

(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 ~~from funds appropriated for this subsection to the Agency in an amount equal to 26 percent of the base education amount for each student who completes the diagnostic portions of~~ the an adult education and secondary credential program, based on an average of the previous two completed fiscal years; ~~40, 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 that shall be calculated pursuant to the funding formula contained in the State Board of Education adult education rules.~~ Forty 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.

Sec. E.504.3 ADULT EDUCATION; FUNDING; REPORT

(a) On or before December 1, 2025, the Agency of Administration ~~and, the Agency of Education, in consultation with~~ and local adult education and literacy providers, shall jointly submit a written report to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Education and on Appropriations with recommendations to modernize adult education funding to ensure funds are distributed equitably across all regions of the State. The Agency of Administration shall call no less than five meetings with the Agency of Education and local adult education and literacy providers to develop the recommendations in the report.

(b) On or before January 15, 2026, the Secretary of Administration shall make a recommendation to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Education and on Appropriations on any updates to the adult education funding formula pursuant to the recommendations made in the report in subsection (a) of this section. The Secretary of Administration shall also make a recommendation on any administrative changes to adult education, including which agency or department outside of the Agency of Education is best suited to manage adult education grants.

(c) For fiscal year 2026, notwithstanding sub section (f) of this title, the Agency of Education shall ~~negotiate in good faith to extend the existing contracts with local adult education and literacy providers for a term of one year. The Agency of Education shall endeavor to maintain the terms of the existing contracts to the greatest extent possible.~~ award the funds appropriated for the Adult Education and Secondary Credential Program in Sec. E.504 and E.504.1 as follows:

- \$3,984,607 to Vermont Adult Learning
- \$1,320,874 to Central Vermont Adult Education
- \$400,919 to The Tutorial Center
- \$890,840 to Northeast Kingdom Learning Services