

H.454 Side by Side: As Passed by the House vs. As Passed by the Senate

5.27.25

Beth St. James, Jon Gray, & Kirby Keeton; Office of Legislative Counsel

H.454 As Passed by the House	H.454 As Passed by the Senate
<p>Sec. 1. FINDINGS; INTENT; PLAN [passage]</p> <p><u>(a) The General Assembly finds that:</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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.”</u></p> <p><u>(4) The most enduring legacy of <i>Brigham v. State</i>, 166 Vt. 246 (1997) is the State’s responsibility to ensure substantially equal educational opportunities for all Vermont students.</u></p> <p><u>(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</u></p>	<p>Sec. 1. INTENT [passage]</p> <p align="center"><i>No changes to (a) (findings)</i></p>

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<p><u>and programs at every school. Vermont's youth need to be prepared for a rapidly evolving future.</u></p> <p><u>(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.</u></p> <p><u>(b) Intent; plan.</u></p> <p><u>(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.</u></p> <p><u>(2) It is further the intent of the General Assembly to:</u></p> <p><u>(A) in the 2026 session:</u></p> <p><u>(i) enact new, larger school district boundaries that would be effective July 1, 2027;</u></p> <p><u>(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;</u></p>	<p><u>(b) Intent; plan.</u></p> <p><u>(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.</u></p> <p><u>(2) It is further the intent of the General Assembly to:</u></p> <p><u>(A) in the 2026 session:</u></p> <p><u>(i) enact new, larger school district boundaries that would be effective July 1, 2027;</u></p> <p><u>(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</u></p>

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<p><u>(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;</u></p> <p><u>(iv) enact student-centered updates to career and technical education funding within a foundation formula that does not create competition between sending schools and career and technical education programs for available funds; and</u></p> <p><u>(v) begin the process to create voting wards within each school district to ensure school board membership is apportioned in such a manner as to achieve substantially equal weighting of the votes of all voters in the election of school board members;</u></p> <p><u>(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</u></p> <p><u>(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.</u></p>	<p><u>(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;</u></p> <p><u>(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</u></p> <p><u>(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.</u></p>

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<p>Sec. 2. 2024 Acts and Resolves No. 183, Sec. 1 is amended to read:</p> <p>Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC EDUCATION; REPORTS [passage]</p> <ul style="list-style-type: none"> • Adds 9 nonvoting members to form the school district boundary subcommittee • No similar provision • Subsection (j) creates the school district boundary subcommittee 	<p>Sec. 2. 2024 Acts and Resolves No. 183, Sec. 1 is amended to read:</p> <p>Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC EDUCATION; REPORTS [passage]</p> <ul style="list-style-type: none"> • Removes the 9 nonvoting members • Amends subdivision (e)(2)(A)(v) to include recommendations for 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; • Adds subdivision (e)(2)(A)(vi) to include 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 (this language is taken directly from subdivision (e)(2)(D)(ix) which is struck in both versions) • Removes subsection (j), the school district boundary subcommittee
<p>Analogous concept appears in Sec. 2, subdiv. (b)(2) and subsec. (j):</p> <p><u>(b)(2) Nonvoting members. The following nine members shall be nonvoting members of the Commission who shall be appointed on or before July 15, 2025:</u></p> <p><u>(A) Nonlegislative members. There shall be five nonlegislative, nonvoting members, all of whom shall have</u></p>	<p>Sec. 3. SCHOOL DISTRICT REDISTRICTING TASK FORCE; REPORT [passage]</p> <p><u>(b) Membership. The Task Force shall be composed of the following members:</u></p>

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<p><u>extensive experience working within the Vermont public education system. Appointing authorities shall coordinate to ensure that, to the extent possible, each of the five nonvoting members represents a different geographic region of the State.</u></p> <p><u>(i) Two members, appointed by the Speaker of the House, one of whom shall be a retired or former Vermont superintendent of a supervisory union with multiple member school districts and one of whom shall be either a retired or former Vermont school business manager or a retired or former school board member.</u></p> <p><u>(ii) Two members, appointed by the Committee on Committees, one of whom shall be a retired or former Vermont superintendent and one of whom shall be a retired or former Vermont school business manager.</u></p> <p><u>(iii) One member, appointed by the Governor, who shall be a retired or former Vermont superintendent.</u></p> <p><u>(B) Legislative members. There shall be four legislative, nonvoting members.</u></p> <p><u>(i) Two current members of the House of Representatives, not all from the same political party or same school district, who shall be appointed by the Speaker of the House.</u></p> <p><u>(ii) Two current members of the Senate, not all from the same political party or same school district, who shall be appointed by the Committee on Committees.</u></p> <p><u>(j) School district boundary subcommittee. There is created a subcommittee of the Commission to be composed of the nine nonvoting members of the Commission that shall determine the</u></p>	<p><u>(1) the Director of the Vermont Center for Geographic Information;</u></p> <p><u>(2) the Chair of the Vermont School Boards Association or designee;</u></p> <p><u>(3) the Secretary of Education or designee;</u></p> <p><u>(4) the Chair of the Vermont Superintendents Association or designee;</u></p> <p><u>(5) the Chair of the Vermont Association of Planning and Development Agencies or designee;</u></p> <p><u>(6) two members, appointed by the Speaker of the House:</u></p> <p><u>(A) one member who shall be a current member of the House of Representatives; and</u></p> <p><u>(B) one member with expertise in education data analysis who shall not be a current member of the House of Representatives;</u></p> <p><u>(7) two members, appointed by the Senate Committee on Committees:</u></p> <p><u>(A) one member who shall be a current member of the Senate; and</u></p> <p><u>(B) one member with expertise in GIS analysis who shall not be a current member of the Senate;</u></p> <p><u>(8) the chair of the Commission on the Future of Public Education or designee; and</u></p> <p><u>(9) the Executive Director of the Vermont Association of School Business Officials or designee.</u></p> <p><u>(a) Creation. There is created the School District Redistricting Task Force to recommend new school district boundaries and configurations to the General Assembly.</u></p>

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<p><u>most efficient number of school districts and proposed boundary lines, based on educational research; Vermont's geographic and cultural landscape; historic attendance patterns; the distribution of equalized grand list value per pupil; the provision of career and technical education; and a comprehensive analysis of school locations, conditions, and capacity.</u></p> <p>(1) Duties of the district boundaries subcommittee.</p> <p>(A) The subcommittee shall recommend <u>not more than three</u> school district boundary proposals to the General Assembly and may consult with the Vermont Association of Career and Technical Education Directors regarding how to incorporate career and technical education into the proposals. The proposed school district boundaries shall:</p>	<p>(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 <u>not fewer than three</u> options for new school district boundaries. <u>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.</u></p> <p>(1) Proposed new school districts shall not have an average daily membership of more than 8,000 prekindergarten through grade 12 students.</p> <p>(2) Proposed new school districts shall also be, to the greatest extent possible, grand list and pupil count balanced,</p>

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<p><u>(i) increase equitable access to educational opportunity;</u></p> <p><u>(ii) maximize opportunities for modern, regional middle and high schools, with the least disruption to students;</u></p> <p><u>(iii) provide access to education for their resident students in grades kindergarten through 12;</u></p> <p><u>(iv) provide access to career and technical education (CTE) for all eligible students;</u></p> <p><u>(v) to the extent practical, not separate towns within school districts as those boundaries exist on July 1, 2025;</u></p> <p><u>(vi) to the extent practical, consider the availability of regional services for students, such as designated agencies, and how those services would integrate into the new proposed school district boundaries;</u></p> <p><u>(vii) to the extent practical, result in school districts with a minimum average daily membership of approximately 4,000 students; and</u></p> <p><u>(viii) to the extent practical, consider historic attendance patterns in geographic areas that do not operate public schools at all grade levels from kindergarten through grade 12.</u></p> <p><u>(B) The subcommittee may consider and make recommendations for the optimal location of schools, including CTE programs, to meet the requirements contained in subdivision (A) of this subdivision (1).</u></p>	<p><u>demographically equitable, logistically feasible, and create the least amount of disruption to students as possible.</u></p> <p><u>(3) In creating the proposed districts, the Task Force shall consider:</u></p> <p><u>(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;</u></p> <p><u>(B) geographic barriers, including mountains and rivers;</u></p> <p><u>(C) population distribution;</u></p> <p><u>(D) location, capacity, and the facility condition index score of current school buildings;</u></p> <p><u>(E) transportation and employment patterns and practices;</u></p> <p><u>(F) grand list values and current education spending;</u></p> <p><u>(G) student demographics;</u></p> <p><u>(H) the debt, liabilities, and assets of current school districts;</u></p> <p><u>(I) staffing levels and salary scales; and</u></p> <p><u>(J) any other factor the Task Force deems relevant.</u></p>

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<p><u>(C) The subcommittee shall provide regular updates to the Commission regarding its work.</u></p> <p><u>(D) The subcommittee shall have the sole authority to determine the contents of the report and maps required under subdivision (4) of this subsection (j). The Commission may provide its own comments to the subcommittee and the relevant committees of jurisdiction, either as an addendum to the report of the subcommittee or as a separate report.</u></p> <p><u>(2) Public engagement. The district boundary subcommittee shall engage and coordinate with the Commission's public engagement subcommittee and the public engagement consultant to maximize public input and feedback regarding the development of the proposed new school district boundaries.</u></p> <p><u>(3) Assistance. The district boundary subcommittee shall have the assistance of the Agency of Digital Services, Vermont Center for Geographic Information, which may also retain the services of one or more independent third parties to provide facilitation and mediation services to the subcommittee.</u></p> <p><u>(4) Report and maps. On or before December 1, 2025, the district boundary subcommittee shall submit the following to the House and Senate Committees on Education, the House Committee on Government Operations and Military Affairs, the Senate Committee on Government Operations, the House Committee on Ways and Means, and the Senate Committee on Finance:</u></p>	<p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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)</u></p>

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<p><u>(A) Report. The district boundary subcommittee shall submit a written report with the subcommittee's proposed new school district boundaries. The report shall detail how each proposed option meets the requirements of subdivision (1)(A) of this subsection (j).</u></p> <p><u>(B) Maps. The subcommittee shall also submit detailed maps for each school district boundary proposal, which, in addition to the school district boundaries themselves, shall include:</u></p> <p><u>(i) average daily membership for each proposed school district for the 2023–2024 school year;</u></p> <p><u>(ii) the member towns for each school district;</u></p> <p><u>(iii) the location of public schools and nontherapeutic approved independent schools that are eligible to receive public tuition as of July 1, 2025, and the grades operated by each of those schools;</u></p> <p><u>(iv) the five-year facility condition index score for each school;</u></p> <p><u>(v) PCB testing score for each school; and</u></p> <p><u>(vi) 10-year change in enrollment between 2013 and 2023 for each school.</u></p>	<p><u>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.</u></p> <p><u>(4) The report of the Task Force shall include detailed maps for each proposal, which shall include:</u></p> <p><u>(A) boundaries of the new proposed school districts;</u></p> <p><u>(B) average daily membership for the new proposed school districts;</u></p> <p><u>(C) grand list value of the new proposed school districts; and</u></p> <p><u>(D) the pros and cons for each proposal.</u></p> <p><u>(f) Meetings.</u></p> <p><u>(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.</u></p> <p><u>(2) The Chair of the Vermont School Boards Association shall be the chair.</u></p>

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	<p>(3) A majority of the membership shall constitute a quorum.</p> <p>(4) The Task Force shall cease to exist on May 31, 2026.</p> <p>(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.</p> <p>(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.</p>
<p>Sec. 2a. SCHOOL DISTRICT VOTING WARD TASK FORCE; REPORT; MAPS [passage]</p> <p>(a) Creation. There is created the School District Voting Ward Task Force to create voting district wards within the new school districts contemplated by this act, to ensure school board membership is apportioned in such a manner as to achieve substantially equal weighting of the votes of all voters in the choice of school board members.</p> <p>(b) Membership. The Task Force shall be composed of the following members who shall have substantial understanding of Vermont geography, trade, travel, social interaction, and Vermont's public education system:</p> <p>(1) the Secretary of State or designee, who shall be the chair;</p> <p>(2) three members, who shall be appointed by the Vermont Municipal Clerk Treasurer Association;</p>	<p>Sec. 3a. TRANSITIONAL SCHOOL BOARDS; TRANSITION GRANTS [7/1/26]</p> <p>(a) Definitions. As used in this section:</p> <p>(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.</p> <p>(2) "Forming districts" means all school districts, including union school districts, that are located within the geographical boundaries of a</p>

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<p><u>(3) two members, appointed by the Vermont School Boards Association; and</u></p> <p><u>(4) the Director of the Vermont Center for Geographic Information or designee.</u></p> <p><u>(c) Powers and duties. On or before October 15, 2025, the Task Force shall consult with the school district boundary subcommittee created in Sec. 2 of this act to gain an understanding of the status of the work of the subcommittee and to determine whether the subcommittee has one or more boundary proposals ready for the Task Force to begin the work of creating voting wards. Using the boundary proposals of the subcommittee, the Task Force shall, following the principles of apportionment followed by the legislative apportionment board, make recommendations to the General Assembly to achieve voting districts within each 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. If at any time during the work of the Task Force the General Assembly enacts new school district boundaries, or it appears clear the General Assembly is focused on only one proposal, the Task Force shall focus its work and recommendations to align with the work of the General Assembly. The Task Force’s recommendations shall include:</u></p> <p><u>(1) the optimal number of school board members per school board to maximize public representation and democratic input while maintaining effective school board size; and</u></p> <p><u>(2) boundaries for school district voting wards within each school district, with alternative options if necessary,</u></p>	<p><u>new school district created by the General Assembly during the 2026 session, prior to the operational date of the new school district.</u></p> <p><u>(3) “New school district” means a larger, consolidated school district created by the General Assembly during the 2026 session.</u></p> <p><u>(4) “New school district school board” means the elected school board of a new school district.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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:</u></p> <p><u>(1) one of their members to serve as chair of the transitional board; and</u></p> <p><u>(2) one of their members to serve as clerk of the transitional board.</u></p>

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<p><u>including detailed maps clearly and unambiguously delineating ward boundaries that respect current municipal boundary lines.</u></p> <p><u>(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Secretary of State's office and the technical assistance of the Agency of Digital Services, Vermont Center for Geographic Information. The Task Force may contract for such expert services as may be necessary to carry out its duties.</u></p> <p><u>(e) Meetings.</u></p> <p><u>(1) The Secretary of State shall call the first meeting of the Task Force to occur on or before July 15, 2025.</u></p> <p><u>(2) The Secretary of State shall be the chair.</u></p> <p><u>(3) A majority of the membership shall constitute a quorum.</u></p> <p><u>(4) The Task Force shall cease to exist on June 30, 2026.</u></p> <p><u>(f) 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 10 meetings. These payments shall be made from monies appropriated to the Secretary of State's office.</u></p>	<p><u>(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:</u></p> <p><u>(1) preparing an initial budget for the new school district;</u></p> <p><u>(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</u></p> <p><u>(3) performing all necessary transitional processes, including:</u></p> <p><u>(A) the transitional processes enumerated in 16 V.S.A. § 716;</u></p> <p><u>(B) the hiring of a superintendent; and</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(f) Transition facilitation grants.</u></p> <p><u>(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</u></p>

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	<p><u>transition facilitation grant from the Education Fund equal to the lesser of:</u></p> <p align="center"><u>(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</u></p> <p align="center"><u>(B) \$250,000.00.</u></p> <p align="center"><u>(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.</u></p>
<p>Sec. 3. SCALE; INTENT [7/1/25]</p>	<p>Sec. 4. SCALE; INTENT [7/1/25]</p> <p align="center">No changes</p>
<p>Sec. 4. 16 V.S.A. § 165 is amended to read: [7/1/26]</p> <p>§ 165. EDUCATION QUALITY STANDARDS; EQUAL EDUCATIONAL OPPORTUNITIES; INDEPENDENT SCHOOL MEETING EDUCATION QUALITY STANDARDS</p> <p>(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:</p> <p align="center">* * *</p> <p align="center"><u>(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</u></p>	<p>Sec. 5. 16 V.S.A. § 165 is amended to read: [7/1/26]</p> <p>§ 165. EDUCATION QUALITY STANDARDS; EQUAL EDUCATIONAL OPPORTUNITIES; INDEPENDENT SCHOOL MEETING EDUCATION QUALITY STANDARDS</p> <p>(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:</p> <p align="center">* * *</p> <p align="center"><u>(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</u></p>

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<p>average. As used in this subdivision, “content area” means a group of courses within a specific licensing endorsement area.</p> <p>(A) Class size standards.</p> <p>(i) The average class size minimum for kindergarten classes shall be 12 students.</p> <p>(ii) The average class size minimum for grades one through four shall be 15 students.</p> <p>(iii) The average class size minimum for grades five through 12 in all required content area classes shall be 18 students.</p> <p>(iv) Multiage classrooms for grades kindergarten through eight shall be limited to two grade levels per classroom.</p> <p>(v) 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).</p> <p>(vi) Class sizes shall not exceed the maximum occupancy limits established by local and State fire codes, including egress and safety requirements.</p> <p>(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</p>	<p>average. As used in this subdivision, “content area” means a group of courses within a specific licensing endorsement area.</p> <p>(A) Class size standards.</p> <p>(i) The average class size minimum for kindergarten and first grade classes shall be 10 students.</p> <p>(ii) The average class size minimum for grades two through five shall be 12 students.</p> <p>(iii) The average class size minimum for grades six through eight in all required content areas shall be 15 students.</p> <p>(iv) The average class size minimum for grades nine through 12 in all required content area classes shall be 18 students.</p> <p>(v) Multiage classrooms for grades kindergarten through eight shall be limited to two grade levels per classroom.</p> <p>(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).</p> <p>(vii) Class sizes shall not exceed the maximum occupancy limits established by local and State fire codes, including egress and safety requirements.</p> <p>(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</p>

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<p><u>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.</u></p> <p><u>(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 two consecutive school years, the Secretary shall 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.</u></p>	<p><u>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.</u></p> <p><u>(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.</u></p>
<p>Sec. 5. FAILURE TO COMPLY WITH EDUCATION QUALITY STANDARDS; STATE BOARD ACTION [7/1/26]</p>	<p>Sec. 6. FAILURE TO COMPLY WITH EDUCATION QUALITY STANDARDS; STATE BOARD ACTION [7/1/26]</p> <p align="center">No change</p>
<p>Sec. 6. STATE BOARD OF EDUCATION; RULES; REPORT [7/1/25]</p> <p><u>(a) Rules.</u></p> <p><u>(1) The State Board of Education shall initiate rulemaking to amend the Education Quality Standards rule 2000 series, Agency of Education, Education Quality Standards (22-000-003), pursuant to 3 V.S.A. chapter 25:</u></p> <p><u>(A) on or before August 1, 2026, to ensure compliance with the class size minimum standards set pursuant to 16 V.S.A. § 165(a)(9); and</u></p> <p><u>(B) on or before July 1, 2027, to adopt standards for statewide proficiency-based graduation requirements based on standards adopted</u></p>	<p>Sec. 7. STATE BOARD OF EDUCATION; RULES; REPORT [7/1/25]</p> <p><u>(a) Rules. On or before August 1, 2026, the State Board of Education shall initiate rulemaking to amend:</u></p> <p><u>(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).</u></p>

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<p><u>by the State Board and recommendations from the Agency of Education, which shall take effect beginning in the 2027–2028 school year for the graduating class of 2031 and every graduating class thereafter.</u></p> <p><u>(2) On or before August 1, 2026, the State Board of Education shall initiate rulemaking to amend 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.</u></p> <p><u>(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.”</u></p>	<p><u>(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.</u></p> <p><u>(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.”</u></p>
<p>Sec. 7. SCHOOL SIZE; INTENT 7/1/25</p>	<p><i>No similar provision</i></p>
<p>Sec. 8. PROHIBITION ON SCHOOL CLOSURE AND TRANSITION TO PAYING TUITION 7/1/25</p> <p><u>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</u></p>	<p>Sec. 8. PROHIBITION ON SCHOOL CLOSURE AND TRANSITION TO PAYING TUITION 7/1/25</p> <p><u>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</u></p>

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<p><u>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. 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.</u></p>	<p><u>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.</u></p>
<p>(School Construct) Sec. 9. 16 V.S.A. § 3440 is added to read: [7/1/26] <u>§ 3440. STATEMENT OF POLICY</u></p>	<p>(School Construct) Sec. 4. 16 V.S.A. § 3440 is added to read: [7/1/26] <u>§ 3440. STATEMENT OF POLICY</u></p> <p align="center">No changes</p>
<p>Sec. 10. 16 V.S.A. § 3442 is added to read: [7/1/26] <u>§ 3442. STATE AID FOR SCHOOL CONSTRUCTION PROGRAM</u></p>	<p>Sec. 5. 16 V.S.A. § 3442 is added to read: [7/1/26] <u>§ 3442. STATE AID FOR SCHOOL CONSTRUCTION PROGRAM</u></p> <p align="center">No changes</p>
<p>Sec. 11. 16 V.S.A. § 3443 is added to read: [7/1/25]</p>	<p>Sec. 6. 16 V.S.A. § 3443 is added to read: [7/1/25]</p>

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<u>§ 3443. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD</u>	<u>§ 3443. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD</u> No changes
Sec. 12. PROSPECTIVE REPEAL OF STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD [7/1/25]	Sec. 7. PROSPECTIVE REPEAL OF STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD [7/1/25] No changes
Sec. 13. 16 V.S.A. § 3444 is added to read: [7/1/26] <u>§ 3444. SCHOOL CONSTRUCTION AID SPECIAL FUND</u>	Sec. 8. 16 V.S.A. § 3444 is added to read: [7/1/26] <u>§ 3444. SCHOOL CONSTRUCTION AID SPECIAL FUND</u> No changes
Sec. 14. 16 V.S.A. § 3445 is added to read: [7/1/26] <u>§ 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION PROJECTS</u>	Sec. 9. 16 V.S.A. § 3445 is added to read: [7/1/26] <u>§ 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION PROJECTS</u> No changes
Sec. 15. 16 V.S.A. § 3446 is added to read: [7/1/26] <u>§ 3446. APPEAL</u>	Sec. 10. 16 V.S.A. § 3446 is added to read: [7/1/26] <u>§ 3446. APPEAL</u> No changes
Sec. 16. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF RULES [7/1/26]	Sec. 11. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF RULES [7/1/26]

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	No changes
Sec. 17. REPEALS [7/1/26]	Sec. 12. REPEALS [7/1/26] No changes
<p>Sec. 18. 16 V.S.A. § 828 is amended to read: [7/1/25]</p> <p>§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL</p> <p>(a) A school district shall not pay the tuition of a student except to;</p> <p>(1) a public school, <u>located in Vermont;</u></p> <p>(2) an approved independent school, <u>that:</u></p> <p>(A) <u>is located in Vermont;</u></p> <p>(B) <u>is approved under section 166 of this title on or before July 1, 2025;</u></p> <p>(C) <u>has at least 51 percent of its student enrollment composed of students attending on a district-funded tuition basis pursuant to chapter 21 of this title during the 2024–2025 school year; and</u></p> <p>(D) <u>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</u></p>	<p>Sec. 18. 16 V.S.A. § 828 is amended to read: [7/1/25]</p> <p>§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL</p> <p>(a) A school district shall not pay the tuition of a student except to;</p> <p>(1) a public school, <u>located in Vermont;</u></p> <p>(2) an approved independent school, <u>that:</u></p> <p>(A) <u>is located in Vermont;</u></p> <p>(B) <u>is approved under section 166 of this title on or before July 1, 2025;</u></p> <p>(C) <u>is located within either:</u></p> <p>(i) <u>a supervisory district that does not operate a public school for some or all grades as of July 1, 2024; or</u></p> <p>(ii) <u>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;</u></p> <p>(D) <u>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</u></p> <p>(E) <u>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</u></p>

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<p><u>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 (D), which decision shall be final;</u></p> <p>(3) an independent school meeting education quality standards;;</p> <p>(4) a tutorial program approved by the State Board;;</p> <p>(5) an approved education program, or;</p> <p>(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</p> <p>(7) <u>a therapeutic approved independent school located in Vermont or another state or country that is approved under the laws of that state or country.</u></p> <p>(b) nor shall payment <u>Payment</u> of tuition on behalf of a person <u>shall not</u> be denied on account of age.</p> <p>(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.</p> <p>(d) <u>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</u></p>	<p><u>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;</u></p> <p>(3) an independent school meeting education quality standards;;</p> <p>(4) a tutorial program approved by the State Board;;</p> <p>(5) an approved education program, or;</p> <p>(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</p> <p>(7) <u>a therapeutic approved independent school located in Vermont or another state or country that is approved under the laws of that state or country.</u></p> <p>(b) nor shall payment <u>Payment</u> of tuition on behalf of a person <u>shall not</u> be denied on account of age.</p> <p>(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.</p> <p>(d) <u>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</u></p>

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<u>pursuant to a written agreement between a local education agency and the school or pursuant to a court order.</u>	<u>agreement between a local education agency and the school or pursuant to a court order.</u>
Sec. 19. TUITION TRANSITION [7/1/25]	Sec. 19. TUITION TRANSITION [7/1/25] No changes
Sec. 20. STATEWIDE COHESION; INTENT [7/1/25]	Sec. 20. STATEWIDE COHESION; INTENT [7/1/25] No changes
<p>Sec. 21. AGENCY OF EDUCATION; SCHOOL CALENDAR; GRADUATION REQUIREMENTS; REPORT [7/1/25]</p> <p>(a) <u>Statewide graduation requirements</u>. On or before January 1, 2026, the Agency of Education shall recommend to the State Board of Education standards for statewide proficiency-based graduation requirements based on standards adopted by the State Board.</p> <p>(b) <u>Statewide school calendar</u>.</p> <p>(1) On or before January 15, 2027, the Secretary of Education shall develop and publish a statewide calendar for the public schools of the State, including career and technical centers, that shall be in effect in the 2028–2029 academic year and after.</p> <p>(2) On or before January 15, 2027, the Secretary shall present to the House and Senate Committees on Education a list of the statutory amendments necessary to effect the intent of this subsection.</p> <p>(c) Report. On or before December 1, 2025, the Agency of Education shall submit a written report and recommended legislative</p>	<p>Sec. 21. AGENCY OF EDUCATION; REPORT [7/1/25]</p> <p>On or before December 1, 2025, the Agency of Education shall submit a written report and recommended legislative language, as</p>

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<p><u>language, as applicable, to the House and Senate Committees on Education with the following:</u></p> <p><u>(1) In consultation with educators and administrators, a proposed implementation plan for statewide financial data and student information systems.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p>	<p><u>applicable, to the House and Senate Committees on Education with the following:</u></p> <p><u>(1) In consultation with educators and administrators, a proposed implementation plan for statewide financial data and student information systems.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p>
Sec. 22. STATE-LEVEL GOVERNANCE; INTENT [7/1/25]	Sec. 22. STATE-LEVEL GOVERNANCE; INTENT [7/1/25]

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	No changes
Sec. 23. 16 V.S.A. § 161 is amended to read: [7/1/25] § 161. STATE BOARD OF EDUCATION; APPOINTMENT OF MEMBERS; TERM; VACANCY	Sec. 23. 16 V.S.A. § 161 is amended to read: [7/1/25] § 161. STATE BOARD OF EDUCATION; APPOINTMENT OF MEMBERS; TERM; VACANCY align="center"> No changes
Sec. 24. TRANSITION PERIOD APPOINTMENTS; STATE BOARD OF EDUCATION [7/1/25]	Sec. 24. TRANSITION PERIOD APPOINTMENTS; STATE BOARD OF EDUCATION [7/1/25] align="center"> No changes
Sec. 25. 16 V.S.A. § 162 is amended to read: [7/1/25] § 162. REMOVAL OF BOARD MEMBERS	Sec. 25. 16 V.S.A. § 162 is amended to read: [7/1/25] § 162. REMOVAL OF BOARD MEMBERS align="center"> No changes
Sec. 26. STATE BOARD OF EDUCATION; REVIEW OF RULES; APPROPRIATION [7/1/25]	Sec. 26. STATE BOARD OF EDUCATION; REVIEW OF RULES; APPROPRIATION [7/1/25] align="center"> No changes
Sec. 27. 16 V.S.A. § 823 is amended to read: [contingently 7/1/29] § 823. ELEMENTARY TUITION	Sec. 27. 16 V.S.A. § 823 is amended to read: [contingently 7/1/29] § 823. ELEMENTARY TUITION align="center"> No changes
Sec. 28. REPEALS [contingently 7/1/29]	Sec. 22. REPEALS; TUITION [contingently 7/1/29]

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	No changes
Sec. 29. 16 V.S.A. § 4011 is amended to read: [passage] § 4011. EDUCATION PAYMENTS	<i>No similar provision</i> (language/concept is traveling in the budget)
Sec. 30. ADULT EDUCATION; FUNDING; REPORT [passage]	<i>No similar provision</i> (language/concept is traveling in the budget)
Sec. 31. STATE OF SPECIAL EDUCATION DELIVERY; AGENCY OF EDUCATION; REPORT [7/1/25]	Sec. 29. STATE OF SPECIAL EDUCATION DELIVERY; AGENCY OF EDUCATION; REPORT [7/1/25] No changes
Sec. 32. SPECIAL EDUCATION STRATEGIC PLAN; AGENCY OF EDUCATION [7/1/25]	Sec. 30. SPECIAL EDUCATION STRATEGIC PLAN; AGENCY OF EDUCATION [7/1/25] No changes

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H.454 As Passed by the House	H.454 As Passed by the Senate
Sec. 33. POSITION; AGENCY OF EDUCATION [7/1/25]	Sec. 31. POSITION; AGENCY OF EDUCATION [7/1/25] No changes
No similar provision	<p>Sec. 32. AGENCY OF EDUCATION; TRANSFORMATION APPROPRIATION [passage]</p> <p>The sum of \$3,517,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2026 to support education transformation work as follows:</p> <p>(1) \$200,000.00 to support school boards transitioning to new governance models as contemplated in this act;</p> <p>(2) \$562,500.00 for positions established in Sec. 33 of this act; and</p> <p>(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.</p>

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<i>No similar provision</i>	<p>Sec. 33. EDUCATION TRANSFORMATION; POOL POSITIONS [passage] 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:</p> <ul style="list-style-type: none"> (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.
Sec. 34. 16 V.S.A. § 4001 is amended to read: [contingently 7/1/29] § 4001. DEFINITIONS	Sec. 34. 16 V.S.A. § 4001 is amended to read: [contingently 7/1/29] § 4001. DEFINITIONS <p align="center">No changes</p>
Sec. 35. 16 V.S.A. § 4010 is amended to read: [contingently 7/1/29] § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING <u>EDUCATION OPPORTUNITY PAYMENT</u>	Sec. 35. 16 V.S.A. § 4010 is amended to read: [contingently 7/1/29] § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING <u>EDUCATION OPPORTUNITY PAYMENT</u> <p align="center">No changes</p>
Sec. 36. 16 V.S.A. § 4011 is amended to read: [contingently 7/1/29] § 4011. EDUCATION PAYMENTS	Sec. 25. 16 V.S.A. § 4011 is amended to read: [7/1/27] § 4011. EDUCATION PAYMENTS

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H.454 As Passed by the House	H.454 As Passed by the Senate
	No changes
<p>Sec. 37. 16 V.S.A. § 4019 is added to read: <u>[contingently 7/1/29]</u> <u>§ 4019. SMALL SCHOOLS; SPARSE SCHOOL DISTRICTS;</u> <u>SUPPORT GRANTS</u></p> <p><u>(a) Definitions. As used in this section:</u></p> <p><u>(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.</u></p> <p><u>(2) “Small school” means a school that:</u></p> <p><u>(A) has fewer than 100 pupils in two-year average enrollment; and</u></p> <p><u>(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. 6(b) of this act.</u></p> <p><u>(3) “Sparse school district” means a school district where 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 is fewer than 55 persons.</u></p> <p><u>(4) “Two-year average enrollment” means the average enrollment of the two most recently completed school years.</u></p> <p><u>(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</u></p>	<p>Sec. 37. 16 V.S.A. § 4019 is added to read: <u>[contingently 7/1/29]</u> <u>§ 4019. SMALL SCHOOLS; SPARSE SCHOOLS; SUPPORT</u> <u>GRANTS</u></p> <p><u>(a) Definitions. As used in this section:</u></p> <p><u>(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.</u></p> <p><u>(2) “Small school” means a school that:</u></p> <p><u>(A) has fewer than 100 pupils in two-year average enrollment; and</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(4) “Sparse school” means a school within a sparse area.</u></p> <p><u>(4) “Two-year average enrollment” means the average enrollment of the two most recently completed school years.</u></p> <p><u>(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</u></p>

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<p><u>determined by multiplying the two-year average enrollment in the small school by \$3,157.00.</u></p> <p><u>(c) Sparsity support grant. Annually, the Secretary shall pay a sparsity support grant to each sparse school district in an amount determined by multiplying the two-year average enrollment of each public school in the school district by \$1,954.00.</u></p> <p><u>(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.</u></p>	<p><u>determined by multiplying the two-year average enrollment in the small school by \$3,157.00.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p>
<p>Sec. 38. 16 V.S.A. § 4025 is amended to read: [contingently 7/1/29]</p> <p>§ 4025. EDUCATION FUND</p>	<p>Sec. 38. 16 V.S.A. § 4025 is amended to read: [contingently 7/1/29]</p> <p>§ 4025. EDUCATION FUND</p> <p align="center">No changes</p>
<p>Sec. 39. 16 V.S.A. § 4026 is amended to read: [contingently 7/1/29]</p> <p>§ 4026. EDUCATION FUND BUDGET STABILIZATION RESERVE; CREATION AND PURPOSE</p>	<p>Sec. 39. 16 V.S.A. § 4026 is amended to read: [contingently 7/1/29]</p> <p>§ 4026. EDUCATION FUND BUDGET STABILIZATION RESERVE; CREATION AND PURPOSE</p>

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	No changes
Sec. 40. 16 V.S.A. § 4028 is amended to read: [contingently 7/1/29] § 4028. FUND PAYMENTS TO SCHOOL DISTRICTS	Sec. 40. 16 V.S.A. § 4028 is amended to read: [contingently 7/1/29] § 4028. FUND PAYMENTS TO SCHOOL DISTRICTS align="center"> No changes
Sec. 41. 16 V.S.A. § 563 is amended to read: [contingently 7/1/29] § 563. POWER OF SCHOOL BOARDS; FORM OF VOTE	Sec. 41. 16 V.S.A. § 563 is amended to read: [contingently 7/1/29] § 563. POWER OF SCHOOL BOARDS; FORM OF VOTE align="center"> No changes
Sec. 42. REPEALS [contingently 7/1/29]	Sec. 42. REPEALS [contingently 7/1/29] align="center"> No changes
Sec. 43. 16 V.S.A. § 4032 is added to read: [contingently 7/1/29] § 4032. SUPPLEMENTAL DISTRICT SPENDING RESERVE	Sec. 43. 16 V.S.A. § 4032 is added to read: [contingently 7/1/29] § 4032. SUPPLEMENTAL DISTRICT SPENDING RESERVE align="center"> No changes
Sec. 44. AGENCY OF EDUCATION; TRANSPORTATION REIMBURSEMENT GUIDELINES [passage]	Sec. 44. AGENCY OF EDUCATION; TRANSPORTATION REIMBURSEMENT GUIDELINES [passage]

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	No changes
Sec. 45. REPORT; JOINT FISCAL OFFICE; INFLATIONARY MEASURES; PREKINDERGARTEN EDUCATION FUNDING [passage]	Sec. 45. REPORT; JOINT FISCAL OFFICE; INFLATIONARY MEASURES; PREKINDERGARTEN EDUCATION FUNDING [passage] No changes
No similar provision	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

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	<p>House and Senate Committees on Education on or before December 1, 2026.</p> <p>(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.</p>
<p><i>No similar provision</i></p>	<p>Sec. 45b. EDUCATIONAL OPPORTUNITY PAYMENTS; TRANSITION;</p> <p>FYS 2030–2033</p> <p>(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:</p> <p>(1) in fiscal year 2030, the transition gap multiplied by 0.80;</p> <p>(2) in fiscal year 2031, the transition gap multiplied by 0.60;</p> <p>(3) in fiscal year 2032, the transition gap multiplied by 0.40; and</p> <p>(4) in fiscal year 2033, the transition gap multiplied by 0.20.</p> <p>(b) As used in this section:</p> <p>(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.</p>

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	<p>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.</p> <p>(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.</p>
<i>No similar provision</i>	<p>Sec. 45c. 32 V.S.A. § 5414 is amended to read:</p> <p>§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE</p> <p style="text-align: center;">* * *</p> <p>(e) Meetings.</p> <p>(1) The Commissioner of Taxes shall call the first meeting of the Committee to occur on or before July 15, 2025 <u>2027</u>.</p> <p style="text-align: center;">* * *</p>
<p>Sec. 46. 32 V.S.A. § 5401 is amended to read: <u>[contingently 7/1/29]</u></p> <p>§ 5401. DEFINITIONS</p> <p>As used in this chapter:</p> <p style="text-align: center;">* * *</p> <p>(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</p>	<p>Sec. 46. 32 V.S.A. § 5401 is amended to read: <u>[contingently 7/1/29]</u></p> <p>§ 5401. DEFINITIONS</p> <p>As used in this chapter:</p> <p style="text-align: center;">* * *</p> <p>(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</p>

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<p><u>shall not approve spending in excess of 10 percent of the school district's educational opportunity payment for the fiscal year.</u></p> <p align="center">* * *</p>	<p><u>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).</u></p> <p align="center">* * *</p>
<p>Sec. 47. 32 V.S.A. § 5402 is amended to read: <u>[contingently 7/1/29]</u></p> <p>§ 5402. EDUCATION PROPERTY TAX LIABILITY</p> <p>(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:</p> <p>(1) The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.</p> <p>(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 (c) of this section. a rate sufficient to cover expenditures from the Education Fund under 16 V.S.A. § 4025(b) other than supplemental district spending, after accounting for the forecasted available revenues. It is the intention of the General Assembly that the statewide education tax rate under this section shall be adopted for each fiscal year by act of the General Assembly. The statewide education tax rate shall be adjusted for homestead property and each general class of nonhomestead property provided under section 4152a of this title as follows:</p>	<p>Sec. 47. 32 V.S.A. § 5402 is amended to read: <u>[contingently 7/1/29]</u></p> <p>§ 5402. EDUCATION PROPERTY TAX LIABILITY</p> <p>(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:</p> <p>(1) The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.</p> <p>(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 (c) of this section. a <u>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.</u> <u>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.</u></p>

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<p><u>If the tax classification of the</u> <u>then the statewide education tax rate</u></p> <p><u>property subject to taxation is:</u> <u>is multiplied by a factor of:</u></p> <table> <tr> <td><u>Homestead</u></td><td><u>1.0</u></td></tr> <tr> <td><u>Nonhomestead, Apartment</u></td><td><u>1.0</u></td></tr> <tr> <td><u>Nonhomestead, Nonresidential</u></td><td><u>1.0</u></td></tr> <tr> <td><u>Nonhomestead, Residential</u></td><td><u>1.0</u></td></tr> </table> <p>(b) The statewide education tax shall be calculated as follows:</p> <p>(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 applicable 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 <u>not authorized under this chapter</u>. 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.</p>	<u>Homestead</u>	<u>1.0</u>	<u>Nonhomestead, Apartment</u>	<u>1.0</u>	<u>Nonhomestead, Nonresidential</u>	<u>1.0</u>	<u>Nonhomestead, Residential</u>	<u>1.0</u>	<p>(b) The statewide education tax shall be calculated as follows:</p> <p>(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 <u>not authorized under this chapter</u>. 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.</p>
<u>Homestead</u>	<u>1.0</u>								
<u>Nonhomestead, Apartment</u>	<u>1.0</u>								
<u>Nonhomestead, Nonresidential</u>	<u>1.0</u>								
<u>Nonhomestead, Residential</u>	<u>1.0</u>								

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<p>(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 <u>those required by this section</u>; 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.</p> <p>(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. <u>[Repealed.]</u></p> <p>(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.</p>	<p>(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.</p> <p>(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. <u>[Repealed.]</u></p> <p>(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.</p>

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<p>(2) The Secretary of Education <u>Commissioner of Taxes</u> 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 Commissioner 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 <u>Commissioner of Taxes</u>. 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.</p> <p>(d) [Repealed.]</p> <p>(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:</p> <p style="padding-left: 40px;">(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.</p> <p style="padding-left: 40px;">(2) For a municipality that is a member of a union school district:</p> <p style="padding-left: 80px;">(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</p>	<p>(2) The <u>Secretary of Education</u> shall determine each municipality's net <u>nonhomestead education tax payment and its net homestead education tax payment</u> to the State based on grand list information received by the <u>Secretary</u> not later than the March 15 prior to the June 1 net payment. Payment shall be accompanied by a return prescribed by the <u>Secretary of Education</u>. <u>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.</u></p> <p>(d) [Repealed.]</p> <p>(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:</p> <p style="padding-left: 40px;">(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.</p> <p style="padding-left: 40px;">(2) For a municipality that is a member of a union school district:</p> <p style="padding-left: 80px;">(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</p>

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<p>in the municipality who attends a school other than the union school.</p> <p>(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.</p> <p>(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.]</p> <p><u>(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</u></p>	<p>in the municipality who attends a school other than the union school.</p> <p>(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.</p> <p>(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.]</p> <p><u>(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</u></p>

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<p><u>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.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(4) The Commissioner of Taxes shall determine each municipality's net supplemental district spending tax payment to the State based on grand list information received by the</u></p>	<p><u>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.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(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</u></p>

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<p><u>Commissioner not later than the March 15 prior to the June 1 net payment. Payment shall be accompanied by a return prescribed by the Commissioner of Taxes. 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.</u></p>	<p><u>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.</u></p>
<p>Sec. 48. 32 V.S.A. § 5402b is amended to read: [7/1/28] § 5402b. STATEWIDE EDUCATION TAX YIELDS RATE; <u>SUPPLEMENTAL DISTRICT SPENDING YIELD;</u> RECOMMENDATION OF THE COMMISSIONER</p> <p>(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 <u>the statewide education property tax rate pursuant to subsection 5402(a) of this chapter and the supplemental district spending yield</u> for the following fiscal year. In making these calculations, the Commissioner shall assume: <u>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)</u></p> <p>(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;</p> <p>(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;</p>	<p>Sec. 48. 32 V.S.A. § 5402b is amended to read: [7/1/28] § 5402b. STATEWIDE EDUCATION TAX YIELDS RATE; <u>SUPPLEMENTAL DISTRICT SPENDING YIELD;</u> RECOMMENDATION OF THE COMMISSIONER</p> <p>(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 <u>nonhomestead property tax rate, a homestead property tax rate, and the supplemental district spending yield</u> for the following fiscal year. In making these calculations, the Commissioner shall assume: <u>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)</u></p> <p>(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;</p> <p>(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;</p>

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<p>(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent;</p> <p>(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;</p> <p>(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and</p> <p>(6) the nonhomestead rate is divided by the statewide adjustment.</p> <p>(b) For each fiscal year, the <u>property dollar equivalent supplemental district spending yield</u> and the <u>income dollar equivalent yield</u> shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.</p> <p align="center">* * *</p> <p>(d) Along with the recommendations made under this section, the Commissioner shall include:</p> <p>(1) the base amount as defined in 16 V.S.A. § 4001(16);</p> <p>(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;</p> <p>(3) for each school district, the estimated aggregate equalized education property tax grand list of its municipal members per long-term membership;</p>	<p>(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent;</p> <p>(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;</p> <p>(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and</p> <p>(6) the nonhomestead rate is divided by the statewide adjustment.</p> <p>(b) For each fiscal year, the <u>property dollar equivalent supplemental district spending yield</u> and the <u>income dollar equivalent yield</u> shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.</p> <p align="center">* * *</p> <p>(d) Along with the recommendations made under this section, the Commissioner shall include:</p> <p>(1) the base amount as defined in 16 V.S.A. § 4001(16);</p> <p>(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;</p> <p>(3) for each school district, the estimated aggregate equalized education property tax grand list of its municipal members per long-term membership;</p>

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<p>(4) the estimated school district with the lowest taxing capacity; and</p> <p>(5) the range of per pupil supplemental district spending between all districts in the State for the previous year.</p> <p style="text-align: center;">* * *</p>	<p>(4) the estimated school district with the lowest taxing capacity; and</p> <p>(5) the range of per pupil supplemental district spending between all districts in the State for the previous year.</p> <p style="text-align: center;">* * *</p>
<p><i>No similar provision</i></p>	<p>Sec. 48a. HOMESTEAD PROPERTY TAX RATE; TRANSITION; FYS 2030–2033</p> <p>(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:</p> <p>(1) in fiscal year 2030, the transition gap multiplied by 0.80;</p> <p>(2) in fiscal year 2031, the transition gap multiplied by 0.60;</p> <p>(3) in fiscal year 2032, the transition gap multiplied by 0.40; and</p> <p>(4) in fiscal year 2033, the transition gap multiplied by 0.20.</p> <p>(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.</p>

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Sec. 49. 32 V.S.A. § 5404a(b)(1) is amended to read: [contingently 7/1/29]	Sec. 49. 32 V.S.A. § 5404a(b)(1) is amended to read: [contingently 7/1/29] <p align="center">No changes</p>
Sec. 50. 32 V.S.A. § 5405(g) is amended to read: [contingently 7/1/29] (g) The Commissioner shall provide to municipalities for the front of property tax bills the district homestead property <u>statewide education tax rate before equalization, the nonresidential tax rate before equalization,</u> 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.	Sec. 50. 32 V.S.A. § 5405(g) is amended to read: [contingently 7/1/29] (g) The Commissioner shall provide to municipalities for the front of property tax bills the district homestead property <u>tax rate before equalization, the nonresidential nonhomestead property</u> 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.
Sec. 51. 32 V.S.A. § 5400 is amended to read: [contingently 7/1/29] § 5400. STATUTORY PURPOSES	Sec. 51. 32 V.S.A. § 5400 is amended to read: [contingently 7/1/29] § 5400. STATUTORY PURPOSES <p align="center">No changes</p>
Sec. 52. 32 V.S.A. chapter 154 is amended to read: [contingently 7/1/29] CHAPTER 154. HOMESTEAD PROPERTY TAX <u>EXEMPTION,</u> <u>MUNICIPAL PROPERTY TAX CREDIT,</u> AND RENTER CREDIT <p align="center">* * *</p> § 6066. COMPUTATION OF <u>HOMESTEAD</u> PROPERTY TAX	Sec. 52. 32 V.S.A. chapter 154 is amended to read: [contingently 7/1/29] CHAPTER 154. HOMESTEAD PROPERTY TAX <u>EXEMPTION,</u> <u>MUNICIPAL PROPERTY TAX CREDIT,</u> AND RENTER CREDIT <p align="center">* * *</p>

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<p><u>EXEMPTION, MUNICIPAL PROPERTY TAX CREDIT,</u> AND <u>RENTER CREDIT</u></p> <p>(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:</p> <p style="padding-left: 40px;">(1)(A) For a claimant with household income of \$90,000.00 or more:</p> <p style="padding-left: 80px;">(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;</p> <p style="padding-left: 80px;">(ii) minus (if less) the sum of:</p> <p style="padding-left: 120px;">(I) the income percentage of household income for the taxable year; plus</p> <p style="padding-left: 120px;">(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$225,000.00.</p> <p style="padding-left: 40px;">(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:</p> <p style="padding-left: 80px;">(i) the income percentage of household income for the taxable year; plus</p> <p style="padding-left: 80px;">(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$400,000.00.</p> <p style="padding-left: 40px;">(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied</p>	<p>§ 6066. <u>COMPUTATION OF HOMESTEAD PROPERTY TAX EXEMPTION, MUNICIPAL PROPERTY TAX CREDIT,</u> AND RENTER CREDIT</p> <p>(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:</p> <p style="padding-left: 40px;">(1)(A) For a claimant with household income of \$90,000.00 or more:</p> <p style="padding-left: 80px;">(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;</p> <p style="padding-left: 80px;">(ii) minus (if less) the sum of:</p> <p style="padding-left: 120px;">(I) the income percentage of household income for the taxable year; plus</p> <p style="padding-left: 120px;">(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$225,000.00.</p> <p style="padding-left: 40px;">(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:</p> <p style="padding-left: 80px;">(i) the income percentage of household income for the taxable year; plus</p> <p style="padding-left: 80px;">(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of \$400,000.00.</p> <p style="padding-left: 40px;">(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied</p>

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<p>by the equalized value of the housesite in the taxable year, minus the lesser of:</p> <p>(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</p> <p>(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.</p> <p>(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</p> <p><u>(1) An eligible claimant who owned the homestead on April 1 of the claim year shall be entitled to a homestead property tax exemption in the claim year in an amount determined as follows:</u></p> <p><u>(A) for a claimant whose household income is equal to or less than \$25,000.00, the exemption shall be 95 percent of the claimant’s housesite value;</u></p> <p><u>(B) for a claimant whose household income is greater than \$25,000.00 but equal to or less than \$47,000.00, the exemption shall be 90 percent of the claimant’s housesite value;</u></p> <p><u>(C) for a claimant whose household income is greater than \$47,000.00 but equal to or less than \$50,000.00, the exemption shall be 80 percent of the claimant’s housesite value;</u></p>	<p>by the equalized value of the housesite in the taxable year, minus the lesser of:</p> <p>(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</p> <p>(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.</p> <p>(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</p> <p><u>(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:</u></p> <p><u>If household income (rounded to the nearest dollar) is:</u> <u>then the claimant is entitled to a homestead property tax exemption against the first \$425,000.00 in housesite value of this percent:</u></p> <table> <tr> <td><u>\$0.00 — 9,999.00</u></td><td><u>99.00</u></td></tr> <tr> <td><u>\$10,000.00 — 14,999.00</u></td><td><u>97.00</u></td></tr> <tr> <td><u>\$15,000.00 — 24,999.00</u></td><td><u>95.00</u></td></tr> <tr> <td><u>\$25,000.00 — 39,999.00</u></td><td><u>90.00</u></td></tr> </table>	<u>\$0.00 — 9,999.00</u>	<u>99.00</u>	<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>\$0.00 — 9,999.00</u>	<u>99.00</u>								
<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>								

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<p>(D) for a claimant whose household income is greater than \$50,000.00 but equal to or less than \$60,000.00, the exemption shall be 70 percent of the claimant's housesite value;</p> <p>(E) for a claimant whose household income is greater than \$60,000.00 but equal to or less than \$70,000.00, the exemption shall be 60 percent of the claimant's housesite value;</p> <p>(F) for a claimant whose household income is greater than \$70,000.00 but equal to or less than \$80,000.00, the exemption shall be 50 percent of the claimant's housesite value;</p> <p>(G) for a claimant whose household income is greater than \$80,000.00 but equal to or less than \$90,000.00, the exemption shall be 40 percent of the claimant's housesite value;</p> <p>(H) for a claimant whose household income is greater than \$90,000.00 but equal to or less than \$100,000.00, the exemption shall be 30 percent of the claimant's housesite value;</p> <p>(I) for a claimant whose household income is greater than \$100,000.00 but equal to or less than \$110,000.00, the exemption shall be 20 percent of the claimant's housesite value;</p> <p>(J) for a claimant whose household income is greater than \$110,000.00 but equal to or less than \$115,000.00, the exemption shall be 10 percent of the claimant's housesite value; and</p> <p>(K) for a claimant whose household income is greater than \$115,000.00, no amount of housesite value shall be exempt under this section.</p> <p align="center">* * *</p> <p>(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</p>	<table border="0"> <tr> <td>\$40,000.00 — 44,999.00</td><td>85.00</td></tr> <tr> <td>\$45,000.00 — 49,999.00</td><td>80.00</td></tr> </table> <p>If household income (rounded to a to the nearest dollar) is: then the claimant is entitled homestead property tax exemption against the first \$400,000.00 in housesite value of this percent:</p> <table border="0"> <tr> <td>\$50,000.00 — 54,999.00</td><td>75.00</td></tr> <tr> <td>\$55,000.00 — 59,999.00</td><td>65.00</td></tr> <tr> <td>\$60,000.00 — 64,999.00</td><td>55.00</td></tr> <tr> <td>\$65,000.00 — 69,999.00</td><td>45.00</td></tr> <tr> <td>\$70,000.00 — 74,999.00</td><td>35.00</td></tr> <tr> <td>\$75,000.00 — 79,999.00</td><td>25.00</td></tr> <tr> <td>\$80,000.00 — 84,999.00</td><td>20.00</td></tr> <tr> <td>\$85,000.00 — 89,999.00</td><td>15.00</td></tr> <tr> <td>\$90,000.00 — 94,999.00</td><td>10.00</td></tr> <tr> <td>\$95,000.00 — 100,000.00</td><td>5.00</td></tr> </table> <p align="center">* * *</p> <p>(h) A homestead owner shall be entitled to an additional property tax credit amount equal to one percent of the amount of</p>	\$40,000.00 — 44,999.00	85.00	\$45,000.00 — 49,999.00	80.00	\$50,000.00 — 54,999.00	75.00	\$55,000.00 — 59,999.00	65.00	\$60,000.00 — 64,999.00	55.00	\$65,000.00 — 69,999.00	45.00	\$70,000.00 — 74,999.00	35.00	\$75,000.00 — 79,999.00	25.00	\$80,000.00 — 84,999.00	20.00	\$85,000.00 — 89,999.00	15.00	\$90,000.00 — 94,999.00	10.00	\$95,000.00 — 100,000.00	5.00
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<p>of homestead <u>statewide education</u> property tax under section 6068 of this title.</p> <p align="center">* * *</p> <p>§ 6066a. DETERMINATION OF <u>HOMESTEAD PROPERTY TAX EXEMPTION AND MUNICIPAL PROPERTY TAX CREDIT</u></p> <p>(a) Annually, the Commissioner shall determine the <u>homestead property tax exemption and the municipal property tax credit</u> amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year's income and <u>for the municipal property tax credit</u>, crediting property taxes paid in the prior year, <u>and for the homestead property tax exemption, exempting the housesite value in the claim year</u>. The Commissioner shall notify the municipality in which the housesite is located of the amount of the <u>homestead property tax exemption and municipal property tax credit</u> for the claimant for homestead property tax liabilities on a monthly basis. The <u>municipal property tax credit</u> 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.</p> <p>(b) The Commissioner shall include in the total <u>homestead property tax exemption and municipal property tax credit</u> amount determined under subsection (a) of this section, for credit to the taxpayer for homestead statewide education property tax <u>and supplemental district spending tax</u> liabilities,</p>	<p>income tax refund that the claimant elects to allocate to payment of <u>homestead</u> property tax under section 6068 of this title.</p> <p align="center">* * *</p> <p>§ 6066a. DETERMINATION OF <u>HOMESTEAD PROPERTY TAX EXEMPTION AND MUNICIPAL PROPERTY TAX CREDIT</u></p> <p>(a) Annually, the Commissioner shall determine the <u>homestead property tax exemption and the municipal property tax credit</u> amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year's income and <u>for the municipal property tax credit</u>, crediting property taxes paid in the prior year, <u>and for the homestead property tax exemption, exempting the housesite value in the claim year</u>. The Commissioner shall notify the municipality in which the housesite is located of the amount of the <u>homestead property tax exemption and municipal property tax credit</u> for the claimant for <u>homestead</u> property tax liabilities on a monthly basis. The <u>municipal property tax credit</u> 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.</p> <p>(b) The Commissioner shall include in the total <u>homestead property tax exemption and municipal property tax credit</u> amount determined under subsection (a) of this section, for credit to the taxpayer for <u>homestead</u> property tax <u>and supplemental district spending tax</u> liabilities, any income tax</p>

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<p>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.</p> <p>(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.</p> <p>(d) [Repealed.]</p> <p>(e) At the time of notice to the municipality, the Commissioner shall notify the taxpayer of the <u>homestead</u> 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 <u>municipal property credit amounts</u> amount due the homestead owner under section <u>subdivision 6066(a)(2)</u> of this title; the amount of income tax refund, if any, allocated to payment of <u>homestead statewide education</u> property tax liabilities; and any late-claim reduction amount.</p> <p>(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 <u>homestead</u> property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of <u>homestead statewide education</u> property tax liabilities and notice of the balance due. Municipalities shall apply the amount <u>of the homestead property tax exemption</u> allocated under this chapter to current year</p>	<p>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.</p> <p>(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.</p> <p>(d) [Repealed.]</p> <p>(e) At the time of notice to the municipality, the Commissioner shall notify the taxpayer of the <u>homestead</u> 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 <u>municipal property credit amounts</u> amount due the homestead owner under section <u>subdivision 6066(a)(2)</u> of this title; the amount of income tax refund, if any, allocated to payment of <u>homestead</u> property tax liabilities; and any late-claim reduction amount.</p> <p>(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 <u>homestead</u> property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of <u>homestead</u> education property tax liabilities and notice of the balance due. Municipalities shall apply the amount <u>of the homestead property tax exemption</u> allocated under this chapter to current year property taxes in equal amounts to each of the taxpayers'</p>

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<p>property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes <u>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</u>. 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.</p> <p>(2) For <u>homestead property tax exemption and municipal property tax credit</u> 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.</p> <p>(3) The <u>homestead property tax exemption and municipal property tax credit</u> amount determined for the taxpayer shall be allocated first to current year <u>housesite value and</u> 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 <u>housesite value and</u> property tax on the homestead parcel. No <u>homestead</u></p>	<p>property tax installments that include education taxes <u>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</u>. 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.</p> <p>(2) For <u>homestead property tax exemption and municipal property tax credit</u> 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.</p> <p>(3) The <u>homestead property tax exemption and municipal property tax credit</u> amount determined for the taxpayer shall be allocated first to current year <u>housesite value and</u> 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 <u>housesite value and</u> property tax on the homestead parcel. No <u>homestead</u></p>

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<p>property tax exemption or <u>municipal</u> credit shall be allocated to a <u>housesite value or</u> 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.</p> <p>(4) If the <u>homestead property tax exemption or the municipal</u> 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 <u>exemption or</u> credit amount by the Commissioner of Taxes, whichever is later.</p> <p>(g) The Commissioner of Taxes shall pay monthly to each municipality the amount of <u>municipal</u> 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.</p> <p align="center">* * *</p> <p>§ 6068. APPLICATION AND TIME FOR FILING</p> <p>(a) A <u>homestead property tax exemption or municipal</u> property tax credit claim or request for allocation of an income tax refund to <u>homestead statewide education</u> 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 <u>exemption or</u> credit or</p>	<p>property tax exemption or <u>municipal</u> credit shall be allocated to a <u>housesite value or</u> 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.</p> <p>(4) If the <u>homestead property tax exemption or the municipal</u> 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 <u>exemption or</u> credit amount by the Commissioner of Taxes, whichever is later.</p> <p>(g) The Commissioner of Taxes shall pay monthly to each municipality the amount of <u>municipal</u> 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.</p> <p align="center">* * *</p> <p>§ 6068. APPLICATION AND TIME FOR FILING</p> <p>(a) A <u>homestead property tax exemption or municipal</u> 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 <u>exemption or</u> credit or allocation is sought,</p>

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<p>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.</p> <p>(b)(1) If the a claimant files a <u>municipal property tax credit</u> claim after October 15 but on or before March 15 of the following calendar year, the <u>municipal</u> property tax credit under this chapter:</p> <p style="padding-left: 40px;">(1)(A) shall be reduced in amount by \$150.00, but not below \$0.00;</p> <p style="padding-left: 40px;">(2)(B) shall be issued directly to the claimant; and</p> <p style="padding-left: 40px;">(3)(C) shall not require the municipality where the claimant's property is located to issue an adjusted homestead property tax bill.</p> <p>(2) If a claimant files a <u>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.</u></p> <p>(c) No request for allocation of an income tax refund or for a renter credit claim may be made after October 15. No <u>homestead property tax exemption or municipal</u> property tax credit claim may be made after March 15 of the calendar year following the due date under subsection (a) of this section.</p> <p align="center">* * *</p>	<p>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.</p> <p>(b)(1) If the a claimant files a <u>municipal property tax credit</u> claim after October 15 but on or before March 15 of the following calendar year, the <u>municipal</u> property tax credit under this chapter:</p> <p style="padding-left: 40px;">(1)(A) shall be reduced in amount by \$150.00, but not below \$0.00;</p> <p style="padding-left: 40px;">(2)(B) shall be issued directly to the claimant; and</p> <p style="padding-left: 40px;">(3)(C) shall not require the municipality where the claimant's property is located to issue an adjusted homestead property tax bill.</p> <p>(2) If a claimant files a <u>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.</u></p> <p>(c) No request for allocation of an income tax refund or for a renter credit claim may be made after October 15. No <u>homestead property tax exemption or municipal</u> property tax credit claim may be made after March 15 of the calendar year following the due date under subsection (a) of this section.</p> <p align="center">* * *</p>

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Sec. 53. DEPARTMENT OF TAXES; HOMESTEAD DECLARATION; SAMPLE FORM [passage]	Sec. 53. DEPARTMENT OF TAXES; HOMESTEAD DECLARATION; SAMPLE FORM [passage] No changes
<i>No similar provision</i>	<p>Sec. 53a. DEPARTMENT OF TAXES; HOMESTEAD EXEMPTION;</p> <p>REPORT</p> <p>(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.</p> <p>(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:</p> <p>(1) property tax impacts for homestead property owners under the new education tax structure established in this act;</p> <p>(2) benefit cliffs compared to those in the existing credit system; and</p> <p>(3) aggregate fiscal impact relative to the existing credit system.</p> <p>(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.</p>

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<p>Sec. 54. 11 V.S.A. § 1608 is amended to read: [contingently 7/1/29] § 1608. ELIGIBILITY FOR PROPERTY TAX RELIEF</p>	<p>Sec. 54. 11 V.S.A. § 1608 is amended to read: [7/1/27] § 1608. ELIGIBILITY FOR PROPERTY TAX RELIEF</p> <p align="center">No changes</p>
<p>Sec. 55. 32 V.S.A. § 3102(j) is amended to read: [contingently 7/1/29]</p>	<p>Sec. 55. 32 V.S.A. § 3102(j) is amended to read: [7/1/27]</p> <p align="center">No changes</p>
<p>Sec. 56. 32 V.S.A. § 3206(b) is amended to read: [contingently 7/1/29]</p>	<p>Sec. 56. 32 V.S.A. § 3206(b) is amended to read: [7/1/27]</p> <p align="center">No changes</p>
<p>Sec. 57. 32 V.S.A. § 5414 is amended to read: [contingently 7/1/29] § 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE</p> <p>(a) Creation. There is created the Education Fund Advisory Committee to monitor Vermont's education financing system, conduct analyses, <u>assist with the transformation of Vermont's education finance system</u>, and perform the duties under subsection (c) of this section.</p> <p align="center">* * *</p> <p>(c) Powers and duties.</p> <p>(1) Annually, on or before December 15, the Committee shall make recommendations to the General Assembly regarding:</p> <p>(A) updating the weighting factors using the weighting model and methodology used to arrive at the weights enacted</p>	<p>Sec. 57. 32 V.S.A. § 5414 is amended to read: [contingently 7/1/29] § 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE</p> <p>(a) Creation. There is created the Education Fund Advisory Committee to monitor Vermont's education financing system, conduct analyses, <u>assist with the transformation of Vermont's education finance system</u>, and perform the duties under subsection (c) of this section.</p> <p align="center">* * *</p> <p>(c) Powers and duties.</p> <p>(1) Annually, on or before December 15, the Committee shall make recommendations to the General Assembly regarding:</p> <p>(A) updating the weighting factors using the weighting model and methodology used to arrive at the weights enacted</p>

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<p>under 2022 Acts and Resolves No. 127, which may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions, as necessary;</p> <p>(B) changes to, or the addition of new or elimination of existing, categorical aid, as necessary;</p> <p>(C) changes to income levels eligible for a property tax credit under section 6066 of this title;</p> <p>(D) means to adjust the revenue sources for the Education Fund;</p> <p>(E) means to improve equity, transparency, and efficiency in education funding statewide;</p> <p>(F) the amount of the Education Fund stabilization reserve;</p> <p>(G) school district use of reserve fund accounts;</p> <p>(H) <u>national best practices for addressing intra-school district effects of a foundation formula, including through the use of weighting factors;</u></p> <p>(I) <u>whether to transition from a cost-based foundation formula to an evidence-based foundation formula;</u> and</p> <p>(J) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.</p> <p align="center">* * *</p>	<p>under 2022 Acts and Resolves No. 127, which may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions, as necessary;</p> <p>(B) changes to, or the addition of new or elimination of existing, categorical aid, as necessary;</p> <p>(C) changes to income levels eligible for a property tax credit under section 6066 of this title;</p> <p>(D) means to adjust the revenue sources for the Education Fund;</p> <p>(E) means to improve equity, transparency, and efficiency in education funding statewide;</p> <p>(F) the amount of the Education Fund stabilization reserve;</p> <p>(G) school district use of reserve fund accounts;</p> <p>(H) <u>national best practices for addressing intra-school district effects of a foundation formula, including through the use of weighting factors;</u></p> <p>(I) <u>whether to transition from a cost-based foundation formula to an evidence-based foundation formula;</u></p> <p>(J) <u>methods for ensuring school districts spend their educational opportunity payments on the costs that underlie Vermont's foundation formula;</u> and</p> <p>(K) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.</p> <p align="center">* * *</p>
<p>Sec. 58. 16 V.S.A. § 4001 is amended to read: contingent</p> <p>§ 4001. DEFINITIONS</p>	<p>Sec. 58. 16 V.S.A. § 4001 is amended to read:</p> <p>§ 4001. DEFINITIONS</p>

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	No changes
Sec. 59. 16 V.S.A. § 4010 is amended to read: [contingent] § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND EDUCATION OPPORTUNITY PAYMENT	Sec. 59. 16 V.S.A. § 4010 is amended to read: [contingent] § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND EDUCATION OPPORTUNITY PAYMENT No changes

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Sec. 60. 32 V.S.A. § 4152 is amended to read: [1/1/29] § 4152. CONTENTS	Sec. 60. 32 V.S.A. § 4152 is amended to read: [1/1/29] § 4152. CONTENTS

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Sec. 61. 32 V.S.A. § 4152a is added to read: **[1/1/29]**

§ 4152a. PROPERTY TAX CLASSIFICATIONS

(a) The grand list of a town shall include one or more tax classifications for each parcel of real estate. A parcel shall be classified using one of the general classes of real estate listed under subsection (b) of this section and based on the considerations set forth in this section and by guidance provided by the Division of Property Valuation and Review. The listers and assessors shall annually update the grand list to include a tax classification not later than June 1 of every year, using information submitted to the Department of Taxes pursuant to this section. The tax classification may be updated after June 1 when a taxpayer files, or corrects an erroneously filed, homestead declaration after June 1.

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

- (1) Homestead;
- (2) Nonhomestead apartment;
- (3) Nonhomestead nonresidential; and
- (4) Nonhomestead residential.

(c) As used in this section:

(1) "Homestead" means a parcel, or portion of a parcel, declared as a homestead on or before October 15 in accordance with section 5410 of this title for the current year.

(2) "Nonhomestead apartment" means a parcel, or portion of a parcel, with one or more dwelling units, for which a landlord certificate was filed in the previous year pursuant to section 6069 of this title, and the landlord attested that the unit would be leased to a long-term tenant for a minimum of six months in the current year.

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.

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<p><u>(3) “Nonhomestead nonresidential” means a parcel, or portion of a parcel, that does not qualify as “homestead,” “nonhomestead apartment,” or “nonhomestead residential” under this section.</u></p> <p><u>(4) “Nonhomestead residential” means a parcel, or portion of a parcel, with one or more dwelling units, habitable on a year-round basis, for which a homestead was not declared in accordance with section 5410 of this title for the current year, and a landlord certificate was not filed pursuant to section 6069 of this title in which the landlord attested that the unit would be leased to a long-term tenant for a minimum of six months in the current year.</u></p> <p><u>(d) A parcel with two or more portions qualifying for different tax classifications under this section shall be classified proportionally based on the percentage of floor space used.</u></p> <p><u>(1) In the case of a homestead with 25 percent or less of floor space used for a business purpose, the parcel shall be classified as a homestead pursuant to subdivision 5401(a)(7)(F) of this title.</u></p> <p><u>(2) If a portion of floor space is used for more than one purpose, the use in which the floor space is most often used shall be considered the primary use and the floor space shall be dedicated to that use for purposes of tax classification.</u></p> <p><u>(e) The Commissioner shall amend existing forms, and publish new forms, as needed to gather the necessary attestations and declarations required under this section.</u></p> <p><u>(f) Nothing in this section shall be construed to alter the tax treatment or enrollment eligibility of property as it relates to use value appraisal under chapter 124 of this title.</u></p>	

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<u>(g) Persons aggrieved by a decision to classify property for taxation purposes under this section may appeal in the manner provided for property valuation appeals under this title.</u>	
Sec. 61a. PROPERTY TAX CLASSIFICATIONS; TRANSITION; DATA COLLECTION [passage]	<i>No similar provision</i>
Sec. 61b. PROPERTY TAX CLASSIFICATIONS IMPLEMENTATION REPORT [passage]	<i>No similar provision</i>
Sec. 62. 32 V.S.A. chapter 121, subchapter 1A is added to read: [1/1/30] <u>Subchapter 1A. Statewide and Regional Property Assessment</u>	Sec. 62. 32 V.S.A. chapter 121, subchapter 1A is added to read: <u>Subchapter 1A. Statewide and Regional Property Assessment</u>
Sec. 63. TRANSITION; ANNUAL PROGRESS REPORT [passage]	Sec. 63. TRANSITION; ANNUAL PROGRESS REPORT [passage]
Sec. 64. REGIONAL ASSESSMENT DISTRICT STAKEHOLDER WORKING GROUP [passage]	Sec. 64. REGIONAL ASSESSMENT DISTRICT STAKEHOLDER WORKING GROUP [passage]
Sec. 65. 32 V.S.A. § 5405 is amended to read: [1/1/30] § 5405. DETERMINATION OF EQUALIZED EDUCATION PROPERTY TAX GRAND LIST AND COEFFICIENT OF DISPERSION	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 66. 32 V.S.A. § 3481(1)(B) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 67. 32 V.S.A. § 3482 is amended to read: [1/1/30] § 3482. PROPERTY LISTED AT ONE PERCENT	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 68. 32 V.S.A. § 3485 is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>

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§ 3485. RECORDS TO BE KEPT RELATING TO DEEDS AND MORTGAGES	
Sec. 69. 32 V.S.A. § 3603(a) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 70. 32 V.S.A. § 3610(b) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 71. 32 V.S.A. § 3613 is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 72. 32 V.S.A. § 3618(c)(2) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 73. 32 V.S.A. § 3651 is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 74. 32 V.S.A. § 3691 is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 75. 32 V.S.A. § 3692(b) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 76. 32 V.S.A. § 3708 is amended to read: [1/1/30] § 3708. PAYMENTS IN LIEU OF TAXES FOR LANDS HELD BY THE AGENCY OF NATURAL RESOURCES	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 77. 32 V.S.A. § 3755 is amended to read: [1/1/30] § 3755. ELIGIBILITY FOR USE VALUE APPRAISALS	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 78. 32 V.S.A. § 3756(c) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 79. 32 V.S.A. § 3758 is amended to read: [1/1/30] § 3758. APPEALS	<i>No similar provision; to be addressed in Senate Finance</i>

H.454 Side by Side: As Passed by the House vs. As Passed by the Senate

5.27.25

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H.454 As Passed by the House	H.454 As Passed by the Senate
Sec. 80. 32 V.S.A. § 3802a is amended to read: [1/1/30] § 3802a. REQUIREMENT TO PROVIDE INSURANCE INFORMATION	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 81. 32 V.S.A. § 3850(d) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 82. 32 V.S.A. § 4001(a) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 83. 32 V.S.A. § 4041 is amended to read: [1/1/30] § 4041. EXAMINATION OF PROPERTY; APPRAISAL	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 84. 32 V.S.A. § 4044 is amended to read: [1/1/30] § 4044. APPRAISAL OF PERSONALTY ON APRIL <u>JANUARY</u> 1	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 85. 32 V.S.A. § 4045 is amended to read: [1/1/30] § 4045. APPRAISAL ON OTHER THAN APRIL <u>JANUARY</u> 1	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 86. 32 V.S.A. § 4052(c) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 87. 32 V.S.A. § 5401(7) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 88. 32 V.S.A. § 5404a(a)(6) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 89. 32 V.S.A. § 5406(b) is amended to read: [1/1/30]	<i>No similar provision; to be addressed in Senate Finance</i>
Sec. 90. 32 V.S.A. § 5410 is amended to read: [1/1/30] § 5410. DECLARATION OF HOMESTEAD	<i>No similar provision; to be addressed in Senate Finance</i>

H.454 Side by Side: As Passed by the House vs. As Passed by the Senate

5.27.25

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H.454 As Passed by the House	H.454 As Passed by the Senate
Sec. 91. 32 V.S.A. § 6066a(f)(1) is amended to read: [passage]	Sec. 65. 32 V.S.A. § 6066a(f)(1) is amended to read: [passage] No changes
Sec. 92. 32 V.S.A. § 5252 is amended to read: [passage] § 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY	Sec. 66. 32 V.S.A. § 5252 is amended to read: [passage] § 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY No changes
Sec. 93. 32 V.S.A. § 4465 is amended to read: [7/1/25] § 4465. APPOINTMENT OF PROPERTY VALUATION HEARING OFFICER; OATH; PAY	Sec. 67. 32 V.S.A. § 4465 is amended to read: [7/1/25] § 4465. APPOINTMENT OF PROPERTY VALUATION HEARING OFFICER; OATH; PAY No changes
Sec. 94. 32 V.S.A. § 5402(c)(2) is amended to read: [passage]	Sec. 68. 32 V.S.A. § 5402(c)(2) is amended to read: [passage] No changes
<i>No similar provision</i>	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

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	the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.