(4) The Secretary of Education shall determine each municipality's net supplemental district spending 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 supplemental district spending tax collected, only upon timely remittance of net payment to the State Treasurer or to the applicable school district.

Sec. 48. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX ~~YIELDS~~ RATES;  
SUPPLEMENTAL DISTRICT SPENDING YIELD;  
RECOMMENDATION OF THE COMMISSIONER

(a) Annually, not later than December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend ~~a property dollar equivalent yield, an income dollar equivalent yield, and a uniform nonhomestead property tax rate, a uniform homestead property tax rate, and the supplemental district spending yield~~ for the following fiscal year. In making these calculations, the Commissioner shall assume: that the statutory reserves are maintained at five percent pursuant to 16 V.S.A. § 4026 and the amounts in the Supplemental District Spending Reserve are unavailable for any purpose other than that specified in 16 V.S.A. § 4032(b)

~~(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is \$1.00 per \$100.00 of equalized education property value;~~

~~(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;~~

~~(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent;~~

~~(4) the percentage change in the average education tax bill applied to nonhomestead property and the percentage change in the average education tax bill of homestead property and the percentage change in the average education tax bill for taxpayers who claim a credit under subsection 6066(a) of this title are equal;~~

~~(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and~~

~~(6) the nonhomestead rate is divided by the statewide adjustment.~~

(b) For each fiscal year, the ~~property dollar equivalent~~ supplemental district spending yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.

\* \* \*

(d) Along with the recommendations made under this section, the Commissioner shall include:

(1) the base amount as defined in 16 V.S.A. § 4001(17);

(2) the anticipated aggregate equalized education property tax grand list of all municipalities;

(3) the anticipated aggregate long-term membership, as defined in 16 V.S.A. § 4001(7), of all school districts;

(4) the State average taxing capacity; and

(5) the range of per pupil supplemental district spending between all districts in the State for the previous year.

\* \* \*

Sec. 49. [Deleted.]

\* \* \* Conforming Revisions; Statewide Property Tax Rate \* \* \*

Sec. 50. 32 V.S.A. § 5405(g) is amended to read:

(g) The Commissioner shall provide to municipalities for the front of property tax bills the district homestead property tax rate before equalization, the ~~nonresidential~~ nonhomestead property tax rate before equalization, and the calculation process that creates the equalized homestead and nonhomestead tax rates. The Commissioner shall further provide to municipalities for the back of property tax bills an explanation of the common level of appraisal, including its origin and purpose.

Seventh: By striking out Sec. 70, effective dates, in its entirety and inserting in lieu thereof new Sec. 70 to read as follows:

Sec. 70. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Sec. 1 (findings; intent; plan);

(2) Sec. 2 (Commission on the Future of Public Education);

(3) Sec. 3 (School District Redistricting Task Force);

(4) Sec. 32 (Agency of Education transformation support);

- 
- (5) Sec. 33. (Agency of Education positions);
  - (6) Sec. 44 (transportation reimbursement guidelines);
  - (7) Sec. 45 (inflationary measures; prekindergarten; reports);
  - (8) Sec. 45a (foundation formula report);
  - (9) Sec. 45c (Education Fund Advisory Committee; delay);
  - (10) Sec. 53 (homestead declaration sample form);
  - (11) Sec. 53a (homestead exemption report);
  - (12) Sec. 61 (tax classification study);
  - (13) Sec. 63 (regional assessment district transition);
  - (14) Sec. 64 (RAD stakeholder working group);
  - (15) Sec. 65 (inadvertently removed language);
  - (16) Sec. 66 (minimum debt for tax sales);
  - (17) Sec. 68 (property tax credit late fee); and
  - (18) Sec. 69 (education property tax spending adjustment).
- (b) The following sections shall take effect on July 1, 2025:
- (1) Sec. 4 (scale; intent);
  - (2) Sec. 7 (SBE rules; report);
  - (3) Sec. 8 (school closure);
  - (4) Sec. 11 (16 V.S.A. § 3443);
  - (5) Sec. 12 (School Construction Advisory Board sunset);
  - (6) Sec. 18 (16 V.S.A. § 828);
  - (7) Sec. 19 (tuition transition);
  - (8) Sec. 20 (statewide cohesion; intent);
  - (9) Sec. 21 (AOE report; graduation requirements);
  - (10) Sec. 22 (State-level governance; intent);
  - (11) Sec. 23 (16 V.S.A. § 161);
  - (12) Sec. 24 (SBE appointments transition);
  - (13) Sec. 25 (16 V.S.A. § 162);
  - (14) Sec. 26 (SBE rule review; appropriation);
  - (15) Sec. 29 (special education report);



(16) Sec. 30 (AOE special education strategic plan);

(17) Sec. 31 (AOE position);

(18) Sec. 60 (grand list parcel definition); and

(19) Sec. 67 (PVR hearing officer pay).

(c) The following sections shall take effect on July 1, 2026:

(1) Sec. 3a (transitional school boards);

(2) Sec. 5 (class size minimums);

(3) Sec. 6 (failure to comply with class size minimums);

(4) Sec. 9 (school construction policy);

(5) Sec. 10 (16 V.S.A. § 3442);

(6) Sec. 13 (16 V.S.A. § 3444);

(7) Sec. 14 (16 V.S.A. § 3445);

(8) Sec. 15 (16 V.S.A. § 3446);

(9) Sec. 16 (transfer of rulemaking authority); and

(10) Sec. 17 (repeals).

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

(e) The following sections shall take effect on July 1, 2028, provided that the new school districts contemplated by this act have assumed responsibility for the education of all resident students and that the General Assembly has received the report provided pursuant to section 45a of this act:

(1) Secs. 27 (16 V.S.A. § 823) and 28 (repeals);

(2) Secs. 34–43 (transition to cost-factor foundation formula);

(3) Secs. 46, 47, and 50 (statewide education tax; supplemental district spending tax);

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

(5) Sec. 57 (Education Fund Advisory Committee; review of foundation formula).

(f) Sec. 62 (regional assessment districts) shall take effect on January 1, 2030.

(g) Secs. 58 and 59 (transition to evidence-based foundation formula) shall take effect upon:

(1) development and review of an evidence-based foundation formula by professional judgment panels;

(2) compliance by 90 percent of Vermont classes with class-size minimum standards set in the education quality standards;

(3) compliance by 90 percent of Vermont school buildings with school size standards set in the education quality standards; and

(4) implementation of a multitiered system of supports in each classroom in each Vermont school.

Which was disagreed to, on a roll call, Yeas 13, Nays 17.

Senator Ingalls having demanded the yeas and nays, they were taken and are as follows:

### **Roll Call**

**Those Senators who voted in the affirmative were:** Beck, Brennan, Brock, Collamore, Douglass, Hart, Heffernan, Ingalls, Mattos, Norris, Weeks, Westman, Williams.

**Those Senators who voted in the negative were:** Baruth, Bongartz, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Lyons, Major, Perchlik, Plunkett, Ram Hinsdale, Vyhovsky, Watson, White.

Thereupon, third reading was ordered.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was placed in all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Baruth, the rules were suspended, and the bill was ordered messaged to the House forthwith.

### **Rules Suspended; Bills Messaged**

On motion of Senator Baruth, the rules were suspended, and the following bills were ordered messaged to the House forthwith:

**H. 91, H. 472.**

### **Point of Privilege Journalized**

During announcements, on a point of personal privilege, Senator Heffernan addressed the Chair, and on motion of Senator Baruth, his remarks were entered into the Journal.

“Thank you, Mr. President.

“I ask for a moment of personal privilege.

“I stand before you today not to make a political statement, but to honor the men and women who have made the ultimate sacrifice in service to our nation.

“As I reflect on my 33 years of service in the United States Air Force, I’ve witnessed firsthand the dedication and courage of those who gave their lives so that we may enjoy the freedoms we hold dear. The pain and heartache their families endure is profound knowing their loved ones will never come home, never again share a moment together.

“Those who serve in our armed forces live by the core value of service before self—a value that transcends political affiliation. Regardless of who leads the country, even in times of disagreement with the Commander in Chief, it is their unwavering belief in freedom and duty that carries them forward.

“This Memorial Day, I ask each of you to pause—just for a moment—and remember those who gave everything so we can live freely, speak openly, and pursue our dreams.

“Before we adjourn, I respectfully ask that we say the Pledge of Allegiance together, in remembrance of the fallen.

“Thank you, Mr. President.”

### **Message from the House No. 69**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposals of amendment to the following House bills:

**H. 1.** An act relating to accepting and referring complaints by the State Ethics Commission.

**H. 44.** An act relating to miscellaneous amendments to the laws governing impaired driving.

And has severally concurred therein.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

**S. 12.** An act relating to sealing criminal history records.

The Speaker has appointed as members of such committee on the part of the House:

Rep. LaLonde of South Burlington  
Rep. Burditt of West Rutland  
Rep. Dolan of Essex Junction.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

**S. 126.** An act relating to health care payment and delivery system reform.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Black of Essex  
Rep. McFaun of Barre Town  
Rep. Berbeco of Winooski.

The House has adopted House concurrent resolutions of the following titles:

**H.C.R. 151.** House concurrent resolution congratulating Casella Waste Systems, Inc. on the company's 50th anniversary.

**H.C.R. 152.** House concurrent resolution honoring Silas R. Loomis for his more than half century of extraordinary municipal public service as the esteemed Castleton First Constable.

**H.C.R. 153.** House concurrent resolution congratulating Ronald Loomis on his receipt of the 2025 Shaftsbury Ordinary Hero Award.

**H.C.R. 154.** House concurrent resolution recognizing May 2025 as Mental Health Awareness Month in Vermont.

In the adoption of which the concurrence of the Senate is requested.

### **House Concurrent Resolutions**

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

Offered by Reps. Harvey and Canfield,

Offered by Senators Collamore, Weeks and Williams,

### **H.C.R. 152.**

House concurrent resolution honoring Silas R. Loomis for his more than half century of extraordinary municipal public service as the esteemed Castleton First Constable.

Offered by Rep. Durfee,

Offered by Sens. Bongartz and Plunkett,

**H.C.R. 153.**

House concurrent resolution congratulating Ronald Loomis on his receipt of the 2025 Shaftsbury Ordinary Hero Award.

Offered by Reps. Berbeco and Cina,

**H.C.R. 154.**

House concurrent resolution recognizing May 2025 as Mental Health Awareness Month in Vermont.

**Adjournment**

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, May 27, 2025, at ten o'clock in the forenoon pursuant to J.R.S. 27.