

1 Introduced by House Committee on Education

2 Date:

3 Subject: Education; moratorium on approved independent schools; therapeutic  
4 approved independent schools; Interstate Compact for Education;  
5 cooperative educational service areas

6 Statement of purpose of bill as introduced: This bill proposes (1) to create an  
7 exemption to the moratorium on approval of new approved independent school  
8 initial applications when a currently therapeutic approved independent school  
9 experiences a change in ownership; (2) that Vermont adopt and enter into the  
10 Interstate Compact for Education; (3) rename boards of cooperative education  
11 services as cooperative educational service areas; and (4) exclude a school's  
12 failure to comply with class size minimums as counting towards the three  
13 consecutive years necessary for the Secretary to be able to recommend action  
14 to the State Board until the State Board adopts updates to the Education  
15 Quality Standards rules or July 1, 2027, whichever date comes first.

16 An act relating to miscellaneous changes in education law  
17 It is hereby enacted by the General Assembly of the State of Vermont:

18 \* \* \* Approved Independent School Moratorium \* \* \*

19 Sec. 1. 2023 Acts and Resolves No. 78, Sec. E.511.1, as amended by 2025  
20 Acts and Resolves No. 72, Sec. 16, is amended to read:

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

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

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

9 (c) Notwithstanding subsections (a) and (b) of this section, the moratorium  
10 on approval of new approved independent schools shall not apply to changes in  
11 ownership of therapeutic approved independent schools as that term is defined  
12 in 16 V.S.A. § 828(d). If submission of an application for initial approval of  
13 an approved independent school is required as the result of a change in  
14 ownership of a therapeutic approved independent school, that at the time of the  
15 change in ownership is approved by the State Board of Education pursuant to  
16 16 V.S.A. § 166, the moratorium created pursuant to subsection (a) of this  
17 section shall not apply and the Agency of Education and State Board of  
18 Education shall process the application according to applicable State and  
19 federal law.

20 \* \* \* Interstate Compact for Education \* \* \*

21 Sec. 2. 16 V.S.A. chapter 35 is added to read:

1            CHAPTER 35. INTERSTATE COMPACT FOR EDUCATION

2            § 1501. PURPOSE AND POLICY—ARTICLE I

3            (a) It is the purpose of this compact to:

4            (1) Establish and maintain close cooperation and understanding among  
5            executive, legislative, professional educational and lay leadership on a  
6            nationwide basis at the state and local levels.

7            (2) Provide a forum for the discussion, development, crystallization, and  
8            recommendation of public policy alternatives in the field of education.

9            (3) Provide a clearinghouse of information on matters relating to  
10           education problems and how they are being met in different places throughout  
11           the nation, so that the executive and legislative branches of state government  
12           and of local communities may have ready access to the experience and record  
13           of the entire country, and so that both lay and professional groups in the field  
14           of education may have additional avenues for the sharing of experience and the  
15           interchange of ideas in the formation of public policy in education.

16           (4) Facilitate the improvement of state and local education systems so  
17           that all of them will be able to meet adequate and desirable goals in a society  
18           that requires continuous qualitative and quantitative advance in educational  
19           opportunities, methods, and facilities.

20           (b) It is the policy of this compact to encourage and promote local and state  
21           initiative in the development, maintenance, improvement, and administration

1 of education systems and institutions in a manner that will accord with the  
2 needs and advantages of diversity among localities and states.

3 (c) The party states recognize that each of them has an interest in the  
4 quality and quantity of education furnished in each of the other states, as well  
5 as in the excellence of its own education systems and institutions, because of  
6 the highly mobile character of individuals within the nation, and because the  
7 products and services contributing to the health, welfare, and economic  
8 advancement of each state are supplied in significant part by persons educated  
9 in other states.

10 § 1502. STATE DEFINED—ARTICLE II

11 As used in this compact, “state” means a state, territory, or possession of the  
12 United States, the District of Columbia, or the Commonwealth of Puerto Rico.

13 § 1503. THE COMMISSION—ARTICLE III

14 (a) The Education Commission of the States, hereinafter called “the  
15 Commission,” is hereby established. The Commission shall consist of seven  
16 members representing each party state. One of such members shall be the  
17 governor; two shall be members of the state legislature selected by its  
18 respective houses and serving in such manner as the legislature may determine;  
19 and four shall be appointed by and serve at the pleasure of the governor, unless  
20 the laws of the state otherwise provide. If the laws of a state prevent  
21 legislators from serving on the Commission, six members shall be appointed

1 and serve at the pleasure of the governor, unless the laws of the state otherwise  
2 provide. In addition to any other principles or requirements which a state may  
3 establish for the appointment and service of its members of the Commission,  
4 the guiding principle for the composition of the membership on the  
5 Commission from each party state shall be that the members representing such  
6 state shall, by virtue of their training, experience, knowledge, or affiliations, be  
7 in a position collectively to reflect broadly the interests of the state  
8 government, higher education, the state education system, local education, and  
9 lay and professional, public and nonpublic educational leadership. Of those  
10 appointees, one shall be the head of a state agency or institution, designated by  
11 the governor, having responsibility for one or more programs of public  
12 education. In addition to the members of the Commission representing the  
13 party states, there may be not to exceed 10 nonvoting commissioners selected  
14 by the Steering Committee for terms of one year. Such commissioners shall  
15 represent leading national organizations of professional educators or persons  
16 concerned with educational administration.

17 (b) The members of the Commission shall be entitled to one vote each on  
18 the Commission. No action of the Commission shall be binding unless taken  
19 at a meeting at which a majority of the total number of votes on the  
20 Commission are cast in favor thereof. Action of the Commission shall be only  
21 at a meeting at which a majority of the Commissioners are present. The

1 Commission shall meet at least once a year. In its bylaws, and subject to such  
2 directions and limitations as may be contained therein, the Commission may  
3 delegate the exercise of any of its powers to the Steering Committee or the  
4 Executive Director, except for the power to approve budgets or requests for  
5 appropriations, the power to make policy recommendations pursuant to section  
6 1504 of this chapter, and adoption of the annual report pursuant to subsection  
7 (j) of this section.

8 (c) The Commission shall have a seal.

9 (d) The Commission shall elect annually, from among its members, a  
10 chairman, who shall be a governor; a vice chairman; and a treasurer. The  
11 Commission shall provide for the appointment of an Executive Director. Such  
12 Executive Director shall serve at the pleasure of the Commission, and together  
13 with the Treasurer and such other personnel as the Commission may deem  
14 appropriate shall be bonded in such amount as the Commission shall  
15 determine. The Executive Director shall be Secretary.

16 (e) Irrespective of the civil service, personnel, or other merit system laws of  
17 any of the party states, the Executive Director, subject to the approval of the  
18 Steering Committee, shall appoint, remove, or discharge such personnel as  
19 may be necessary for the performance of the functions of the Commission and  
20 shall fix the duties and compensation of such personnel. The Commission in

1 its bylaws shall provide for the personnel policies and programs of the  
2 Commission.

3 (f) The Commission may borrow, accept, or contract for the services of  
4 personnel from any party jurisdiction, the United States or any subdivision or  
5 agency of the aforementioned governments, or from any agency of two or  
6 more of the party jurisdictions or their subdivisions.

7 (g) The Commission may accept for any of its purposes and functions  
8 under this Compact any and all donations and grants of money, equipment,  
9 supplies, materials, and services, conditional or otherwise, from any state, the  
10 United States, or any other governmental agency, or from any person, firm,  
11 association, foundation or corporation, and may receive, utilize, and dispose of  
12 the same. Any donation or grant accepted by the Commission pursuant to this  
13 subsection or services borrowed pursuant to subsection (f) of this section shall  
14 be reported in the annual report of the Commission. Such report shall include  
15 the nature, amount, and conditions, if any, of the donation, grant, or services  
16 borrowed, and the identity of the donor or lender.

17 (h) The Commission may establish and maintain such facilities as may be  
18 necessary for the transacting of its business. The Commission may acquire,  
19 hold, and convey real and personal property and any interest therein.

20 (i) The Commission shall adopt bylaws for the conduct of its business and  
21 shall have the power to amend and rescind these bylaws. The Commission

1 shall publish its bylaws in convenient form and shall file a copy thereof and a  
2 copy of any amendment thereto with the appropriate agency or officer in each  
3 of the party states.

4 (j) The Commission annually shall make to the governor and legislature of  
5 each party state a report covering the activities of the Commission for the  
6 preceding year. The Commission may make such additional reports as it may  
7 deem desirable.

8 § 1504. POWERS—ARTICLE IV

9 In addition to authority conferred on the Commission by other provisions of  
10 the Compact, the Commission shall have authority to:

11 (1) Collect, correlate, analyze, and interpret information and data  
12 concerning educational needs and resources.

13 (2) Encourage and foster research in all aspects of education, but with  
14 special reference to the desirable scope of instruction, organization,  
15 administration, and instructional methods and standards employed or suitable  
16 for employment in public education systems.

17 (3) Develop proposals for adequate financing of education as a whole  
18 and at each of its many levels.

19 (4) Conduct or participate in research of the types referred to in this  
20 section in any instance where the Commission finds that such research is  
21 necessary for the advancement of the purposes and policies of this Compact,

1 using fully the resources of national associations, regional compact  
2 organizations for higher education, and other agencies and institutions, both  
3 public and private.

4 (5) Formulate suggested policies and plans for the improvement of  
5 public education as a whole, or for any segment thereof, and make  
6 recommendations with respect thereto available to the appropriate  
7 governmental units, agencies, and public officials.

8 (6) Do such other things as may be necessary or incidental to the  
9 administration of any of its authority or functions pursuant to this Compact.

10 § 1505. COOPERATION WITH FEDERAL GOVERNMENT—ARTICLE V

11 (a) If the laws of the United States specifically so provide, or if  
12 administrative provision is made therefore within the federal government, the  
13 United States may be represented on the Commission by not to exceed 10  
14 representatives. Any such representative or representatives of the United  
15 States shall be appointed and serve in such manner as may be provided by or  
16 pursuant to federal law, and may be drawn from any one or more branches of  
17 the federal government, but no such representative shall have a vote on the  
18 Commission.

19 (b) The Commission may provide information and make recommendations  
20 to any executive or legislative agency or officer of the federal government

1 concerning the common education policies of the states, and may advise with  
2 any such agencies or officers concerning any matter of mutual interest.

3 § 1506. COMMITTEES—ARTICLE VI

4 (a) To assist in the expeditious conduct of its business when the full  
5 Commission is not meeting, the Commission shall elect a Steering Committee  
6 of 32 members which, subject to the provisions of this Compact and consistent  
7 with the policies of the Commission, shall be constituted and function as  
8 provided in the bylaws of the Commission. One-fourth of the voting  
9 membership of the Steering Committee shall consist of governors, one-fourth  
10 shall consist of legislators, and the remainder shall consist of other members of  
11 the Commission. A federal representative on the Commission may serve with  
12 the Steering Committee, but without vote. The voting members of the Steering  
13 Committee shall serve for terms of two years, except that members elected to  
14 the first Steering Committee of the Commission shall be elected as follows: 16  
15 for one year and 16 for two years. The Chairman, Vice Chairman, and  
16 Treasurer of the Commission shall be members of the Steering Committee and,  
17 anything in this subsection to the contrary notwithstanding, shall serve during  
18 their continuance in these offices. Vacancies in the Steering Committee shall  
19 not affect its authority to act, but the Commission at its next regularly ensuing  
20 meeting following the occurrence of any vacancy shall fill it for the unexpired  
21 term. No person shall serve more than two terms as a member of the Steering

1 Committee, provided that service for a partial term of one year or less shall not  
2 be counted toward the two-term limitation.

3 (b) The Commission may establish advisory and technical committees  
4 composed of state, local and federal officials, and private persons to advise it  
5 with respect to any one or more of its functions. Any advisory or technical  
6 committee may, on request of the states concerned, be established to consider  
7 any matter of special concern to two or more of the party states.

8 (c) The Commission may establish such additional committees as its  
9 bylaws may provide.

10 § 1507. FINANCE—ARTICLE VII

11 (a) The Commission shall advise the governor or designated officer or  
12 officers of each party state of its budget and estimated expenditures for such  
13 period as may be required by the laws of that party state. Each of the  
14 Commission’s budgets of estimated expenditures shall contain specific  
15 recommendations of the amount or amounts to be appropriated by each of the  
16 party states.

17 (b) The total amount of appropriation requests under any budget shall be  
18 apportioned among the party states. In making such apportionment, the  
19 Commission shall devise and employ a formula which takes equitable account  
20 of the populations and per-capita income levels of the party states.

1       (c) The Commission shall not pledge the credit of any party states. The  
2       Commission may meet any of its obligations in whole or in part with funds  
3       available to it pursuant to subsection 1503(g) of this chapter of this Compact,  
4       provided that the Commission takes specific action setting aside such funds  
5       prior to incurring an obligation to be met in whole or in part in such manner.  
6       Except where the Commission makes funds available to it pursuant to  
7       subsection 1503(g) of this chapter thereof, the Commission shall not incur any  
8       obligation prior to the allotment of funds by the party states adequate to meet  
9       the same.

10       (d) The Commission shall keep accurate accounts of all receipts and  
11       disbursements. The receipts and disbursements of the Commission shall be  
12       subject to the audit and accounting procedures established by its bylaws.  
13       However, all receipts and disbursements of funds handled by the Commission  
14       shall be audited yearly by a qualified public accountant, and the report of the  
15       audit shall be included in and become part of the annual reports of the  
16       Commission.

17       (e) The accounts of the Commission shall be open at any reasonable time  
18       for inspection by duly constituted officers of the party states and by any  
19       persons authorized by the Commission.

1       (f) Nothing contained herein shall be construed to prevent Commission  
2       compliance with laws relating to audit or inspection of accounts by or on  
3       behalf of any government contributing to the support of the Commission.

4       § 1508. ELIGIBLE PARTIES; ENTRY INTO AND WITHDRAWAL—

5               ARTICLE VIII

6       (a) This Compact shall have as eligible parties all states, territories, and  
7       possessions of the United States, the District of Columbia, and the  
8       Commonwealth of Puerto Rico. In respect of any such jurisdiction not having  
9       a governor, the term “governor,” as used in this Compact, shall mean the  
10       closest equivalent official of such jurisdiction.

11       (b) Any state or other eligible jurisdiction may enter into this Compact, and  
12       it shall become binding thereon when it has adopted the same, provided that in  
13       order to enter into initial effect, adoption by at least 10 eligible party  
14       jurisdictions shall be required.

15       (c) Adoption of the Compact may be either by enactment thereof or by  
16       adherence thereto by the governor; provided that in the absence of enactment,  
17       adherence by the governor shall be sufficient to make his state a party only  
18       until December 31, 1967. During any period when a state is participating in  
19       this Compact through gubernatorial action, the governor shall appoint  
20       those persons who, in addition to himself, shall serve as the members of the  
21       Commission from his state, and shall provide to the Commission an equitable

1 share of the financial support of the Commission from any source available to  
2 him.

3 (d) Except for a withdrawal effective on December 31, 1967, in accordance  
4 with subsection (c) of this section, any party state may withdraw from this  
5 Compact by enacting a statute repealing the same, but no such withdrawal shall  
6 take effect until one year after the governor of the withdrawing state has given  
7 notice in writing of the withdrawal to the governors of all other party states. No  
8 withdrawal shall affect any liability already incurred by or chargeable to a  
9 party state prior to the time of such withdrawal.

10 § 1509. AMENDMENTS TO THE COMPACT—ARTICLE IX

11 This Compact may be amended by a vote of two-thirds of the members of  
12 the Commission present and voting when ratified by the legislatures of two-  
13 thirds of the party states.

14 § 1510. CONSTRUCTION AND SEVERABILITY—ARTICLE X

15 This Compact shall be liberally construed so as to effectuate the purposes  
16 thereof. The provisions of this Compact shall be severable and if any phrase,  
17 clause, sentence, or provision of this Compact is declared to be contrary to the  
18 constitution of any state or of the United States, or the application thereof to  
19 any government, agency, person, or circumstance is held invalid, the validity  
20 of the remainder of this Compact and the applicability thereof to any  
21 government, agency, person, or circumstance shall not be affected thereby. If

1 this Compact shall be held contrary to the constitution of any state  
2 participating therein, the Compact shall remain in full force and effect as to the  
3 state affected as to all severable matters.

4 \* \* \* Cooperative Educational Service Areas \* \* \*

5 Sec. 3. 16 V.S.A. chapter 10 is amended to read:

6 CHAPTER 10. ~~BOARDS OF COOPERATIVE EDUCATION SERVICES~~

7 COOPERATIVE EDUCATIONAL SERVICE AREAS

8 § 601. POLICY

9 It is the policy of the State to allow and encourage supervisory unions to  
10 create ~~boards of cooperative education services~~ cooperative educational service  
11 areas to provide shared programs and services on a regional and statewide  
12 level. Formation of a ~~board of cooperative education services~~ cooperative  
13 educational service areas shall be designed to build upon the geographically  
14 focused cooperative regions used by Vermont superintendents as of July 1,  
15 2024; maximize the impact of available dollars through collaborative funding;  
16 reduce duplication of programs, personnel, and services; and contribute to  
17 equalizing educational opportunities for all pupils.

18 § 602. DEFINITIONS

19 As used in this chapter:

20 (1) “Educator” means any:

1 (A) individual licensed under chapter 51 of this title, the majority of  
2 whose employed time in a public school district, supervisory union, or ~~board of~~  
3 ~~cooperative education services~~ cooperative educational service areas is  
4 assigned to furnish to students direct instructional or other educational  
5 services, as defined by rule of the Standards Board, or who is otherwise subject  
6 to licensing as determined by the Standards Board; or

7 \* \* \*

8 § 603. CREATION OF ~~BOARD OF COOPERATIVE EDUCATION~~

9 ~~SERVICES~~ COOPERATIVE EDUCATIONAL SERVICE AREAS;

10 ORGANIZATION; SECRETARY APPROVAL

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

1 educational service area (CESA) and shall be a body politic and corporate with  
2 the powers and duties afforded them under this chapter.

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

- 16 (1) the names of the participating supervisory unions;
- 17 (2) the mission, purpose, and focus of the ~~BOCES~~ CESA;
- 18 (3) the programs or services to be offered by the ~~BOCES~~ CESA;
- 19 (4) the financial terms and conditions of membership of the ~~BOCES~~  
20 CESA, including any applicable membership fee;

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

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

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

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

10 (9) the powers and duties of the board of directors of the ~~BOCES~~ CESA  
11 to operate and manage the association, including:

12 (A) board meeting attendance requirements;

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

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

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

16 (10) any other matter not incompatible with law that the member  
17 supervisory unions consider necessary to the formation of the ~~BOCES~~ CESA.

18 (c) Board of directors. A ~~BOCES~~ CESA shall be managed by a board of  
19 directors, which shall be composed of one person appointed annually by each  
20 member supervisory union board. Appointed persons shall be members of a  
21 member supervisory union board or the superintendent or designee of the

1 member supervisory union. Each member of the ~~BOCES~~ CESA board of  
2 directors shall be entitled to a vote. No member of the board of directors of a  
3 ~~BOCES~~ CESA shall serve as a member of a board of directors or as an officer  
4 or employee of any related for-profit or nonprofit organization. The board of  
5 directors shall elect a chair from its members and provide for such other  
6 officers as it may determine are necessary. The board of directors may also  
7 establish subcommittees and create board policies and procedures as it may  
8 determine are necessary. The board of directors shall meet not fewer than four  
9 times annually. Each member of the board of directors shall provide updates  
10 on the activities of the ~~BOCES~~ CESA on a quarterly basis to the member's  
11 appointing supervisory union board at an open board meeting.

12 (d) Number of ~~BOCESs~~ CESAs. There shall be not more than seven  
13 ~~BOCESs~~ CESAs statewide. Supervisory unions shall not be a member of  
14 more than one ~~BOCES~~ CESA but may seek services as a nonmember from  
15 other ~~BOCESs~~ CESAs.

16 § 604. POWERS OF ~~BOARDS OF COOPERATIVE EDUCATION~~

17 ~~SERVICES~~ COOPERATIVE EDUCATIONAL SERVICE AREAS

18 (a) In addition to any other powers granted by law, a ~~BOCES~~ CESA shall  
19 have the power to provide educational programs, services, facilities, and  
20 professional and other staff that, in its discretion, best serve the needs of its  
21 members. A ~~BOCES~~ CESA shall follow all applicable State and federal laws

1 in its provision of services, including Section 504 of the Rehabilitation Act of  
2 1973, 29 U.S.C. § 794, and the Individuals with Disabilities Education Act, 20  
3 U.S.C. §§ 1400–1482.

4 (b) A ~~BOCES~~ CESA may employ an executive director who shall serve  
5 under the general direction of the board and who shall be responsible for the  
6 care and supervision of the ~~BOCES~~ CESA. The board shall annually evaluate  
7 the executive director’s performance and effectiveness in implementing the  
8 programs, policies, and goals of the ~~BOCES~~ CESA. The executive director  
9 shall not serve as a board member, officer, or employee of any related for-  
10 profit or nonprofit organization.

11 (c) A ~~BOCES~~ CESA shall be a body politic and corporate and shall have  
12 standing to sue and be sued to the same extent as a school district. A ~~BOCES~~  
13 CESA may enter into contracts for the purchase of supplies, materials, and  
14 services and for the purchase or leasing of land, buildings, and equipment as  
15 considered necessary by the board of directors. Section 559 of this title shall  
16 apply to the procurement of services or items with costs that exceed  
17 \$40,000.00, as well as high-cost construction contracts, as defined by  
18 subsection 559(b) of this title.

19 (d) The board of directors of a ~~BOCES~~ CESA may apply for State, federal,  
20 or private grants, for which a ~~BOCES~~ CESA be otherwise eligible, to obtain  
21 funds necessary to carry out the purpose for which the ~~BOCES~~ CESA is

1 established. Nothing in this chapter is intended to create an entitlement to  
2 federal funds distributed by the Agency of Education to local education  
3 agencies.

4 § 605. FINANCING, BUDGETING, AND ACCOUNTING

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

10 (b) Treasurer.

11 (1) A ~~BOCES~~ CESA shall appoint a treasurer who may be a treasurer of  
12 a member school district and who shall be sworn in before entering the duties  
13 of the office.

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

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

20 (4) The board of directors shall ensure that its blanket bond covers a  
21 newly appointed treasurer before the treasurer enters upon the duties of the

1 office. In lieu of a blanket bond, a ~~BOCES~~ CESA may choose to provide  
2 suitable crime insurance coverage. The board of directors may pay reasonable  
3 compensation to the treasurer for services rendered and shall evaluate the  
4 treasurer's performance annually.

5 (c) Financial accounting system. A ~~BOCES~~ CESA shall use the uniform  
6 chart of accounts and financial reporting requirements used by supervisory  
7 unions as its financial accounting system.

8 (d) Audit. Annually, a ~~BOCES~~ CESA shall cause an independent audit to  
9 be made of its financial statements consistent with generally accepted  
10 governmental auditing standards and shall discuss and vote to accept the audit  
11 report at an open meeting of the board. The board shall transmit a copy of  
12 each audit to the boards of its member supervisory unions.

13 (e) Annual statement. Annually, a ~~BOCES~~ CESA shall prepare financial  
14 statements, including:

15 (1) a statement of net assets; and

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

17 (f) Budget. ~~A The board of cooperative education services~~ a CESA shall  
18 adopt a budget prior to the beginning of the fiscal year for which the budget is  
19 adopted.

20 (g) Loans. A ~~BOCES~~ CESA may, upon approval of its members, negotiate  
21 or contract with any person, corporation, association, or company for a loan

1 not to exceed the difference between the anticipated revenues for the current  
2 fiscal year for the budget of the ~~BOCES~~ CESA and the amount credited to date  
3 to said budget in order to pay current obligations. Such loan shall be liquidated  
4 within six months thereafter from monies subsequently credited to said budget.  
5 The total principal, interest, and fees to be paid on such loan shall not exceed  
6 the total amount of the authorized budget for the same length of time.

7 § 606. ANNUAL REPORT; PUBLIC INFORMATION

8 (a) The board of a ~~BOCES~~ CESA shall prepare an annual report concerning  
9 the affairs of the ~~BOCES~~ CESA and have it printed and distributed to the  
10 boards of the member supervisory unions. The annual report shall include, at a  
11 minimum:

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

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

17 (b) A ~~BOCES~~ CESA shall maintain an internet website that makes the  
18 following information available to the public at no cost:

19 (1) a list of the members of the board of directors of the ~~BOCES~~ CESA;

20 (2) copies of approved minutes of open meetings held by the board of  
21 the ~~BOCES~~ CESA;

- 1           (3) a copy of the articles of agreement and any subsequent amendments;  
2           and  
3           (4) a copy of the annual report required under subsection (a) of this  
4           section.

5           § 607. EMPLOYMENT

6           (a) A ~~BOCES~~ CESA shall be considered to be a public employer and may  
7           employ personnel, including educators, to carry out the purposes and functions  
8           of the board. Annually, the board of a ~~BOCES~~ CESA shall conduct an area  
9           survey of the salaries of the educators and staff employed by the ~~BOCES's~~  
10          CESA's member supervisory unions and school districts.

11          (b) No person shall be eligible for employment by a ~~BOCES~~ CESA as an  
12          educator unless the person is appropriately licensed by the Standards Board for  
13          Professional Educators pursuant to chapter 51 of this title.

14          (c) A person employed by a ~~BOCES~~ CESA as an educator shall be a  
15          participant in the Vermont State Teachers' Retirement System pursuant to  
16          chapter 55 of this title.

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

20          (e) Educators employed by a ~~BOCES~~ CESA shall be entitled to organize  
21          pursuant to chapter 57 of this title.

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

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

5 Sec. 4. 2024 Acts and Resolves No. 168, Sec. 3 is amended to read:

6 Sec. 3. TRANSITION; REPORT

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

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

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

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

8           (3) recommendations for expansion of the membership and powers of  
9           ~~boards of cooperative education services~~ cooperative educational service areas,  
10          including recommendations for whether membership in ~~such boards~~ a CESA  
11          shall be mandatory.

12          Sec. 5. 2024 Acts and Resolves No. 168, Sec. 4, as amended by 2025 Acts and  
13          Resolves No. 72, Sec. 7, is amended to read:

14          Sec. 4. BOCES GRANT PROGRAM; APPROPRIATION

15          (a) There is established the ~~Boards of Cooperative Education Services~~  
16          Cooperative Educational Service Area Start-up Grant Program, to be  
17          administered by the Agency of Education, from funds appropriated for this  
18          purpose, to award grants to enable the formation of ~~boards of cooperative~~  
19          ~~education services (BOCES)~~ cooperative educational service areas (CESAs)  
20          formed pursuant to 16 V.S.A. chapter 10 after July 1, 2024. Supervisory  
21          unions shall be eligible for a single \$10,000.00 grant after two or more boards

1 vote to explore the advisability of forming a ~~board of cooperative education~~  
2 ~~services~~ cooperative educational service area pursuant to 16 V.S.A. § 603(a).  
3 Grants may be used for start-up and formation costs, including the  
4 development of proposed articles of agreement. Grants shall be awarded to  
5 only one supervisory union within each group of supervisory unions exploring  
6 the formation of a ~~BOCES~~ CESA.

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

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

15 § 261a. DUTIES OF SUPERVISORY UNION BOARD

16 \* \* \*

17 (b) Virtual merger. In order to maximize the impact of available funding  
18 and resources, and to reduce duplication of educational programs, personnel,  
19 and services, whenever legally permissible, supervisory unions are encouraged  
20 to reach agreements with other supervisory unions jointly to provide any  
21 service or perform any duty under this section pursuant to section 267 of this

1 title, or to form ~~boards of cooperative education services~~ cooperative  
2 educational service areas pursuant to chapter 10 of this title. Agreements  
3 between supervisory unions are not subject to the waiver requirement of  
4 subdivision (a)(8) of this section. Agreements shall include a cost-benefit  
5 analysis outlining the projected financial savings or enhanced outcomes, or  
6 both, that the parties expect to realize through shared services or programs.

7 \* \* \*

8 Sec. 7. 16 V.S.A. § 1691a is amended to read:

9 § 1691a. DEFINITIONS

10 As used in this chapter:

11 (1) “Administrator” means an individual licensed under this chapter the  
12 majority of whose employed time in a public school, school district,  
13 supervisory union, or ~~board of cooperative education services~~ cooperative  
14 educational service area is assigned to developing and managing school  
15 curriculum, evaluating and disciplining personnel, or supervising and  
16 managing a public school system or public school program.

17 \* \* \*

18 (10) “Teacher” means an individual licensed under this chapter the  
19 majority of whose employed time in a public school district, supervisory  
20 union, or ~~board of cooperative education services~~ cooperative educational  
21 service area is assigned to furnish to students direct instructional or other

1 educational services, as defined by rule of the Standards Board, or who is  
2 otherwise subject to licensing as determined by the Standards Board.

3 Sec. 8. 16 V.S.A. § 1931(20) is amended to read:

4 (20) “Teacher” means any licensed teacher, principal, supervisor,  
5 superintendent, or any professional licensed by the Vermont Standards Board  
6 for Professional Educators who is regularly employed, or otherwise contracted  
7 if following retirement, for the full normal working time for the teacher’s  
8 position in a public day school or school district within the State, or in any  
9 school or teacher-training institution located within the State, controlled by the  
10 State Board of Education, and supported wholly by the State; or in certain  
11 public independent schools designated for such purposes by the Board in  
12 accordance with section 1935 of this title; or who is regularly employed by a  
13 ~~board of cooperative education services~~ cooperative educational service area  
14 created in accordance with chapter 10 of this title. In all cases of doubt, the  
15 Board shall determine whether any person is a teacher as defined in this  
16 chapter. It does not mean a person who is teaching with an emergency license.

17 Sec. 9. 24 V.S.A. § 5051(10) is amended to read:

18 § 5051. DEFINITIONS

19 (10) “Employee” means the following persons employed on a regular  
20 basis by a school district, by a supervisory union, or by a ~~board of cooperative~~  
21 ~~education services~~ cooperative educational service area for not fewer than

1 1,040 hours in a year and for not fewer than 30 hours a week for the school  
2 year, as defined in 16 V.S.A. § 1071, or for not fewer than 1,040 hours in a  
3 year and for not fewer than 24 hours a week year-round; provided, however,  
4 that if a person who was employed on a regular basis by a school district as  
5 either a special education or transportation employee and who was transferred  
6 to and is working in a supervisory union or a ~~board of cooperative education~~  
7 ~~services~~ in the same capacity pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) and  
8 if that person is also employed on a regular basis by a school district within the  
9 supervisory union, then the person is an “employee” if these criteria are met by  
10 the combined hours worked for the supervisory union and school district. The  
11 term also means persons employed on a regular basis by a municipality other  
12 than a school district for not fewer than 1,040 hours in a year and for not fewer  
13 than 24 hours per week, including persons employed in a library at least one-  
14 half of whose operating expenses are met by municipal funding:

15 \* \* \*

16 Sec. 10. 16 V.S.A. § 1981 is amended to read:

17 § 1981. DEFINITIONS

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

19 \* \* \*

20 (8) “School board negotiations council” means, for a supervisory  
21 district, its school board, and, for school districts within a supervisory union or

1 ~~board of cooperative education services~~ a cooperative educational service area,  
2 the body comprising representatives designated by each school board within  
3 the supervisory union or ~~board of cooperative education services~~ supervisory  
4 union board within each cooperative educational service area and by the  
5 supervisory union board or board of a cooperative ~~education services~~  
6 educational service area to engage in professional negotiations with a teachers’  
7 or administrators’ organization.

8 (9) “Teachers’ organization negotiations council” or “administrators’  
9 organization negotiations council” means the body comprising representatives  
10 designated by each teachers’ organization or administrators’ organization  
11 within a supervisory district, supervisory union, or ~~board of cooperative~~  
12 ~~education services~~ cooperative educational service area to act as its  
13 representative for professional negotiations.

14 Sec. 11. 21 V.S.A. § 1722 is amended to read:

15 § 1722. DEFINITIONS

16 As used in this chapter:

17 \* \* \*

18 (18) “School board negotiations council” means, for a supervisory  
19 district, its school board, and, for school districts within a supervisory union or  
20 ~~board of cooperative education services~~ a cooperative educational service area,  
21 the body comprising representatives designated by each school board within

1 the supervisory union or ~~board of cooperative education services~~ supervisory  
2 union board within a cooperative educational service area and by the  
3 supervisory union board or ~~board of cooperative education services~~  
4 cooperative educational service area to engage in collective bargaining with  
5 their school employees’ negotiations council.

6 (19) “School employees’ negotiations council” means the body  
7 comprising representatives designated by each exclusive bargaining agent  
8 within a supervisory district, supervisory union, or ~~board of cooperative~~  
9 ~~education services~~ cooperative educational service area to engage in collective  
10 bargaining with its school board negotiations council.

11 \* \* \*

12 (21) “Municipal school employee” means an employee of a supervisory  
13 union, school district, or ~~board of cooperative education services~~ cooperative  
14 educational service area who is not otherwise subject to 16 V.S.A. chapter 57  
15 (labor relations for teachers and administrators) and who is not otherwise  
16 excluded pursuant to subdivision (12) of this section.

17 \* \* \*

18 Sec. 12. 16 V.S.A. § 2101 is amended to read:

19 § 2101. DEFINITIONS

20 As used in this chapter:

21 \* \* \*



1 rule 2000 series, Agency of Education, Education Quality Standards (22-000-  
2 003) to reflect the addition of class size minimums to the education quality  
3 standards, or July 1, 2027, whichever date shall come first.

4

5

\* \* \* Effective Date \* \* \*

6

Sec. 14. EFFECTIVE DATE

7

This act shall take effect on July 1, 2026.