

H.955 Side by Side: As Passed by the House vs. Senate Proposal of Amendment

5.26.26

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

H.955 As Passed by the House	H.955 Senate Proposal of Amendment
<p>*** Legislative Intent ***</p>	
<p>Sec. 1. LEGISLATIVE INTENT <i>[Effective on 7.1.26]</i></p>	<p>Sec. 1. FINDINGS; LEGISLATIVE INTENT <i>[Effective on 7.1.26]</i></p> <p>(a) Findings. The General Assembly finds that:</p> <p>(1) Implementation of school district consolidation under 2015 Acts and Resolves No. 46 (Act 46) resulted in the creation of larger supervisory unions, supervisory districts, and unified union school districts, which have achieved measurable administrative efficiencies, including reductions in per-pupil central office costs and the elimination of duplicative governance structures, while maintaining or improving student opportunities in many regions.</p> <p>(2) Regional high schools serving broader geographic areas provide expanded and more equitable access to academic programming, career and technical education, co-curricular opportunities, and specialized staff, which are often not sustainable at smaller scales.</p> <p>(3) Research demonstrates that closing small elementary schools often yields limited or inconsistent cost savings once transportation, capital adjustments, and community impacts are considered, and may negatively affect student outcomes and family engagement, particularly in rural areas.</p> <p>(4) Nationally, the average public school district enrolls approximately 5,000 students, while the median district size is substantially smaller, commonly cited near 1,500 students, reflecting a wide distribution of district scale across the United States.</p> <p>(5) In rural states, school district design must account not only for enrollment but also for geographic size, as districts are often measured in square miles. Larger geographic areas can present barriers to equitable access to educational opportunity, requiring careful balancing</p>

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<p>(a) <u>To ensure each student is provided substantially equal educational opportunities that will prepare the student 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>(b) <u>The General Assembly recognizes that Vermont’s schools anchor local economies and community identity, connecting young people to their homes while supporting workforce development and long-term stability, and that different regions of Vermont have different needs, challenges, and opportunities. Further, it is the intent of the General Assembly to ensure that local voice and community input retain an important role in Vermont’s evolving education landscape.</u></p>	<p><u>of efficiency, transportation time, community connection, and student access to high-quality programming.</u></p> <p><u>(6) Approximately 40 percent of Vermont high school graduates enroll in a two- or four-year degree program. This outcome does not reflect a lack of academic engagement but rather underscores the importance of ensuring that all students graduate with a clear and supported pathway, including high-quality career and technical education, workforce entry, or further education aligned with individual goals and regional economic needs.</u></p> <p><u>(b) Legislative intent.</u></p> <p><u>(1) To ensure each student is provided substantially equal opportunities for an excellent education that will prepare the student 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) The General Assembly recognizes that Vermont’s schools anchor local economies and community identity, connecting young persons to their homes while supporting workforce development and long-term stability, and that different regions of Vermont have different needs, challenges, and opportunities. Further, it is the intent of the General Assembly to ensure that local voice and community input retain an important role in Vermont’s evolving education landscape.</u></p> <p><u>(3) It is the intent of the General Assembly to create a statewide education system that encourages and supports local elementary schools, central middle schools, and comprehensive, regional high schools that provide each student with universal access to career technical education.</u></p> <p><u>(4) It is the policy of the State to provide substantially equal educational opportunities for all children in Vermont by authorizing two</u></p>
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	<p>or more school districts, including an existing union school district, to form a union school district for the purpose of providing for the education of its resident students. It is therefore the intent of the General Assembly that the formation of union school districts shall be designed to encourage and support local decisions and actions that provide substantial equity of educational opportunities statewide, lead students to achieve or exceed the State’s Education Quality Standards, maximize operational efficiencies, promote transparency and accountability, and be delivered at a cost that parents, voters, and taxpayers value.</p> <p>(5) It is further the intent of the General Assembly in the upcoming legislative sessions to leverage the insights of the foundation formula report submitted pursuant to 2025 Acts and Resolves No. 73, Sec. 45a; the prekindergarten education funding reports submitted pursuant to Sec. 21 of this act; and the school transportation report submitted pursuant to Sec. 27b of this act to update the foundation formula enacted in 2025 Acts and Resolves No. 73 to account for the funding of all components of Vermont’s education system.</p>
<p>*** Cooperative Educational Service Areas ***</p>	
<p>Sec. 2. 16 V.S.A. chapter 10 is amended to read: [7.1.26] CHAPTER 10. BOARDS OF COOPERATIVE EDUCATION SERVICES EDUCATIONAL SERVICE AREAS</p> <p>§ 601. POLICY It is the policy of the State to allow and encourage supervisory unions to create boards of cooperative education services <u>educational service areas</u> to provide shared programs and services on a regional and statewide level. Formation of a board of cooperative education services</p>	<p>Sec. 2. 16 V.S.A. chapter 10 is amended to read: [7.1.26] CHAPTER 10. BOARDS OF COOPERATIVE EDUCATION SERVICES EDUCATIONAL SERVICE AREAS</p> <p>§ 601. POLICY It is the policy of the State to allow and encourage supervisory unions to create boards of cooperative education services <u>educational service areas</u> to provide shared programs and services on a regional and statewide level. Formation of a board of cooperative education services</p>

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~~shall be designed to build upon the geographically focused cooperative regions used by Vermont superintendents as of July 1, 2024; It is the intent of the General Assembly that cooperative educational service areas are utilized by member supervisory unions to maximize the impact of available dollars through collaborative funding; reduce duplication of programs, personnel, and services; and contribute to equalizing the equalization of educational opportunities for all pupils.~~

§ 602. DEFINITIONS

As used in this chapter:

(1) “Educator” means any:

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

* * *

(3) “Cooperative educational service area” or “CESA” means an association of supervisory unions created pursuant to this chapter to deliver shared programs and services to complement the educational programs of member supervisory unions in a cost-effective manner. A

~~shall be designed to build upon the geographically focused cooperative regions used by Vermont superintendents as of July 1, 2024; It is the intent of the General Assembly that cooperative educational service areas are utilized by member supervisory unions to maximize the impact of available dollars through collaborative funding; reduce duplication of programs, personnel, and services; and contribute to equalizing the equalization of educational opportunities for all pupils.~~ **ensure every middle and high school student has a genuine opportunity to participate fully in and to benefit from career technical education;** and contribute to equalizing the equalization of educational opportunities for all pupils.

§ 602. DEFINITIONS

As used in this chapter:

(1) “Educator” means any:

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* * *

(2) “Supervisory union” means an administrative, planning, and educational service unit created by the State Board under section 261 of this title that consists of two or more school districts. This As used in this chapter, this term also means a supervisory district and a regional career technical center school district formed pursuant to the provisions of chapter 37, subchapter 5a of this title.

(3) “Cooperative educational service area” or “CESA” means an association of supervisory unions created pursuant to this chapter to deliver shared programs and services to complement the educational programs of member supervisory unions in a cost-effective manner. A

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CESA shall be a body politic and corporate with the powers and duties afforded it under this chapter.

§ 603. CREATION OF BOARD OF COOPERATIVE EDUCATION SERVICES EDUCATIONAL SERVICE AREAS; ORGANIZATION; SECRETARY APPROVAL

(a) Establishment of boards of cooperative education services educational service areas. When the boards of two or more supervisory unions vote to explore the advisability of entering into a written agreement to provide shared programs and services, the interested boards shall meet and discuss the terms of any such agreement. At this meeting or a subsequent meeting, the participating boards may enter into a proposed agreement to form an association of supervisory unions to deliver shared programs and services to complement the educational programs of member supervisory unions in a cost effective manner. An association formed pursuant to this chapter shall be known as a board of cooperative education services (BOCES) and shall be a body politic and corporate with the powers and duties afforded them under this chapter. Supervisory unions are arranged into the following cooperative educational service areas:

(1) The Champlain Valley North CESA is formed of the member supervisory unions of:

(A) Franklin Northeast Supervisory Union, which is composed of the member school districts of the Enosburgh-Richford Unified Union School District and the Northern Mountain Valley Unified Union School District;

(B) Franklin West Supervisory Union, which is composed of the member school districts of the Fairfax School District, the Fletcher School District, and the Georgia School District;

CESA shall be a body politic and corporate with the powers and duties afforded it under this chapter.

§ 603. CREATION OF BOARD OF COOPERATIVE EDUCATION SERVICES EDUCATIONAL SERVICE AREAS; ORGANIZATION; SECRETARY APPROVAL

(a) Establishment of boards of cooperative education services educational service areas. When the boards of two or more supervisory unions vote to explore the advisability of entering into a written agreement to provide shared programs and services, the interested boards shall meet and discuss the terms of any such agreement. At this meeting or a subsequent meeting, the participating boards may enter into a proposed agreement to form an association of supervisory unions to deliver shared programs and services to complement the educational programs of member supervisory unions in a cost effective manner. An association formed pursuant to this chapter shall be known as a board of cooperative education services (BOCES) and shall be a body politic and corporate with the powers and duties afforded them under this chapter. Supervisory unions are arranged into the following cooperative educational service areas:

(1) The Champlain Valley North CESA is formed of the member supervisory unions of:

(A) Franklin Northeast Supervisory Union, which is composed of the member school districts of the Enosburgh-Richford Unified Union School District and the Northern Mountain Valley Unified Union School District;

(B) Franklin West Supervisory Union, which is composed of the member school districts of the Fairfax School District, the Fletcher School District, and the Georgia School District;

(C) Grand Isle Supervisory Union, which is composed of the member school districts of the Alburgh School District, the Champlain

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<p>(C) <u>Maple Run Unified Union Supervisory District;</u> (D) <u>Milton Supervisory District; and</u> (E) <u>Missisquoi Valley Supervisory District.</u></p> <p>(2) <u>The Chittenden Central CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Burlington Supervisory District;</u> (B) <u>Colchester Supervisory District;</u> (C) <u>Essex Westford Educational Community Unified Union Supervisory District;</u> (D) <u>Grand Isle Supervisory Union, which is composed of the member school districts of the Alburgh School District, the Champlain Islands Unified Union School District, and the South Hero School District;</u> (E) <u>South Burlington Supervisory District; and</u> (F) <u>Winooski Supervisory District.</u></p> <p>(3) <u>The Champlain Valley South CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Addison Central Supervisory District;</u> (B) <u>Addison Northwest Supervisory District;</u> (C) <u>Champlain Valley Supervisory District;</u> (D) <u>Lincoln Supervisory District;</u> (E) <u>Mount Abraham Unified Supervisory District; and</u> (F) <u>Mount Mansfield Unified Union Supervisory District.</u></p> <p>(4) <u>The Southwest CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Bennington Rutland Supervisory Union, which is composed of the member school districts of the Mettawee School</u></p>	<p><u>Islands Unified Union School District, and the South Hero School District;</u></p> <p>(D) <u>Maple Run Unified Union Supervisory District; and</u></p> <p>(E) <u>Missisquoi Valley Supervisory District.</u></p> <p>(2) <u>The Chittenden Central CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Burlington Supervisory District;</u> (B) <u>Colchester Supervisory District;</u> (C) <u>Essex Westford Educational Community Unified Union Supervisory District;</u> <u>(D) Milton Supervisory District;</u></p> <p>(E) <u>South Burlington Supervisory District; and</u> (F) <u>Winooski Supervisory District.</u></p> <p>(3) <u>The Champlain Valley South CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Addison Central Supervisory District;</u> (B) <u>Addison Northwest Supervisory District;</u> (C) <u>Champlain Valley Supervisory District;</u> (D) <u>Lincoln Supervisory District;</u> (E) <u>Mount Abraham Unified Supervisory District;</u> (F) <u>Mount Mansfield Unified Union Supervisory District; and</u> <u>(G) Patricia A. Hannaford Regional Technical School District.</u></p> <p>(4) <u>The Southwest CESA is formed of the member supervisory unions of:</u></p> <p>(A) <u>Bennington Rutland Supervisory Union, which is composed of the member school districts of the Mettawee School</u></p>
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<p><u>District, the Taconic and Green Regional School District, and the Winhall School District;</u></p> <p><u>(B) Greater Rutland County Supervisory Union, which is composed of the member school districts of the Ira School District, the Quarry Valley Unified Union School District, the Rutland Town School District, and the Wells Spring Unified Union School District;</u></p> <p><u>(C) Mill River Unified Union Supervisory District;</u></p> <p><u>(D) Rutland City Supervisory District;</u></p> <p><u>(E) Rutland Northeast Supervisory Union, which is composed of the member school districts of the Barstow Unified Union School District and the Otter Valley Unified Union School District;</u></p> <p><u>(F) Slate Valley Unified Union Supervisory District; and</u></p> <p><u>(G) Southwest Vermont Supervisory Union, which is composed of the member school districts of the Arlington School District, the Mount Anthony Union High School District #14, the North Bennington Graded School District, the Sandgate School District, and the Southwest Vermont Union Elementary School District.</u></p> <p><u>(5) The Vermont Learning Collaborative is formed of the member supervisory unions of:</u></p> <p><u>(A) Mountain View Supervisory Union, which is composed of the member school districts of the Pittsfield School District and the Mountain View School District;</u></p> <p><u>(B) Springfield Supervisory District;</u></p> <p><u>(C) Two Rivers Supervisory Union, which is composed of the member school districts of the Green Mountain Unified School District;</u></p> <p><u>(D) Windham Central Supervisory Union, which is composed of the member school districts of the Marlboro School District, the River Valleys Unified School District, the Stratton School District, the</u></p>	<p><u>District, the Taconic and Green Regional School District, and the Winhall School District;</u></p> <p><u>(B) Greater Rutland County Supervisory Union, which is composed of the member school districts of the Ira School District, the Quarry Valley Unified Union School District, the Rutland Town School District, and the Wells Spring Unified Union School District;</u></p> <p><u>(C) Mill River Unified Union Supervisory District;</u></p> <p><u>(D) Rutland City Supervisory District;</u></p> <p><u>(E) Rutland Northeast Supervisory Union, which is composed of the member school districts of the Barstow Unified Union School District and the Otter Valley Unified Union School District;</u></p> <p><u>(F) Slate Valley Unified Union Supervisory District;</u></p> <p><u>(G) Southwest Regional Technical Center; and</u></p> <p><u>(H) Southwest Vermont Supervisory Union, which is composed of the member school districts of the Arlington School District, the Mount Anthony Union High School District #14, the North Bennington Graded School District, the Sandgate School District, and the Southwest Vermont Union Elementary School District.</u></p> <p><u>(5) The Vermont Learning Collaborative is formed of the member supervisory unions of:</u></p> <p><u>(A) Mountain View Supervisory Union, which is composed of the member school districts of the Pittsfield School District and the Mountain View School District;</u></p> <p><u>(B) Springfield Supervisory District;</u></p> <p><u>(C) Two Rivers Supervisory Union, which is composed of the member school districts of the Green Mountain Unified School District and the Ludlow-Mount Holly Unified Union School District;</u></p> <p><u>(D) Windham Central Supervisory Union, which is composed of the member school districts of the Marlboro School District, the River Valleys Unified School District, the Stratton School District, the</u></p>
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<p><u>West River Modified Union Education District, and the Windham School District;</u></p> <p><u>(E) Windham Northeast Supervisory Union, which is composed of the member school districts of the Bellows Falls Union High School District, the Rockingham School District, the Athens Grafton School District, and the Westminster School District;</u></p> <p><u>(F) Windham Southeast Supervisory Union, which is composed of the member school districts of the Vernon Town School District and the Windham Southeast School District;</u></p> <p><u>(G) Windham Southwest Supervisory Union, which is composed of the member school districts of the Halifax School District, the Readsboro School District, the Searsburg School District, the Somerset School District, the Stamford School District, and the Twin Valley Unified School District; and</u></p> <p><u>(H) Windsor Southeast Supervisory Union, which is composed of the member school districts of the Hartland School District, the Mount Ascutney School District, and the Weathersfield School District.</u></p> <p><u>(6) The Northeast CESA is formed of the member supervisory unions of:</u></p> <p><u>(A) Caledonia Central Supervisory Union, which is composed of the member school districts of the Cabot School District, the Caledonia Cooperative School District, the Danville School District, the Peacham School District, and the Twinfield Union School District;</u></p> <p><u>(B) Essex North Supervisory Union, which is composed of the member school districts of the Canaan School District, the Essex North Supervisory Union, and the NEK Choice School District;</u></p> <p><u>(C) Hartford Supervisory District;</u></p> <p><u>(D) Kingdom East Supervisory District;</u></p> <p><u>(E) North Country Supervisory Union, which is composed of the member school districts of the Brighton School District, the Charleston School District, the Coventry School District, the Derby</u></p>	<p><u>West River Modified Union Education District, and the Windham School District;</u></p> <p><u>(E) Windham Northeast Supervisory Union, which is composed of the member school districts of the Bellows Falls Union High School District, the Rockingham School District, the Athens Grafton School District, and the Westminster School District;</u></p> <p><u>(F) Windham Southeast Supervisory Union, which is composed of the member school districts of the Vernon Town School District and the Windham Southeast School District;</u></p> <p><u>(G) Windham Southwest Supervisory Union, which is composed of the member school districts of the Halifax School District, the Readsboro School District, the Searsburg School District, the Somerset School District, the Stamford School District, and the Twin Valley Unified School District; and</u></p> <p><u>(H) Windsor Southeast Supervisory Union, which is composed of the member school districts of the Hartland School District, the Mount Ascutney School District, and the Weathersfield School District.</u></p> <p><u>(6) The Northeast CESA is formed of the member supervisory unions of:</u></p> <p><u>(A) Caledonia Central Supervisory Union, which is composed of the member school districts of the Cabot School District, the Caledonia Cooperative School District, the Danville School District, the Peacham School District, and the Twinfield Union School District;</u></p> <p><u>(B) Essex North Supervisory Union, which is composed of the member school districts of the Canaan School District, the Essex North Supervisory Union, and the NEK Choice School District;</u></p> <p><u>(C) Hartford Supervisory District;</u></p> <p><u>(D) Kingdom East Supervisory District;</u></p> <p><u>(E) North Country Supervisory Union, which is composed of the member school districts of the Brighton School District, the Charleston School District, the Coventry School District, the Derby</u></p>
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School District, the Holland School District, the Jay School District, the Lowell School District, the Morgan School District, the Newport City School District, the Newport Town School District, the North Country Union High School District, the North Country Union Junior High School Board, the Troy School District, and the Westfield School District;

(F) Orange East Supervisory Union, which is composed of the member school districts of the Blue Mountain Union School District, the Oxbow Unified Union School District, the Thetford Town School District, and the Waits River Valley Union School District #36;

(G) Orleans Central Supervisory Union, which is formed of the member school districts of the Lake Region Union Elementary-Middle School District and the Lake Region Union High School District;

(H) Rivendell Interstate Supervisory District;

(I) SAU 70; and

(J) St. Johnsbury Supervisory District.

(7) The Winooski Valley CESA is formed of the member supervisory unions of:

(A) Barre Unified Union Supervisory District;

(B) Central Vermont Supervisory Union, which is composed of the member school districts of the Echo Valley Community School District and the Paine Mountain School District;

(C) Harwood Unified Union Supervisory District;

(D) Lamoille North Supervisory Union, which is composed of the member school districts of the Cambridge School District and the Lamoille North Modified Unified Union School District;

(E) Lamoille South Supervisory Union, which is composed of the Member School Districts of the Elmore-Morristown Unified Union School District and the Stowe School District;

School District, the Holland School District, the Jay School District, the Lowell School District, the Morgan School District, the Newport City School District, the Newport Town School District, the North Country Union High School District, the North Country Union Junior High School Board, the Troy School District, and the Westfield School District;

(F) Orange East Supervisory Union, which is composed of the member school districts of the Blue Mountain Union School District, the Oxbow Unified Union School District, the Thetford Town School District, and the Waits River Valley Union School District #36;

(G) Orleans Central Supervisory Union, which is formed of the member school districts of the Lake Region Union Elementary-Middle School District and the Lake Region Union High School District;

(H) Rivendell Interstate Supervisory District;

(I) SAU 70; and

(J) St. Johnsbury Supervisory District.

(7) The Winooski Valley CESA is formed of the member supervisory unions of:

(A) Barre Unified Union Supervisory District;

(B) Central Vermont Career Center;

(C) Central Vermont Supervisory Union, which is composed of the member school districts of the Echo Valley Community School District and the Paine Mountain School District;

(D) Harwood Unified Union Supervisory District;

(E) Lamoille North Supervisory Union, which is composed of the member school districts of the Cambridge School District and the Lamoille North Modified Unified Union School District;

(F) Lamoille South Supervisory Union, which is composed of the Member School Districts of the Elmore-Morristown Unified Union School District and the Stowe School District;

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<p><u>(F) Montpelier Roxbury Supervisory District;</u> <u>(G) Orange Southwest Unified Union Supervisory District;</u> <u>(H) Orleans Southwest Supervisory Union, which is composed of the member school districts of the Craftsbury School District, the Hazen Union School District, the Mountain View Union Elementary School District, the Stannard Town School District, and the Wolcott School District;</u> <u>(I) Washington Central Unified Union Supervisory District;</u> and <u>(J) White River Valley Supervisory Union, which is composed of the member school districts of the First Branch Unified School District, the Granville-Hancock Unified District, the Rochester-Stockbridge Unified District, the Sharon School District, the Strafford School District, and the White River Unified District.</u> (b) Articles of agreement Bylaws. Agreements to form a BOCES pursuant to this chapter shall take the form of articles of agreement and shall serve as the operating agreement for a BOCES. Agreements shall include a cost-benefit analysis outlining the projected financial savings or enhanced outcomes, or both, that the parties expect to realize through shared services or programs. No agreement or subsequent amendments shall take effect unless approved by the member supervisory union boards and the Secretary of Education. The Secretary shall approve articles of agreement if the Secretary finds that the formation of the proposed BOCES is in the best interests of the State, the students, and the member supervisory unions and aligns with the policy set forth in section 601 of this title, subject to the limitations of subsection (d) of this section. Each CESA shall establish bylaws to serve as the operating agreement of the CESA. At a minimum, the articles of agreement bylaws shall state: (1) the names of the participating supervisory unions; (2) the mission, purpose, and focus of the BOCES CESA;</p>	<p><u>(G) Montpelier Roxbury Supervisory District;</u> <u>(H) Orange Southwest Unified Union Supervisory District;</u> <u>(I) Orleans Southwest Supervisory Union, which is composed of the member school districts of the Craftsbury School District, the Hazen Union School District, the Mountain View Union Elementary School District, the Stannard Town School District, and the Wolcott School District;</u> <u>(J) Washington Central Unified Union Supervisory District;</u> and <u>(K) White River Valley Supervisory Union, which is composed of the member school districts of the First Branch Unified School District, the Granville-Hancock Unified District, the Rochester-Stockbridge Unified District, the Sharon School District, the Strafford School District, and the White River Unified District.</u> (b) Articles of agreement Bylaws. Agreements to form a BOCES pursuant to this chapter shall take the form of articles of agreement and shall serve as the operating agreement for a BOCES. Agreements shall include a cost-benefit analysis outlining the projected financial savings or enhanced outcomes, or both, that the parties expect to realize through shared services or programs. No agreement or subsequent amendments shall take effect unless approved by the member supervisory union boards and the Secretary of Education. The Secretary shall approve articles of agreement if the Secretary finds that the formation of the proposed BOCES is in the best interests of the State, the students, and the member supervisory unions and aligns with the policy set forth in section 601 of this title, subject to the limitations of subsection (d) of this section. Each CESA shall establish bylaws to serve as the operating agreement of the CESA. At a minimum, the articles of agreement bylaws shall state: (1) the names of the participating supervisory unions; (2) the mission, purpose, and focus of the BOCES CESA;</p>
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(3) the programs or services to be offered by the ~~BOCES~~ CESA;
(4) the financial terms and conditions of membership of the ~~BOCES~~ CESA, including any applicable membership fee;

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

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

(7) ~~the method of termination of the BOCES and the withdrawal of member supervisory unions, which shall include the apportionment of assets and liabilities; [Repealed.]~~

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

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

- (A) board meeting attendance requirements;
- (B) consequences for failure to attend a board meeting;
- (C) a conflict-of-interest policy; and
- (D) a policy regarding board member salaries or stipends; and

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

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§ 604. POWERS OF ~~BOARDS OF COOPERATIVE EDUCATION SERVICES~~ EDUCATIONAL SERVICE AREAS

(a) In addition to any other powers granted by law, a ~~BOCES~~ CESA shall have the power to provide educational programs, services, facilities, and professional and other staff that, in its discretion, best

(3) the programs or services to be offered by the ~~BOCES~~ CESA;
(4) the financial terms and conditions of membership of the ~~BOCES~~ CESA, including any applicable membership fee, which shall be allocated according to the aggregate average daily membership of each member supervisory union;

(5) the service fees for member supervisory unions and the service fees for nonmember supervisory unions, as applicable, which shall be based on the amount of services actually provided to each supervisory union, as applicable;

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

(7) ~~the method of termination of the BOCES and the withdrawal of member supervisory unions, which shall include the apportionment of assets and liabilities; [Repealed.]~~

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

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

- (A) board meeting attendance requirements;
- (B) consequences for failure to attend a board meeting;
- (C) a conflict-of-interest policy; and
- (D) a policy regarding board member salaries or stipends; and

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

* * *

§ 604. POWERS OF ~~BOARDS OF COOPERATIVE EDUCATION SERVICES~~ EDUCATIONAL SERVICE AREAS

(a) In addition to any other powers granted by law, a ~~BOCES~~ CESA shall have the power to provide educational programs, services, facilities, and professional and other staff that, in its discretion, best

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serve the needs of its members, including professional development, curriculum coordination and development, and transportation. A ~~BOCES~~ CESA shall follow all applicable State and federal laws in its provision of services, including Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482. At a minimum, a CESA shall offer services in the following areas to its members:

(1) special education, including implementation and maintenance of tiered systems of support and the provision of low-incidence, high-cost services;

(2) business and administrative services; and

(3) union school district creation consultation and facilitation.

* * *

§ 605. FINANCING, BUDGETING, AND ACCOUNTING

no difference

§ 606. ANNUAL REPORT; PUBLIC INFORMATION

no difference

§ 607. EMPLOYMENT

no difference

No similar provision

serve the needs of its members, including professional development, curriculum coordination and development, and transportation. A ~~BOCES~~ CESA shall follow all applicable State and federal laws in its provision of services, including Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482. At a minimum, a CESA shall offer services in the following areas to its members, **when requested and when approved by the CESA board:**

(1) special education, including implementation and maintenance of tiered systems of support and the provision of low-incidence, high-cost services;

(2) business, **information technology,** and administrative services; and

(3) union school district creation consultation and facilitation.

* * *

§ 605. FINANCING, BUDGETING, AND ACCOUNTING

no difference

§ 606. ANNUAL REPORT; PUBLIC INFORMATION

no difference

§ 607. EMPLOYMENT

no difference

§ 608. CESA MEMBERSHIP ADJUSTMENT PROPOSALS

(a) The board of a member supervisory union may propose to the General Assembly to adjust the membership of the CESA it belongs to in accordance with the following procedure:

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(1) The board of a supervisory union may vote to propose withdrawal from its current CESA in order to become a member of a different CESA.

(2) If a majority of the supervisory union board members vote in favor of withdrawing from one CESA in order to join a different CESA, the supervisory union board shall transmit the results of the membership adjustment proposal vote to the boards of both applicable CESAs.

(3) The board of a supervisory union's current CESA and the board of the CESA the supervisory union has voted to join shall hold separate advisory votes to approve the membership adjustment proposal within 45 days after the results of the supervisory union board vote held pursuant to subdivision (2) of this subsection.

(4) The supervisory union board requesting the membership adjustment shall submit the results of the advisory CESA board votes to the Secretary of Education with the following information:

(A) the minutes recorded by the supervisory union board that detail the origins and intent of the CESA membership adjustment proposal;

(B) copies of the warnings and published notices for any public hearings held to discuss the membership adjustment proposal;

(C) the minutes recorded by the supervisory union board that detail any public hearings held to discuss the membership adjustment proposal, including minutes from the meeting at which the board voted in favor of the CESA membership adjustment proposal; and

(D) the results of the advisory CESA board votes made pursuant to subdivision (3) of this subsection (a).

(b) The Secretary of Education shall deliver copies of the information required pursuant to subsection (a) of this section to the Clerk of the House, the Secretary of the Senate, and the chairs of the committees concerned with CESA membership of both houses of the General Assembly.

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	<p><u>(c) The membership adjustment proposal shall become effective upon affirmative enactment of the proposal, either as proposed or as amended by the General Assembly.</u></p>
<p>No similar provision</p>	<p>Sec. 2a. 16 V.S.A. § 604(a) is amended to read: [7.1.27]</p> <p>(a) In addition to any other powers granted by law, a CESA shall have the power to provide educational programs, services, facilities, and professional and other staff that, in its discretion, best serve the needs of its members, including professional development, curriculum coordination and development, and transportation. A CESA shall follow all applicable State and federal laws in its provision of services, including Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482. At a minimum, a CESA shall offer services in the following areas to its members, when requested and when approved by the CESA:</p> <ul style="list-style-type: none"> (1) special education, including implementation and maintenance of tiered systems of support and the provision of low-incidence, high-cost services; (2) business, information technology, and administrative services; <p>and</p> <ul style="list-style-type: none"> (3) union school district creation consultation and facilitation; (4) professional development; (5) curriculum coordination and development; (6) transportation; and (7) facilities master planning.
<p>No similar provision</p>	<p>Sec. 2b. VERMONT LEARNING COLLABORATIVE AND RIVER VALLEY TECHNICAL CENTER MEMBERSHIP [7.1.26]</p> <p><u>On or before December 15, 2027, the River Valley Technical Center School District and Vermont Learning Collaborative shall propose a</u></p>

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	<p>membership adjustment pursuant to 16 V.S.A. § 608 to the General Assembly to formally include the River Valley Technical Center as a member of the Vermont Learning Collaborative. Prior to any such membership adjustment being enacted, the Vermont Learning Collaborative shall offer services to the River Valley Technical Center as requested.</p>
<p>Sec. 3. REPEAL [7.1.26] <i>no difference</i></p>	<p>Sec. 3. REPEAL [7.1.26] <i>no difference</i></p>
<p>Sec. 4. 2024 Acts and Resolves No. 168, Sec. 4, as amended by 2025 Acts and Resolves No. 72, Sec. 7, is further amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 4. 2024 Acts and Resolves No. 168, Sec. 4, as amended by 2025 Acts and Resolves No. 72, Sec. 7, is further amended to read: [7.1.26] <i>no difference</i></p>
<p>Sec. 5. 16 V.S.A. § 261a is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 5. 16 V.S.A. § 261a is amended to read: [7.1.26] <i>no difference</i></p>
<p>Sec. 6. 16 V.S.A. § 1691a is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 6. 16 V.S.A. § 1691a is amended to read: [7.1.26] <i>no difference</i></p>
<p>Sec. 7. 16 V.S.A. § 1931(20) is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 7. 16 V.S.A. § 1931(20) is amended to read: [7.1.26] <i>no difference</i></p>
<p>Sec. 8. 24 V.S.A. § 5051(10) is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 8. 24 V.S.A. § 5051(10) is amended to read: [7.1.26] <i>no difference</i></p>
<p>Sec. 9. 16 V.S.A. § 1981 is amended to read: [7.1.26]</p>	<p>Sec. 9. 16 V.S.A. § 1981 is amended to read: [7.1.26]</p>

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<i>no difference</i>	<i>no difference</i>
Sec. 10. 21 V.S.A. § 1722 is amended to read: [7.1.26] <i>no difference</i>	Sec. 10. 21 V.S.A. § 1722 is amended to read: [7.1.26] <i>no difference</i>
Sec. 11. 16 V.S.A. § 2101 is amended to read: [7.1.26] <i>no difference</i>	Sec. 11. 16 V.S.A. § 2101 is amended to read: [7.1.26] <i>no difference</i>
Sec. 12. CESA TRANSITION [7.1.26] <i>no difference</i>	Sec. 12. CESA TRANSITION [7.1.26] <i>no difference</i>
* * * Union School District Exploration and Formation * * *	
Sec. 13. UNION SCHOOL DISTRICT CREATION CONSULTATION AND FACILITATION [7.1.26] (a) Facilitator. On or before October 1, 2026, the Vermont Learning Collaborative (VTLC), a CESA formed pursuant to 16 V.S.A. chapter 10, shall employ or contract for the services of seven union school district formation facilitators (facilitators) who shall be responsible for organizing and facilitating study committees to study the advisability of forming a unified union school district. The VTLC shall also hire one lead facilitator who, in addition to facilitating study committees as necessary, shall oversee the work of the seven facilitators. A facilitator shall have knowledge of and experience working in Vermont’s public education system. The VTLC shall assign one facilitator to each CESA membership region created pursuant to 16 V.S.A. § 603(a)(1)–(7).	Sec. 13. UNION SCHOOL DISTRICT CREATION [7.1.26] CONSULTATION AND FACILITATION; MERGER COMMITTEES (a) Facilitator. On or before September 1, 2026 , the Vermont Learning Collaborative (VTLC), a CESA formed pursuant to 16 V.S.A. chapter 10, shall employ or contract for the services of seven union school district formation facilitators (facilitators) who shall be responsible for organizing and facilitating merger committees to study the advisability of forming a unified union school district. The VTLC shall also hire one lead facilitator who, in addition to facilitating merger committees as necessary, shall oversee the work of the seven facilitators. A facilitator shall have knowledge of and experience working in Vermont’s public education system. The VTLC shall assign one facilitator to each CESA membership region created pursuant to 16 V.S.A. § 603(a)(1)–(7). Facilitators shall assist merger committees with strength-based asset mapping and with developing and executing a

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(b) Study committees.

(1) On or before December 1, 2026:

(A) Each facilitator shall group school districts within the facilitator’s assigned CESA region’s member supervisory unions together to form study committees to study the advisability of forming a unified union school district. The facilitator shall consult with school district boards prior to finalizing study committee membership. Using the suggested school district groupings contained in Sec. 14 as guidance, and taking into consideration grand list values, accounting for the homestead exemption and current education spending, the facilitator shall group school districts together according to the following criteria:

(i) total average daily membership of school districts forming a study committee shall be a minimum of 2,000 students, as practical;

(ii) school districts shall be contiguous; and

(iii) school districts on the same study committee may be members of different supervisory unions.

(B) Each study committee shall hold its first meeting.

(2) Notwithstanding any provision of law to the contrary, a school district shall participate in the study committee it is assigned to by the facilitator.

(3) A study committee formed pursuant to this section shall adhere to the processes and requirements of 16 V.S.A. chapter 11, subchapter 2.

public outreach plan that maximizes public engagement for the merger committee process.

(b) Merger committees.

(1) On or before September 15, 2026, each school district shall identify at least one current member of the board to participate in its assigned merger committee, subject to the participation requirements contained in 16 V.S.A. §§ 706 and 707.

(2) On or before October 15, 2026:

(A) Each facilitator shall group school districts within the facilitator’s assigned CESA region’s member supervisory unions together to form merger committees to study the advisability of forming a unified union school district. The facilitator shall consult with school district boards prior to finalizing merger committee membership. Using the suggested school district groupings contained in Sec. 14 of this act as guidance, and taking into consideration grand list values, accounting for the homestead exemption and current education spending, the facilitator shall group school districts together according to the following criteria:

(i) the total average daily membership of school districts forming a merger committee shall be a minimum of 2,000 students, as practical;

(ii) school districts shall be contiguous; and

(iii) school districts on the same merger committee may be members of different supervisory unions.

(B) Each merger committee shall hold its first meeting.

(3) Notwithstanding any provision of law to the contrary, a school district shall participate in good faith in the merger committee it is assigned to by the facilitator.

(4) A merger committee formed pursuant to this section shall adhere to the processes and requirements of 16 V.S.A. chapter 11, subchapter 2, as amended by this section.

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(A) A study committee formed pursuant to this section may identify necessary or advisable school districts, as those terms are used in 16 V.S.A. § 708(b)(1) and (2), that are not members of the study committee or are not members of the CESA, or both, and shall work with the applicable facilitator or facilitators to adjust study committee membership as necessary.

(B) Notwithstanding 16 V.S.A. § 706(b) as it applies to study committee budgets and 16 V.S.A. § 707(a) and (b), a study committee formed pursuant to this section shall be funded through appropriations made by the General Assembly for this purpose; provided, however, that if a study committee’s needs exceed the appropriations provided, it may elect to increase its budget according to the processes and procedures established in 16 V.S.A. chapter 11.

(C) In addition to the requirements of 16 V.S.A. chapter 11, subchapter 2, a study committee shall also explore the advisability and feasibility of a contemplated new unified union school district operating a regional middle or high school, or both. A regional middle or high school contemplated pursuant to this section shall offer resident students increased educational opportunities and access to career technical education.

(D) If a study committee formed pursuant to this section determines that it is advisable to propose formation of a new unified union school district, in addition to the report requirements in 16 V.S.A. § 708(c), the final report of the study committee shall include an analysis of the following:

(i) the educational advantages and disadvantages likely to result from the formation of the proposed unified union school district;

(ii) the financial advantages and disadvantages likely to result from the formation of the proposed unified union school district;

(A) If a merger committee identifies a school district as necessary that is not a member of the merger committee or that is not a member of the CESA, or both, the merger committee shall work with the applicable facilitator or facilitators to adjust merger committee membership as necessary.

(B) Notwithstanding 16 V.S.A. § 706(b) as it applies to study committee budgets and 16 V.S.A. § 707(a) and (b), a merger committee formed pursuant to this section shall be funded through appropriations made by the General Assembly for this purpose; provided, however, that if a merger committee’s needs exceed the appropriations provided, it may elect to increase its budget according to the processes and procedures established in 16 V.S.A. chapter 11.

(C) In addition to the requirements of 16 V.S.A. chapter 11, subchapter 2, a merger committee shall also explore the advisability and feasibility of a contemplated new unified union school district providing for the education of its resident students through local elementary schools, central middle schools, and comprehensive, regional high schools that provide each student with universal access to career technical education.

(D) A merger committee formed pursuant to this section shall prepare a report with its final recommendations as to whether it is advisable or inadvisable to form a new unified union school district. In addition to the report requirements in 16 V.S.A. § 708(c), the final report of each merger committee formed pursuant to this section shall include the following:

(i) the names of the school districts participating in the merger committee;

(ii) an analysis of the strengths and challenges of the current structures of all “necessary” and “advisable” school districts;

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<p><u>(iii) the likely operational and financial viability and sustainability of the proposed new unified union school district; and</u></p> <p><u>(iv) any other advantages or disadvantages of formation of the proposed unified union school district, including any advantages or disadvantages to the students and taxpayers of the region and the State.</u></p> <p><u>(E)(i) If a study committee formed pursuant to this section determines that it is inadvisable to propose formation of a new unified union school district, before the study committee members vote to dissolve the study committee pursuant to 16 V.S.A. § 708(d), the study committee shall prepare a report with the following details:</u></p> <p><u>(I) the names of the school districts participating in the study committee and whether the participation was formal or informal;</u></p> <p><u>(II) an analysis of the strengths and challenges of the current structures of all “necessary” and “advisable” school districts;</u></p> <p><u>(III) the reasons why formation of a new unified union school district would be inadvisable, with specific references to any State law or rule the study committee found to be an impediment to the formation of a unified union school district, with a specific analysis of why such rule or law was an impediment; and</u></p> <p><u>(IV) if the decision of the study committee was not unanimous, an analysis of the minority view of the committee outlining the ways in which a unified union school district promotes the State policy set forth in section 701 of this chapter.</u></p> <p><u>(ii) The study committee shall transmit its report to the school board of each school district that participated in the study committee, the Secretary, the State Board of Education, and the facilitator or facilitators assisting the study committee.</u></p> <p><u>(iii) Members of a study committee that determines it is inadvisable to propose formation of a new unified union school district</u></p>	<p><u>(iii) the merger committee’s final recommendation as to whether it is advisable or inadvisable to propose the formation of a new unified union school district;</u></p> <p><u>(iv) an analysis of how the final recommendation will enable the merger committee member school districts to, under the foundation formula, maximize operational efficiencies, promote transparency and accountability, and encourage and support local decisions and actions that provide equal opportunities for an excellent education, all at a cost that parents, voters, and taxpayers value; and</u></p> <p><u>(v) if the decision of the merger committee was not unanimous, an analysis of the minority view of the committee, including an analysis of how any school district participating in the merger committee but not recommended to be part of the new unified union school district will, under the foundation formula:</u></p> <p><u>(I) provide excellent educational opportunities that allow students to achieve or exceed the State’s Education Quality Standards;</u></p> <p><u>(II) maximize operational efficiencies that allow the district to meet or exceed the State’s District Quality Standards;</u></p> <p><u>(III) provide resident students with a genuine opportunity to participate fully and to benefit from career technical education; and</u></p> <p><u>(IV) provide special education services.</u></p> <p><u>(E) Members of a merger committee that determines it is inadvisable to propose the formation of a new unified union school</u></p>
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may form a new study committee or committees and may pursue any union school district formation option available under 16 V.S.A. chapter 11 after the study committee members vote to dissolve the study committee formed pursuant to this section.

(4) On or before December 1, 2027, each study committee shall complete its final report and transmit it, along with proposed articles of agreement, as applicable, to the school board of each school district that the report identifies as either “necessary” or “advisable” if the study committee determined it was advisable to form a new unified union school district, or to the school board of each school district participating on the study committee if the study committee determined it was inadvisable to form a new unified union school district.

district may form a study committee or committees and may pursue any union school district formation option available under 16 V.S.A. chapter 11 after the merger committee members vote to dissolve the merger committee formed pursuant to this section.

(F)(i) Each merger committee formed pursuant to this section shall consult with area career technical education (CTE) directors and shall document such consultation and any recommendations made by a CTE director in the merger committee’s final report issued pursuant to subdivision (D) of this subdivision (b)(4). The final report shall also include an analysis of how CTE access will be achieved for all students residing within the proposed new unified union school district.

(ii) If a merger committee’s member school districts send their resident students to a regional career technical center school district (regional CTE school district) formed pursuant to 16 V.S.A. chapter 37, subchapter 5A, the final report shall include an analysis of whether the applicable regional CTE school district shall dissolve, and the CTE center operated by the regional CTE school district shall be operated by a new unified union school district formed pursuant to this section. The analysis shall include the position of the regional CTE school district.

(5) On or before September 1, 2027, each merger committee shall complete its final report and transmit it, along with proposed articles of agreement, as applicable, to the school board of each school district that the report identifies as either “necessary” or “advisable” if the merger committee determined it was advisable to form a new unified union school district, or to the school board of each school district participating on the merger committee if the merger committee determined it was inadvisable to form a new unified union school district. If a merger committee completes its work before September 1, 2027, the committee may transmit its report to the applicable school boards, the Secretary of Education, and the State Board of Education at

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(5) On or before February 1, 2028, a school board shall complete its review and provide comments to the study committee pursuant to 16 V.S.A. § 709(a) regarding the study committee’s report and proposed articles of agreement.

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

(c) Secretary review. If a study committee determines that it is advisable to propose formation of a new unified union school district, the study committee is required to transmit the required report and proposed articles of agreement to the Secretary pursuant to 16 V.S.A. § 709(b). If the Secretary fails to submit the report and proposed articles of agreement, with the Secretary’s recommendations, to the State Board within 60 days following receipt of the report and proposed articles of agreement or on or before April 1, 2028, whichever date shall occur first, the study committee shall transmit the report and proposed articles of agreement directly to the State Board, which shall then take action pursuant to 16 V.S.A. § 709(c) regardless of whether the Secretary submits a recommendation regarding the proposed unified union school district.

any time the report is ready for review, subject to the provisions of subsections (c) and (d) of this section.

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

(7) The Agency of Education shall make Agency staff available to assist the facilitators by providing technical assistance to the merger committees, as requested.

(8) Throughout the merger committee process, facilitators and members of merger committees shall work together with their assigned school districts to endeavor to prevent any school district with an average daily membership of fewer than 750 students from becoming isolated by being left out of the formation of a new unified union school district.

(c) Secretary review. If a merger committee determines that it is advisable to propose the formation of a new unified union school district, the merger committee shall transmit the required report and proposed articles of agreement to the Secretary pursuant to 16 V.S.A. § 709(b). If the Secretary fails to submit the report and proposed articles of agreement, with the Secretary’s recommendations, to the State Board within 30 days following receipt of the report and proposed articles of agreement or on or before December 1, 2027, whichever date shall occur first, the merger committee shall transmit the report and proposed articles of agreement directly to the State Board, which shall then take action pursuant to 16 V.S.A. § 709(c) regardless of whether the Secretary submits a recommendation regarding the proposed unified union school district.

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<p><u>(d) State Board findings. The State Board shall issue the findings required pursuant to 16 V.S.A. § 709(c)(2) on or before June 1, 2028.</u></p> <p><u>(e) Vote to form a unified union school district. If a study committee formed pursuant to this section determines that it is advisable to propose formation of a new unified union school district, the voters of each school district that is identified as “necessary” or “advisable” shall vote whether to form the proposed union school district, in accordance with 16 V.S.A. § 710, on or before November 7, 2028.</u></p> <p><u>(f) Study committee status report. On or before February 1, 2027, the Agency of Education, in consultation with the facilitators, shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance with information regarding the membership and status of each study committee formed pursuant to this section.</u></p>	<p><u>(d) State Board findings. The State Board shall issue the findings required pursuant to 16 V.S.A. § 709(c)(2) on or before December 15, 2027.</u></p> <p><u>(e) Vote to form a unified union school district. Notwithstanding 16 V.S.A. § 708(b)(2)(B) or any other provision of law to the contrary, if a merger committee formed pursuant to this section determines that it is advisable to propose the formation of a new unified union school district, the voters of each school district that is identified as “necessary” or “advisable” shall vote whether to form the proposed unified union school district, in accordance with 16 V.S.A. § 710, on March 7, 2028.</u></p> <p><u>(f) Merger committee status report. On or before February 1, 2027, the lead facilitator, in consultation with the Agency of Education, shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance and the Agency of Education with information regarding the membership and status of each merger committee formed pursuant to this section.</u></p>
<p>No similar provision</p>	<p>Sec. 13b. MORATORIUM ON WITHDRAWAL FROM OR DISSOLUTION OF UNION SCHOOL DISTRICT [7.1.26]</p> <p>Notwithstanding any provision of law to the contrary, a town or group of towns shall be prohibited from petitioning to withdraw from a union school district under the provisions of 16 V.S.A. § 724 or 725, as applicable, through fiscal year 2035.</p>
	<p>Sec. 13c. SECRETARY OF STATE REPORT; TOWN MEETING DAY 2028 ELECTION RESOURCES [7.1.26]</p> <p>On or before January 15, 2027, the Secretary of State, in consultation with school district clerks, shall submit a written report to the House Committees on Education, on Government Operations and Military</p>

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	<p><u>Affairs, and on Ways and Means and the Senate Committees on Education, on Government Operations, and on Finance with recommendations for the funding and resources necessary for school district clerks to oversee the elections to form union school districts held pursuant to Sec. 13 of this act on Town Meeting Day 2028, as well as the resources needed to ensure ballots are mailed to all active voters, as applicable. The report shall also identify foreseen challenges and any recommendations for legislative action necessary to support the work of school district clerks.</u></p>
<p>Sec. 14. GUIDANCE FOR STUDY COMMITTEE GROUPINGS <u>[7.1.26]</u></p> <p><u>Facilitators shall use the school district groupings contained in subdivisions (1)–(21) of this section as guidance when forming study committees pursuant to Sec. 13 of this act. Facilitators may form study committees that differ from the guidance contained in this section; provided, however, that a facilitator shall transmit the facilitator’s rationale for such choices to the lead facilitator for inclusion in the report required pursuant to Sec. 15 of this act.</u></p> <p><u>(1) Group one: Addison Central School District, Addison Northwest School District, Lincoln School District, and Mount Abraham Unified School District.</u></p> <p><u>(2) Group two: Barstow Unified School District, Ira School District, Otter Valley Unified Union School District, Quarry Valley Unified Union School District, Rutland City School District, Rutland</u></p>	<p>Sec. 14. GUIDANCE FOR <u>MERGER</u> COMMITTEE GROUPINGS <u>[7.1.26]</u></p> <p><u>Facilitators shall use the school district groupings contained in subdivisions (1)–(18) of this section as guidance when forming merger committees pursuant to Sec. 13 of this act. The facilitators shall include advisory representation from the four regional career technical center school districts (CTE school districts) formed pursuant to the provisions of 16 V.S.A. chapter 37, subchapter 5a on any merger committee whose member school districts are served by the CTE school districts. The advisory members appointed from the CTE school districts shall be nonvoting members of the merger committee. Facilitators may form merger committees that differ from the guidance contained in this section; provided, however, that a facilitator shall transmit the facilitator’s rationale for such choices to the lead facilitator for inclusion in the report required pursuant to Sec. 15 of this act.</u></p> <p><u>(1) Group one: Arlington School District, Mount Anthony Union High School District #14, North Bennington Graded School District, Sandgate School District, Searsburg School District, and Southwest Vermont Union Elementary School District.</u></p> <p><u>(2) Group two: Halifax School District, Marlboro School District, Readsboro School District, Stamford School District, Twin</u></p>

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<p><u>Town School District, Slate Valley Unified Union School District, and Wells Spring Unified Union School District.</u></p> <p><u>(3) Group three: Mettawee School District, Mill River Unified Union School District, Taconic and Green Regional School District, and Winhall School District.</u></p> <p><u>(4) Group four: Arlington School District, Mount Anthony Union High School District #14, North Bennington Graded School District, Sandgate School District, and Southwest Vermont Union Elementary School District.</u></p> <p><u>(5) Group five: Halifax School District, Readsboro School District, Searsburg School District, Somerset School District, Stamford School District, Twin Valley Unified School District, Vernon Town School District, and Windham Southeast School District.</u></p> <p><u>(6) Group six: Athens Grafton School District, Bellows Falls Union High School District, Marlboro School District, River Valleys Unified School District, Rockingham School District, Stratton School District, West River Modified Union Education District, Westminster School District, and Windham School District.</u></p> <p><u>(7) Group seven: Green Mountain Unified School District, Ludlow-Mount Holly Unified Union School District, and Springfield School District.</u></p> <p><u>(8) Group eight: Hartford School District, Hartland School District, Mount Ascutney School District, Mountain Views School District, Pittsfield School District, and Weathersfield School District.</u></p> <p><u>(9) Group nine: Echo Valley Community School District, First Branch Unified School District, Granville-Hancock Unified District, Orange Southwest Unified Union School District, Paine Mountain School District, Rochester-Stockbridge Unified District, Sharon School District, Stafford School District, and White River Unified District.</u></p> <p><u>(10) Group 10: Blue Mountain Union School District, Cabot School District, Caledonia Cooperative School District, Danville School</u></p>	<p><u>Valley Unified School District, Vernon Town School District, West River Modified Union Education District, and Windham Southeast School District.</u></p> <p><u>(3) Group three: Mettawee School District, River Valleys Unified School District, Stratton School District, Taconic and Green Regional School District, Wells Spring Unified Union School District, and Winhall School District.</u></p> <p><u>(4) Group four: Athens Grafton School District, Bellows Falls Union High School District, Green Mountain Unified School District, Ludlow-Mount Holly Unified Union School District, Rockingham School District, Springfield School District, Westminster School District, and Windham School District.</u></p> <p><u>(5) Group five: Hartford School District, Hartland School District, Mount Ascutney School District, Mountain Views School District, Pittsfield School District, and Weathersfield School District.</u></p> <p><u>(6) Group six: Barstow Unified School District, Ira School District, Mill River Unified Union School District, Otter Valley Unified Union School District, Quarry Valley Unified Union School District, Rutland City School District, Rutland Town School District, and Slate Valley Unified Union School District.</u></p> <p><u>(7) Group seven: First Branch Unified School District, Granville-Hancock Unified District, Orange Southwest Unified Union School District, Rochester-Stockbridge Unified District, Sharon School District, Strafford School District, and White River Unified District.</u></p> <p><u>(8) Group eight: Blue Mountain Union School District, Cabot School District, Danville School District, Echo Valley Community School District, Oxbow Unified Union School District, Peacham School District, Thetford School District, and Waits River Valley Union School District #36.</u></p>
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District, Peacham School District, Oxbow Unified Union School District, Thetford Town School District, Twinfield Unified School District, and Waits River Valley Union School District #36.

(11) Group 11: Canaan School District, Essex North Supervisory Union, Kingdom East Unified Union School District, NEK Choice School District, and St. Johnsbury School District.

(12) Group 12: Brighton School District, Charleston School District, Coventry School District, Derby School District, Holland School District, Jay School District, Lake Region Union Elementary-Middle School District, Lake Region Union High School District, Lowell School District, Morgan School District, Newport City School District, Newport Town School District, North Country Union High School District, North Country Union Junior High School Board, Troy School District, and Westfield School District.

(13) Group 13: Mount Mansfield Unified Union School District.

(14) Group 14: Champlain Valley School District.

(15) Group 15: Essex Westford Educational Community Unified Union School District.

(16) Group 16: Cambridge School District, Craftsbury School District, Elmore-Morristown Unified Union School District, Hazen Union School District, Lamoille North Modified Unified Union School District, Mountain View Union Elementary School District, Stannard Town School District, Stowe School District, and Wolcott School District.

(17) Group 17: Enosburgh-Richford Unified Union School District, Northern Mountain Valley Unified Union School District, and Missisquoi Valley School District.

(18) Group 18: Fairfax School District, Fletcher School District, Georgia School District, and Maple Run Unified School District.

(19) Group 19: Burlington School District, South Burlington School District, and Winooski ID.

(9) Group nine: Caledonia Cooperative School District, Kingdom East Unified Union School District, and St. Johnsbury School District.

(10) Group 10: Cambridge School District, Craftsbury School District, Elmore Morristown Unified Union School District, Hazen Union High School District, Lamoille North Modified Unified Union School District, Mountain View Union Elementary School District, Stannard Town School District, Stowe School District, and Wolcott School District.

(11) Group 11: Brighton School District, Canaan School District, Charleston School District, Coventry School District, Derby School District, Essex North Supervisory Union, Holland School District, Jay School District, Lake Region Union Elementary-Middle School District, Lake Region Union High School District, Lowell School District, Morgan School District, NEK Choice School District, Newport City School District, Newport Town School District, North Country Union Junior High School Board, North Country Union High School District, Troy School District, and Westfield School District.

(12) Group 12: Alburgh School District, Champlain Islands Unified Union School District, Enosburgh-Richford Unified Union School District, Fairfax School District, Fletcher School District, Georgia School District, Maple Run Unified School District, Missisquoi Valley School District, Northern Mountain Valley Unified Union School District, and South Hero School District.

(13) Group 13: Colchester School District, Essex Westford Educational Community Unified Union School District, and Milton School District.

(14) Group 14: Burlington School District, South Burlington School District, and Winooski School District.

(15) Group 15: Champlain Valley School District.

(16) Group 16: Mount Mansfield Unified Union School District.

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<p><u>(20) Group 20: Alburgh School District, Champlain Islands Unified Union School District, Colchester School District, Milton Town School District, and South Hero School District.</u></p> <p><u>(21) Group 21: Barre Unified Union School District, Harwood Unified Union School District, Montpelier Roxbury School District, and Washington Central Unified Union School District.</u></p>	<p><u>(17) Group 17: Addison Central School District, Addison Northwest School District, Lincoln School District, and Mount Abraham Unified School District.</u></p> <p><u>(18) Group 18: Barre Unified Union School District, Harwood Unified Union School District, Montpelier Roxbury School District, Paine Mountain School District, Twinfield Unified School District, and Washington Central Unified Union School District.</u></p>
<p>No similar provision</p>	<p>Sec. 14a. INTERIM MERGER COMMITTEE REPORTS [7.1.26]</p> <p><u>(a) On or before January 1, 2028, the lead facilitator employed or contracted by the Vermont Learning Collaborative (VTLC) shall submit a written report to the House and Senate Committees on Education with the final recommendations of each merger committee formed pursuant to Sec. 13 of this act.</u></p> <p><u>(b) On or before January 1, 2028, the Agency of Education, in consultation with the merger committees formed pursuant to this act and the State Board of Education, shall submit a written interim report to the House and Senate Committees on Education with preliminary recommendations for CESA boundary adjustments that take into account the final recommendations of the merger committees formed pursuant to Sec. 13 of this act.</u></p>
<p>Sec. 15. STUDY COMMITTEE RESULTS AND ANALYSIS; FACILITATOR REPORT [7.1.26]</p> <p><u>On or before January 1, 2029, the lead facilitator employed or contracted by the Vermont Learning Collaborative (VTLC) shall submit a written report to the House and Senate Committees on Education with the results of each study committee overseen by each facilitator employed or contracted by the VTLC and information regarding whether, and if so, how, the following issues impacted or influenced the</u></p>	<p>Sec. 15. MERGER COMMITTEE RESULTS AND ANALYSIS; FACILITATOR REPORT [7.1.26]</p> <p><u>On or before December 1, 2028, the lead facilitator employed or contracted by the Vermont Learning Collaborative (VTLC) shall submit a written report to the House and Senate Committees on Education with the following:</u></p>

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<p><u>final outcome for each study committee overseen by the facilitator, along with recommendations for legislative action needed to remove identified barriers to the formation of new union school districts:</u></p> <p>(1) <u>differences in staffing costs and the costs associated with moving from several different collectively bargained agreements to one collectively bargained agreement for applicable staff in the new union school district;</u></p> <p>(2) <u>differences in operating structures;</u></p> <p>(3) <u>geographic and topographic barriers;</u></p> <p>(4) <u>enrollment patterns and projections; and</u></p> <p>(5) <u>any other factor the facilitator found to have influenced the final decision of a study committee.</u></p>	<p>(1) <u>a determination and identification of any school district that is a bad faith participant in the merger committee process created pursuant to Sec. 13 of this act;</u></p> <p>(2) <u>the results of each merger committee overseen by each facilitator employed or contracted by the VTLC; and</u></p> <p>(3) <u>information regarding whether, and, if so, how, the following issues impacted or influenced the final outcome for each merger committee overseen by the facilitator, along with recommendations for legislative action needed to remove identified barriers to the formation of new union school districts:</u></p> <p>(A) <u>differences in staffing costs and the costs associated with moving from several different collectively bargained agreements to one collectively bargained agreement for applicable staff in the new union school district;</u></p> <p>(B) <u>differences in operating structures;</u></p> <p>(C) <u>geographic and topographic barriers;</u></p> <p>(D) <u>enrollment patterns and projections; and</u></p> <p>(E) <u>any other factor the facilitator found to have influenced the final decision of a merger committee.</u></p>
<p>Sec. 16. SUPERVISORY UNION AND CESA BOUNDARIES; AGENCY OF EDUCATION REPORT [7.1.26]</p> <p><u>On or before January 1, 2029, the Agency of Education, in consultation with the study committees formed pursuant to this act and the State Board of Education, shall submit a written report to the House and Senate Committees on Education with recommendations for supervisory union boundary adjustments and CESA boundary adjustments that take into account the new union school districts formed or proposed to be formed pursuant to this act.</u></p>	<p>Sec. 16. CESA BOUNDARIES; AGENCY OF EDUCATION REPORT [7.1.26]</p> <p><u>On or before December 1, 2028, the Agency of Education, in consultation with the merger committees formed pursuant to this act and the State Board of Education, shall submit a written report to the House and Senate Committees on Education with recommendations for CESA boundary adjustments that take into account the new union school districts formed or proposed to be formed pursuant to this act.</u></p>

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<p>No similar provision</p>	<p>Sec. 16a. ISOLATED SCHOOL DISTRICTS; STATE BOARD OF EDUCATION REPORT [7.1.26] <u>On or before November 1, 2029, the State Board of Education shall submit a written report to the House and Senate Committees on Education with the name of any school district with an average daily membership of fewer than 750 students that has not successfully merged with a neighboring school district by July 1, 2028, pursuant to Sec. 13 of this act and recommendations for whether, and, if so, how, to merge such school districts with neighboring, larger school districts in order to promote financial and operational viability for school district resources and access to excellent educational opportunities for students.</u></p>
<p>Sec. 17. STUDY COMMITTEE REIMBURSEMENT GRANTS; CESA EXECUTIVE DIRECTOR GRANTS; REPORTS; FUNDING [7.1.26] <u>(a) Study committee reimbursement grant; appropriation.</u> <u>(1) The Agency of Education shall pay up to \$10,000.00 to a study committee formed pursuant to Sec. 13 of this act to reimburse participating school districts for legal and other services necessary for the analysis and report required pursuant to 16 V.S.A. § 708(c) and Sec. 13(b)(3)(D) or (E) of this act, as applicable. The study committee shall forward invoices to the Agency on a quarterly basis. The Agency shall reimburse one-half of the total amount reflected in each set of invoices upon receipt and the remaining one-half upon completion of the final report required pursuant to Sec. 13(b)(3)(D) or (E) of this act, as applicable; provided, however, that no payment shall cause the total amount of funds paid to a study committee to exceed the \$10,000.00 limit.</u> <u>(2) Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$210,000.00 shall be</u></p>	<p>Sec. 17. MERGER COMMITTEE REIMBURSEMENT GRANTS; CESA EXECUTIVE DIRECTOR GRANTS; REPORTS; FUNDING [7.1.26] <u>(a) Merger committee reimbursement grant; appropriation.</u> <u>(1) The Agency of Education shall pay up to \$10,000.00 to a merger committee formed pursuant to Sec. 13 of this act to reimburse participating school districts for legal and other services necessary for the analysis and report required pursuant to 16 V.S.A. § 708(c) and Sec. 13(b)(4)(D) of this act. The merger committee shall forward invoices to the Agency on a quarterly basis. The Agency shall reimburse one-half of the total amount reflected in each set of invoices upon receipt and the remaining one-half upon completion of the final report required pursuant to Sec. 13(b)(3)(D) or (E) of this act, as applicable; provided, however, that no payment shall cause the total amount of funds paid to a merger committee to exceed the \$10,000.00 limit.</u> <u>(2) Of the funds appropriated to the Agency of Education in 2025 Acts and Resolves No. 73, Sec. 32(a)(1), as amended by Sec. C.103 of legislation enacting the budget in fiscal year 2027, \$210,000.00 shall be</u></p>

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used for the purpose of awarding study committee reimbursement grants to the study committees formed pursuant to Sec. 13 of this act in accordance with subdivision (1) of this subsection.

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

(c) CESA executive director grant; appropriation.

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

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

used for the purpose of awarding study committee reimbursement grants to the **merger** committees formed pursuant to Sec. 13 of this act in accordance with subdivision (1) of this subsection.

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

(c) CESA executive director grant; appropriation.

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

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

* * * 2025 Acts and Resolves No. 73 * * *

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

Sec. 70. EFFECTIVE DATES **passage**

* * *

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

Sec. 70. EFFECTIVE DATES **passage**

* * *

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

* * *

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

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

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

(C) on or before December 15, 2029, the Joint Fiscal Office has provided the General Assembly with an analysis, using fiscal year 2027 data, that compares the total appropriated State funds each school district received under Vermont's existing education funding formula

(d) Sec. 48 (December 1 letter) shall take effect on July 1, ~~2027~~ 2028.

* * *

(f)(1) The ~~following~~ sections enumerated in subdivision (2) of this subsection shall take effect on July 1, 2028 2029, provided that the ~~new~~ school districts contemplated by this act have assumed responsibility for the education of all resident students and that the expert tasked with developing a cost-factor foundation formula has provided to the General Assembly the report pursuant to Sec. 45a to provide the General Assembly an opportunity to enact legislation in consideration of the report following conditions have been met:

(A) the General Assembly has received the following reports:

(i) the foundation formula report submitted pursuant to Sec. 45a of this act; and

(ii) the facilitator report on the results of the merger committee process submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a merger committee to study the advisability of forming a unified union school district; and

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with those the school district would have received under the foundation formula established in 2025 Acts and Resolves No. 73, as amended; and

(D) legislation has been enacted that addresses:

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

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

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

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

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

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

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

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

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

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

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

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

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

(B) legislation has been enacted that expresses clear legislative intent to satisfy this condition by addressing:

(i) each of the following components of the report submitted pursuant to Sec. 45a of this act: CTE, special education funding, sparsity measures, empirically supported secondary student weighting, and geographic cost differences;

(ii) the implementation of a pre-K funding mechanism; and

(iii) measures for satisfying legacy collective bargaining agreements and capital indebtedness held by school districts.

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

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

~~(3)(C) Secs. 34–40, 42, and 43 (transition to cost-factor foundation formula);~~

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

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

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

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

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

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<p>(9)(I) Sec. 57 (Education Fund Advisory Committee; review of foundation formula); and [Deleted.]</p> <p>(10)(J) Secs. 60 and 61 (property tax classifications). [Deleted.]</p> <p>(g) In Sec. 27, 16 V.S.A. § 823(b) and (c) shall take effect on July 1, 2028 July 1, 2030, provided that the new school districts contemplated by this act have assumed responsibility for the education of all resident students school districts have had an opportunity to study the <u>advisability of forming a new unified union school district and the clerk of each school district voting on a proposal to form a unified union school district on or before November 7, 2028, pursuant to legislation enacted by the General Assembly in 2026 that requires each school board to participate on a study committee to study the advisability of forming a unified union school district, has certified the results of any such vote, to the extent that any such votes occurred, to the Secretary of Education pursuant to 16 V.S.A. § 713(a) and that the cost-factor foundation formula report required pursuant to Sec. 45a of this act contains evidence that it costs more to educate students in grades nine through 12 but the General Assembly has failed to enact legislation to add a secondary student weight.</u></p> <p>(h) Sec. 62 (regional assessment districts) shall take effect on January 1, 2029. [Deleted.]</p>	<p>(9)(I) Sec. 57 (Education Fund Advisory Committee; review of foundation formula); and [Deleted.]</p> <p>(10)(J) Secs. 60 and 61 (property tax classifications). [Deleted.]</p> <p>(g) In Sec. 27, 16 V.S.A. § 823(b) and (c) shall take effect on July 1, 2028 July 1, 2029, provided that the new school districts contemplated by this act have assumed responsibility for the education of all resident students <u>General Assembly receives the facilitator report on the results of the merger committee process submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a merger committee to study the advisability of forming a unified union school district</u> and that the cost-factor foundation formula report required pursuant to Sec. 45a <u>of this act contains evidence that it costs more to educate students in grades nine through 12 but the General Assembly has failed to enact legislation to add a secondary student weight.</u></p> <p>(h) Sec. 62 (regional assessment districts) shall take effect on January 1, 2029. [Deleted.]</p>
<p>Sec. 18a. INTERACTIVE EDUCATION FUNDING CALCULATOR; DEPARTMENT OF TAXES [7.1.26]</p> <p><u>On or before October 1, 2027, the Department of Taxes shall publish on its website an interactive education funding calculator (interactive calculator) that enables a school district or a union school district study committee to calculate an estimate of the total education funding from the State it received under Vermont’s current education finance system in fiscal year 2027 and the estimated total education funding it would have received from the State under the new financing formula had it</u></p>	<p>Sec. 18a. [Deleted.] [7.1.26]</p>

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<p><u>been in effect in fiscal year 2027. The interactive calculator shall reflect all education finance policy choices represented in the total appropriated State funds each school district receives under Vermont’s existing education funding formula enacted through July 1, 2027, that would have an impact on funding levels. In developing the interactive calculator, the Department of Taxes shall consult with the Joint Fiscal Office, the Agency of Education, and the Department of Finance and Management. On or before August 1, 2027, the Department of Taxes shall submit a preliminary plan for the interactive calculator to the Joint Fiscal Office and the Agency of Education for feedback. The Department of Taxes shall submit a preliminary version of the interactive calculator to the Joint Fiscal Committee in September 2027.</u></p>	
<p>* * * Prekindergarten Education * * *</p>	
<p>Sec. 19. PREKINDERGARTEN EDUCATION; FINDINGS [7.1.26] <i>no difference</i></p>	<p>Sec. 19. PREKINDERGARTEN EDUCATION; FINDINGS [7.1.26] <i>no difference</i></p>
<p>Sec. 20. LEGISLATIVE INTENT [7.1.26] <i>no difference</i></p>	<p>Sec. 20. LEGISLATIVE INTENT [7.1.26] <i>no difference</i></p>
<p>Sec. 21. PREKINDERGARTEN EDUCATION FUNDING; REPORTS; APPROPRIATION [7.1.26] <i>no difference</i></p>	<p>Sec. 21. PREKINDERGARTEN EDUCATION FUNDING; REPORTS; APPROPRIATION [7.1.26] <i>no difference</i></p>
<p>Sec. 21a. 16 V.S.A. § 829 is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 21a. 16 V.S.A. § 829 is amended to read: [7.1.26] <i>no difference</i></p>
<p>* * * Data Collection * * *</p>	

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<p>Sec. 22. 16 V.S.A. § 4010(c) is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 22. 16 V.S.A. § 4010(c) is amended to read: [7.1.26] <i>no difference</i></p>
<p style="text-align: center;">* * * Special Education Funding * * *</p>	
<p>Sec. 23. SPECIAL EDUCATION FUNDING SAFEGUARDS; LEGISLATIVE INTENT [7.1.26] <i>no difference</i></p>	<p>Sec. 23. SPECIAL EDUCATION FUNDING SAFEGUARDS; LEGISLATIVE INTENT [7.1.26] <i>no difference</i></p>
<p style="text-align: center;">* * * Tuition * * *</p>	
<p>Sec. 24. 16 V.S.A. § 828 is amended to read: [contingently effective 7.1.30, with FF] § 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL * * *</p> <p><u>(e)(1) A school eligible to receive tuition pursuant to this section shall be prohibited from requiring tuition or fees of any kind from a student attending the school, according to the provisions of this chapter, above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter.</u></p> <p><u>(2) A public school located in Vermont that receives tuition pursuant to section 823 of this chapter shall be prohibited from charging any student attending the school a fee of any kind above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter, regardless of whether the student is a resident student or a student attending the school on tuition.</u></p>	<p>Sec. 24. TUITION IN EXCESS OF FOUNDATION FORMULA; LEGISLATIVE INTENT [7.1.26] <u>It is the intent of the General Assembly that, under the foundation formula, no receiving school may charge individual families tuition in excess of the amount of tuition paid by a sending school district pursuant to 16 V.S.A. § 823.</u></p>
<p>Sec. 24a. PROHIBITION ON CHARGING FEES BEYOND</p>	<p>Sec. 24a. [Deleted.] [7.1.26]</p>

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<p>TUITION; LEGISLATIVE INTENT [7.1.26] <u>It is the intent of the General Assembly that the prohibition created in Sec. 24 of this act, which prohibits a receiving school from requiring tuition or fees of any kind from a student attending the school on public tuition, above the amount of tuition paid by a sending school district, shall take effect at the same time the foundation formula and other tax changes envisioned in this act shall take effect, provided that any applicable contingency has been met.</u></p>	
<p style="text-align: center;">* * * Union School District Study Committee Budgets * * *</p>	
<p>Sec. 25. 16 V.S.A. § 707 is amended to read: [7.1.26] <i>no difference</i></p>	<p>Sec. 25. 16 V.S.A. § 707 is amended to read: [7.1.26] <i>no difference</i></p>
<p style="text-align: center;">* * * Rulemaking, Forms, and Reports * * *</p>	
<p>Sec. 26. SMALL AND SPARSE SCHOOLS; STATE BOARD OF EDUCATION; EDUCATION QUALITY STANDARDS; RULEMAKING [7.1.26] <i>no difference</i></p>	<p>Sec. 26. SMALL AND SPARSE SCHOOLS; STATE BOARD OF EDUCATION; EDUCATION QUALITY STANDARDS; RULEMAKING [7.1.26] <i>no difference</i></p>
<p>Sec. 27. INTRADISTRICT BUDGETING; AGENCY OF EDUCATION; DISTRICT QUALITY STANDARDS; RULEMAKING [7.1.26] <u>The Agency of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to the district quality standards contained in Agency of Education, District Quality Standards (CVR 22-000-039) to establish criteria for intradistrict budgeting, pursuant to 3 V.S.A. § 843 on or before March 31, 2027. The criteria</u></p>	<p>Sec. 27. INTRADISTRICT BUDGETING; AGENCY OF EDUCATION; DISTRICT QUALITY STANDARDS; RULEMAKING [7.1.26] <u>The Agency of Education shall, unless extended by the Legislative Committee on Administrative Rules, adopt updates to the district quality standards contained in Agency of Education, District Quality Standards (CVR 22-000-039) to establish criteria for intradistrict budgeting under the foundation formula, pursuant to 3 V.S.A. § 843 on or before</u></p>

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<p><u>shall provide guidelines for intradistrict budgeting that ensure resources are allocated across schools within each district in a way that supports the State’s goal that “all Vermont children will be afforded educational opportunities that are substantially equal in quality” and enable them to achieve or exceed the education quality standards approved by the State Board of Education.</u></p>	<p>December 31, 2028. <u>The criteria shall provide guidelines for intradistrict budgeting that ensure resources are allocated across schools within each district in a way that supports the State’s goal that all Vermont children will be afforded opportunities and excellent education that are substantially equal in quality and enable them to achieve or exceed the education quality standards approved by the State Board of Education.</u></p>
<p>Sec. 27a. 2024 Acts and Resolves No. 183, Sec. 7 is amended to read: [passage] <i>no difference</i></p>	<p>Sec. 27a. 2024 Acts and Resolves No. 183, Sec. 7 is amended to read: [passage] <i>no difference</i></p>
<p>Sec. 27b. SCHOOL TRANSPORTATION GRANTS; REPORT [7.1.26] <i>no difference</i></p>	<p>Sec. 27b. SCHOOL TRANSPORTATION GRANTS; REPORT [7.1.26] <i>no difference</i></p>
<p>Sec. 27c. STUDENT PROFILE FORM [passage] <i>no difference</i></p>	<p>Sec. 27c. STUDENT PROFILE FORM [passage] <i>no difference</i></p>
<p>Sec. 27d. LENGTH OF SCHOOL DAY; RULEMAKING [7.1.26] <i>no difference</i></p>	<p>Sec. 27d. LENGTH OF SCHOOL DAY; RULEMAKING [7.1.26] <i>no difference</i></p>
<p>*** Small and Sparse Schools ***</p>	
<p>Sec. 28. REPEAL [7.1.26] <i>no difference</i></p>	<p>Sec. 28. REPEAL [7.1.26] <i>no difference</i></p>
<p>Sec. 29. 16 V.S.A. § 4019 is added to read: [contingently effective 7.1.2030, with FF]</p>	<p>Sec. 29. 16 V.S.A. § 4019 is added to read: [contingently effective 7.1.2030, with FF]</p>

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<p><u>§ 4019. SMALL SCHOOLS; SPARSE SCHOOLS; SUPPORT GRANTS</u></p> <p>(a) Definitions. As used in this section:</p> <p>(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.</p> <p>(2) “Small school” means a public school that:</p> <p>(A) has fewer than 100 pupils in two-year average enrollment;</p> <p>and</p> <p>(B) has been determined by the Agency of Education, on an annual basis, to be “small by necessity” under standards consistent with State Board of Education rule.</p> <p>(3) “Sparse area” means a city, town, or incorporated village where the number of persons per square mile residing within the land area of the geographic boundaries of the city, town, or incorporated village as of July 1 of the year of determination is fewer than 55 persons.</p> <p>(4) “Sparse school” means a public school that:</p> <p>(A) is within a sparse area; and</p> <p>(B) has been determined by the Agency of Education, on an annual basis, to be “sparse by necessity” under standards consistent with State Board of Education rule.</p> <p>(5) “Two-year average enrollment” means the average enrollment of the two most recently completed school years.</p> <p>(b) Small schools support grant. Annually, the Secretary shall pay a small schools support grant to each school district for each small school</p>	<p><u>§ 4019. SMALL SCHOOLS; SPARSE SCHOOLS; SUPPORT GRANTS</u></p> <p>(a) Definitions. As used in this section:</p> <p>(1) “Average grade size” means the quotient resulting from dividing a school’s two-year average enrollment by the number of grades above prekindergarten operated by the school, rounded downward.</p> <p>(2) “Enrollment” means the number of students in kindergarten through grade 12 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.</p> <p>(3) “Small school” means a public school that:</p> <p>(A) has an average grade size of fewer than 12 students; and</p> <p>(B) has been determined by the Agency of Education, on an annual basis, to be “small by necessity” under standards consistent with State Board of Education rule.</p> <p>(4) “Sparse area” means a city, town, or incorporated village where the number of persons per square mile residing within the land area of the geographic boundaries of the city, town, or incorporated village as of July 1 of the year of determination is fewer than 55 persons.</p> <p>(5) “Sparse school” means a public school that:</p> <p>(A) is within a sparse area; and</p> <p>(B) has been determined by the Agency of Education, on an annual basis, to be “sparse by necessity” under standards consistent with State Board of Education rule.</p> <p>(6) “Two-year average enrollment” means the average enrollment of the two most recently completed school years.</p> <p>(b) Small schools support grant. Annually, the Secretary shall pay a small schools support grant to each school district for each small school</p>
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<p><u>operated by the school district in an amount 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 operated by 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><u>operated by the school district in an amount 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 operated by 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 style="text-align: center;">* * * Definitions * * *</p>	
<p>Sec. 29a. 16 V.S.A. § 11 is amended to read: [7.1.26]</p> <p>§ 11. CLASSIFICATIONS AND DEFINITIONS</p> <p>(a) As used in this title, unless the context otherwise clearly requires:</p> <p style="text-align: center;">* * *</p> <p>(36) <u>“Average class size” means the total number of students enrolled across all classes included in a grade band or content area, as applicable, divided by the total number of individual classes contained in a grade band or content area, as applicable, calculated separately for each school and each grade band or content area, as specified in subdivision 165(a)(9) of this title.</u></p>	<p>No similar provision</p>

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<p><u>(37) “Class” means a group of students, taught by a single teacher or team of teachers, organized for instruction in specific subjects or grade levels, for a defined period during the regular school day. Each course section shall be counted as a separate class. A class with more than one teacher of record shall be counted as a single class.</u></p> <p><u>(38) “Content area” means a grouping of courses aligned to a single educator endorsement area as defined by the Vermont Standards Board for Professional Educators.</u></p> <p><u>(39) “Full-time equivalent class” means the proportion of instructional time relative to a full school year.</u></p> <p><u>(40) “School” means a public or independent educational institution with assigned staff, including teachers and administrators, that serves students within a dedicated building and that is identified by a unique state school identification number assigned by the National Center for Education Statistics.</u></p> <p><u>(41) “School day” means the hours between the latest time at which a student may arrive at school and not be considered late and the time a student is dismissed from school, on a student attendance day.</u></p> <p><u>(42) “Student” means a pupil enrolled in and assigned to a school as of October 1.</u></p> <p><u>(43) “Teacher of record” means the educator primarily responsible for delivering instruction, assessing student learning, and assigning grades for a class, as designated in a school district’s student information system.</u></p> <p style="text-align: center;">* * *</p>	
	<p>* * * Class Size Minimums * * *</p>
<p>No similar provision <i>*similar provision in H.931 (misc ed) APBH</i></p>	<p>Sec. 29a. 2025 Acts and Resolves No. 73, Sec. 7 is amended to read: Sec. 7. FAILURE TO COMPLY WITH EDUCATION QUALITY</p>

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STANDARDS; STATE BOARD ACTION [7.1.26]

(a) Notwithstanding 16 V.S.A. § 165(b)(4) and (5) and any other provision of law to the contrary, the State Board shall be prohibited from ordering school district consolidation or school consolidation if a school fails to comply with class size minimum education quality standards and the resulting consolidation would result in school construction costs in excess of the applicable district's capital reserve account until the General Assembly establishes new school district boundaries and takes further action regarding the consequences for failure to meet education quality standards.

(b)(1) Notwithstanding 16 V.S.A. § 165(a)(9)(C) and (b), a public school's failure to comply with the class size minimum requirements contained in 16 V.S.A. § 165(a)(9) shall not count towards the three consecutive school years of noncompliance that enables the Secretary to recommend action to the State Board until the foundation formula is in effect and all contingencies, to the extent that there are any contingencies, contained in Sec. 70(f) of this act, as amended, that are required for the foundation formula to become effective have been met.

(2) The State Board of Education is required, pursuant to Sec. 8(a)(2) of this act, to update the rules governing approval of independent schools to 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. The Board is required to provide an approved independent school a substantially similar opportunity to come into compliance with class size minimums that it would provide to a public school. Failure of an approved independent school that is eligible to receive public tuition pursuant to 16 V.S.A. § 828 to comply with the minimum class size requirements contained in 16 V.S.A. § 165(a)(9)(A) shall not count towards any period of noncompliance, as determined by State Board rule, that may allow the State Board to take action against the school

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	<p>until the foundation formula is in effect and all contingencies, to the extent that there are any contingencies, contained in Sec. 70(f) of this act, as amended, that are required for the foundation formula to become effective have been met. An approved independent school that fails to comply with class size minimums shall remain eligible to receive public tuition prior to the foundation formula taking effect if it continues to meet all other requirements contained in 16 V.S.A. § 828.</p>
<p>No similar provision</p>	<p>Sec. 29b. 16 V.S.A. § 828 is amended to read: [7.1.26] § 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL (a) A school district shall not pay the tuition of a student except to: (1) a public school located in Vermont; (2) an approved independent school that: *** (E) complies with the minimum class size requirements contained in subdivision 165(a)(9) <u>165(a)(9)(A)</u> of this title and State Board rule; provided, however, that if a school is unable to comply with the class size minimum standards due to geographic isolation or a school has developed an implementation plan to meet the class size minimum requirements, the school may ask the State Board to grant it a waiver from this subdivision (E), which decision shall be final; ***</p>
<p>*** Regional Assessment Districts ***</p>	

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<p>*** State Aid for School Construction ***</p>	
<p>Sec. 65. SCHOOL CONSTRUCTION; FINDINGS; INTENT [7.1.26] <i>no difference</i></p>	<p>Sec. 65. SCHOOL CONSTRUCTION; FINDINGS; INTENT [7.1.26] <i>no difference</i></p>
<p>Sec. 66. AGENCY OF EDUCATION; SCHOOL CONSTRUCTION DIVISION; POSITIONS [7.1.26] <u>(a) The following permanent, classified positions are created in the Agency of Education:</u> <u>(1) one School Construction Program Director;</u> <u>(2) one Financial Manager I;</u> <u>(3) one School Construction Coordinator; and</u> <u>(4) one Architectural Design Reviewer or Educational Facility Planner.</u> <u>(b) The Secretary of Education shall include as part of the Agency’s budget submitted to the Governor pursuant to 16 V.S.A. § 212(21) for fiscal year 2028 a request to provide appropriate funding levels for the positions created by this section, and any other positions necessary, to staff the School Construction Division of the Agency. The Division shall provide comprehensive technical assistance to the Agency and the State Aid for School Construction Advisory Board on the implementation of the State Aid for School Construction Program.</u></p>	<p>Sec. 66. AGENCY OF EDUCATION; SCHOOL CONSTRUCTION DIVISION; POSITIONS; APPROPRIATION [7.1.26] <u>(a) The establishment of the following new limited service classified positions is authorized in the Agency of Education in fiscal year 2027:</u> <u>(1) one School Construction Program Director;</u> <u>(2) one Financial Manager I;</u> <u>(3) one School Construction Coordinator; and</u> <u>(4) one Architectural Design Reviewer or Educational Facility Planner.</u> <u>(b) The sum of \$500,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2027 for the positions established in subsection (a) of this section.</u> <u>(c) The Secretary of Education shall include as part of the Agency’s budget submitted to the Governor pursuant to 16 V.S.A. § 212(21) for fiscal year 2028 a request to provide appropriate funding levels for the positions created by this section, and any other positions necessary, to permanently staff the School Construction Division of the Agency.</u> <u>(d) The School Construction Division shall provide comprehensive technical assistance to the Agency of Education and the State Aid for School Construction Advisory Board on the implementation of the State Aid for School Construction Program.</u></p>

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<p>No similar provision</p>	<p>Sec. 66a. FACILITIES MASTER PLAN GRANT PROGRAM; APPROPRIATION [7.1.26] <u>The sum of \$900,000.00 is transferred from the General Fund to the School Construction Aid Special Fund in fiscal year 2027 for the purpose of awarding grants through the Facilities Master Plan Grant Program established in 16 V.S.A. § 3441 to supervisory unions for the development of educational facilities master plans as part of the study committee process created in Sec. 13 of this act.</u></p>
<p>Sec. 67. AGENCY OF EDUCATION; STATE AID FOR SCHOOL CONSTRUCTION; RULEMAKING [7.1.26] <u>On or before March 31, 2027, the Agency of Education, in consultation with the State Aid for School Construction Advisory Board, shall adopt rules on school construction and capital outlay pursuant to 3 V.S.A. chapter 25 and 16 V.S.A. § 3442(2), including rules to address:</u> <u>(1) prioritization and bonus incentives that support the construction or renovation of school facilities that support the consolidation of school governance structures and improve access to educational opportunities for public school students; and</u> <u>(2) the treatment of school districts’ outstanding capital indebtedness as of December 31, 2025.</u></p>	<p>Sec. 67. AGENCY OF EDUCATION; STATE AID FOR SCHOOL CONSTRUCTION; RULEMAKING [7.1.26] <u>On or before March 1, 2028, the Agency of Education, in consultation with the State Aid for School Construction Advisory Board, shall adopt rules on school construction and capital outlay pursuant to 3 V.S.A. chapter 25 and 16 V.S.A. § 3442(2), including rules to address prioritization and bonus incentives that reward school districts for:</u> <u>(1) consolidating school governance structures, whether through the study committee process under Sec. 13 of this act or by other voluntary means;</u> <u>(2) improving access for public school students to excellent educational opportunities, including CTE, shared special education services for high-needs students, and improved comprehensive curricular offerings; and</u> <u>(3) remediating or eliminating health and safety issues.</u></p>
<p>Sec. 68. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD; IDENTIFICATION OF REGIONAL HIGH SCHOOLS AND REHABILITATION OPPORTUNITIES; REPORT [7.1.26]</p>	<p>Sec. 68. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY BOARD; IDENTIFICATION OF REGIONAL HIGH SCHOOLS AND REHABILITATION OPPORTUNITIES; REPORT [7.1.26]</p>

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<p><u>(a) On or before December 1, 2026, the State Aid for School Construction Advisory Board shall provide a written report to the General Assembly that:</u></p> <p><u>(1) identifies opportunities for the construction or renovation of school facilities that support the consolidation of school governance structures and improve access to educational opportunities for public school students;</u></p> <p><u>(2) provides a full siting study for each identified school construction project that includes the cost, location, and any other factor the Board deems relevant to the General Assembly’s consideration of the project; and</u></p> <p><u>(3) analyzes the compatibility of each identified school construction project with other projects and evaluates different statewide scenarios for pursuing multiple opportunities for consolidation across Vermont.</u></p> <p><u>(b) In developing the Board’s report, the Board shall specifically consider how to achieve appropriate scale, given research on school size and travel times, and how to achieve regional comprehensive high schools.</u></p>	<p><u>(a) On or before December 1, 2026, the State Aid for School Construction Advisory Board shall provide a written report to the General Assembly that:</u></p> <p><u>(1) identifies three to five feasible opportunities for the construction or renovation of regional high schools to promote the consolidation of school governance structures and improve access for public school students to excellent educational opportunities, including CTE, shared special education services for high-needs students, and improved comprehensive curricular offerings; and</u></p> <p><u>(2) provides a preliminary siting study for each identified school construction project that includes the cost, location, and any other factor the Board deems relevant to the General Assembly’s consideration of the project.</u></p> <p><u>(b) In developing the Board’s report, the Board shall specifically consider how to achieve appropriate scale, given research on school size and travel times, and how to achieve regional comprehensive high schools.</u></p>
<p>No similar provision</p>	<p>Sec. 68a. STATE AID FOR SCHOOL CONSTRUCTION PROGRAM; INTENT [7.1.26]</p> <p><u>It is the intent of the General Assembly to clarify that the State shall not offer aid under the State Aid for School Construction Program under 16 V.S.A. chapter 123 until the General Assembly has received the Treasurer’s recommendation under 16 V.S.A. § 3445(a)(6)(C) on total State bonding support and annual debt service subsidies to be awarded under the Program, the Agency of Education has operationalized its School Construction Division and completed rulemaking on school</u></p>

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	<u>construction and capital outlay, and the General Assembly has committed to a stable funding source, which may be State bonding support, to support the Program.</u>
Sec. 69. 16 V.S.A. § 3440 is amended to read: [7.1.26] <i>no difference</i>	Sec. 69. 16 V.S.A. § 3440 is amended to read: [7.1.26] <i>no difference</i>
Sec. 70. 16 V.S.A. § 3442 is amended to read: [7.1.26] <i>no difference</i>	Sec. 70. 16 V.S.A. § 3442 is amended to read: [7.1.26] <i>no difference</i>
Sec. 71. 16 V.S.A. § 3443 is amended to read: [7.1.26] <i>no difference</i>	Sec. 71. 16 V.S.A. § 3443 is amended to read: [7.1.26] <i>no difference</i>
Sec. 72. 16 V.S.A. § 3445 is amended to read: [7.1.26] § 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION PROJECTS (a) Construction aid. (1) Preliminary application for construction aid. A school district eligible for assistance under section 3447 of this title that intends to construct or purchase a new school, or make extensive additions or alterations to its existing school, and desires to avail itself of State school construction aid shall submit a written preliminary application to the Secretary. A preliminary application shall include information required by the Agency by rule and shall specify the need for and purpose of the project. (2) Approval of preliminary application. (A) When reviewing a preliminary application for approval, the Secretary shall consider: (i) regional educational opportunities and needs, including school building capacities across school district boundaries, and available infrastructure in neighboring communities;	Sec. 72. 16 V.S.A. § 3445 is amended to read: [7.1.26] § 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION PROJECTS (a) Construction aid. (1) Preliminary application for construction aid. A school district eligible for assistance under section 3447 of this title that intends to construct or purchase a new school, or make extensive additions or alterations to its existing school, and desires to avail itself of State school construction aid shall submit a written preliminary application to the Secretary. A preliminary application shall include information required by the Agency by rule and shall specify the need for and purpose of the project. (2) Approval of preliminary application. (A) When reviewing a preliminary application for approval, the Secretary shall consider: (i) regional educational opportunities and needs, including school building capacities across school district boundaries, and available infrastructure in neighboring communities;

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<p>(ii) economic efficiencies;</p> <p>(iii) the suitability of an existing school building to continue to meet educational needs; and</p> <p>(iv) statewide educational initiatives.</p> <p>(B) The Secretary may approve a preliminary application if:</p> <p>(i)(I) the project or part of the project fulfills a need occasioned by:</p> <p>(aa) conditions that threaten the health or safety of students or employees;</p> <p>(bb) facilities that are inadequate to provide programs required by State or federal law or regulation;</p> <p>(cc) excessive energy use resulting from the design of a building or reliance on fossil fuels or electric space heat; or</p> <p>(dd) deterioration of an existing building; or</p> <p>(II) the project results in consolidation of two or more school buildings and will serve the educational needs of students in a more cost-effective and educationally appropriate manner as compared to individual projects constructed separately;</p> <p>(ii) the need addressed by the project cannot reasonably be met by another means;</p> <p>(iii) the proposed type, kind, quality, size, and estimated cost of the project are suitable for the proposed curriculum and meet all legal standards;</p> <p>(iv) the applicant achieves the level of “proficiency” in the school district quality standards regarding facilities management adopted by rule by the Agency or, <u>if the applicant is a newly formed school district, the applicant will achieve the level of “proficiency” in the school district quality standards regarding facilities management adopted by rule by the Agency at its initial performance evaluation under the school district quality standards; and</u></p>	<p>(ii) economic efficiencies;</p> <p>(iii) the suitability of an existing school building to continue to meet educational needs; and</p> <p>(iv) statewide educational initiatives.</p> <p>(B) The Secretary may approve a preliminary application if:</p> <p>(i)(I) the project or part of the project fulfills a need occasioned by:</p> <p>(aa) conditions that threaten the health or safety of students or employees;</p> <p>(bb) facilities that are inadequate to provide programs required by State or federal law or regulation;</p> <p>(cc) excessive energy use resulting from the design of a building or reliance on fossil fuels or electric space heat; or</p> <p>(dd) deterioration of an existing building; or</p> <p>(II) the project results in consolidation of two or more school buildings and will serve the educational needs of students in a more cost-effective and educationally appropriate manner as compared to individual projects constructed separately;</p> <p>(ii) the need addressed by the project cannot reasonably be met by another means;</p> <p>(iii) the proposed type, kind, quality, size, and estimated cost of the project are suitable for the proposed curriculum and meet all legal standards;</p> <p>(iv) the applicant achieves the level of “proficiency” demonstrates proficiency in the school district quality standards regarding facilities management adopted by rule by the Agency; and</p>
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<p>(v) the applicant has completed a facilities master planning process that:</p> <ul style="list-style-type: none"> (I) engages robust community involvement; (II) considers regional solutions; (III) evaluates environmental contaminants; and (IV) produces a facilities master plan that unites the applicant’s vision statement, educational needs, enrollment projections, renovation needs, and construction projects. <p>(3) Priorities. Following approval of a preliminary application and provided that the district has voted funds or authorized a bond for the total estimated cost of a project, the Agency, with the advice of the State Aid for School Construction Advisory Board, shall assign points to the project as prescribed by rule of the Agency so that the project can be placed on a priority list based on the number of points received.</p> <p>(4) Request for legislative appropriation. The Agency shall submit its annual school construction funding request to the Governor as part of its budget pursuant to subdivision 212(21) of this title <u>and shall clearly identify those projects contemplated under subsection 3440(b) of this chapter for funding through State bonding</u>. Following submission of the Governor’s recommended budget to the General Assembly pursuant to 32 V.S.A. § 306 <u>and submission of the Governor’s recommended capital budget to the General Assembly pursuant to 32 V.S.A. § 309, the House Committee Committees on Education and on Ways and Means and the Senate Committee Committees on Education and on Finance shall recommend a total school construction</u></p>	<p>(v) the applicant has completed a facilities master planning process that:</p> <ul style="list-style-type: none"> (I) engages robust community involvement; (II) considers regional solutions; (III) evaluates environmental contaminants; and (IV) produces a facilities master plan that unites the applicant’s vision statement, educational needs, enrollment projections, renovation needs, and construction projects; <u>and</u> <p><u>(vi) if the applicant school district is applying for construction aid for a school building that was constructed or renovated before 1980, the applicant has completed indoor air quality testing for polychlorinated biphenyls that was conducted according to the Department of Environmental Conservation’s standards for testing.</u></p> <p>(3) Priorities. Following approval of a preliminary application <u>and provided that the district has voted funds or authorized a bond for the total estimated cost of a project</u>, the Agency, with the advice of the State Aid for School Construction Advisory Board, shall assign points to the project as prescribed by rule of the Agency so that the project can be placed on a priority list based on the number of points received.</p> <p>(4) Request for legislative appropriation. The Agency shall submit its annual school construction funding request to the Governor as part of its budget pursuant to subdivision 212(21) of this title <u>and shall clearly identify those projects contemplated under subsection 3440(b) of this chapter for funding through State bonding</u>. Following submission of the Governor’s recommended budget to the General Assembly pursuant to 32 V.S.A. § 306 <u>and submission of the Governor’s recommended capital budget to the General Assembly pursuant to 32 V.S.A. § 309, the House Committee Committees on Education and on Ways and Means and the Senate Committee Committees on Education and on Finance shall recommend a total school construction</u> appropriation for the next fiscal year to the General Assembly for</p>
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appropriation for the next fiscal year to the General Assembly for inclusion in the education payment under subsection 4011(a) of this title.

(5) Final approval for construction aid.

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

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

(i) the project has received preliminary approval;

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

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

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

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

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

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

inclusion in the education payment under subsection 4011(a) of this title.

(5) Final approval for construction aid.

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

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

(i) the project has received preliminary approval;

(ii) **the district has voted funds or authorized a bond for the total estimated cost of the project, provided that the district shall not issue the bond until the Secretary notifies the district of its State bonding support;**

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

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

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

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

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

(C) The Secretary may provide that a grant for a high school project is conditioned upon the agreement of the recipient to provide

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

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

(6) Award of construction aid.

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

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

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

(C) The Treasurer, in consultation with the Capital Debt Affordability Advisory Committee (CDAAC), shall recommend to the House Committees on Education, on Ways and Means, and on Corrections and Institutions and the Senate Committees on Education, on Finance, and on Institutions the annual total State bonding support available for the capital budget and this Program and the annual debt service subsidies to be awarded under this chapter. The recommendation shall include an analysis of how the use of State

high school instruction for any high school pupil living in an area prescribed by the Agency who may elect to attend the school.

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

(6) Award of construction aid.

(A) The base amount of an award shall be ~~20~~ fund 30 percent of the ~~eligible debt service~~ total approved cost of a project. Projects for which the applicant is a consolidated school district are eligible for additional bonus incentives as specified in rule ~~for to fund~~ up to an additional ~~20 45~~ percent of the ~~eligible debt service~~ total approved cost.

(B) Construction aid shall be awarded as a debt service subsidy, as support through State bonding, or as a combination of both. Amounts shall be awarded annually and are subject to an annual appropriation for the purposes of the program.

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

(C) Annually, the Capital Debt Affordability Advisory Committee (CDAAC) shall recommend to the House Committees on Education, on Ways and Means, and on Corrections and Institutions and the Senate Committees on Education, on Finance, and on Institutions the annual total State bonding support available for the capital budget and this program and the annual debt service subsidies to be awarded under this chapter. The recommendation shall include an analysis of how the use of State bonding support for school construction under this program affects overall capital budget capacity.

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<p><u>bonding support for school construction under this Program affects overall capital budget capacity.</u></p> <p>(b) Emergency aid. Notwithstanding any other provision of this section, the Secretary may grant aid for a project the Secretary deems to be an emergency in the amount of 30 percent of eligible project costs, up to a maximum eligible total project cost of \$300,000.00.</p> <p>(c) Wage requirements. Any contract awarded for school construction that is paid for with State aid shall adhere to the higher of:</p> <p>(1) <u>the prevailing wage requirements established for State construction projects under 29 V.S.A. § 161(b); or</u></p> <p>(2) <u>the prevailing local wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and related federal acts and regulations.</u></p>	<p>(D) As used in subdivision (A) of this subdivision (a)(6), “consolidated school district” means either of the following:</p> <p>(i) a school district that results from a merger identified as advisable in a merger committee’s final recommendations offered pursuant to Sec. 13(b) of legislation enacted by the General Assembly in 2026 that requires each school board to participate on a merger committee to study the advisability of forming a unified union school district; or</p> <p>(ii) a school district with an average daily membership of at least 2,000 students.</p> <p>(b) Emergency aid. Notwithstanding any other provision of this section, the Secretary may grant aid for a project the Secretary deems to be an emergency in the amount of 30 percent of eligible project costs, up to a maximum eligible total project cost of \$300,000.00.</p> <p>(c) Wage requirements. Any contract awarded for school construction that is paid for with State aid shall adhere to the higher of:</p> <p>(1) <u>the prevailing wage requirements established for State construction projects under 29 V.S.A. § 161(b); or</u></p> <p>(2) <u>the prevailing local wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and related federal acts and regulations.</u></p>
<p>Sec. 73. REPEAL [7.1.26]</p> <p><i>no difference</i></p>	<p>Sec. 73. REPEAL [7.1.26]</p> <p><i>no difference</i></p>
<p>Sec. 74. 16 V.S.A. § 4033 is added to read: [7.1.26]</p> <p><u>§ 4033. LEGACY DEBT AID</u></p> <p><u>A school district shall be eligible to receive aid equal to 100 percent of the debt service cost of any debt incurred by the district for costs related to facility construction and renovation as of December 31, 2025.</u></p>	<p>Sec. 74. 16 V.S.A. § 4033 is added to read: [contingently effective 7.1.2030, with FF]</p> <p><u>§ 4033. LEGACY DEBT AID</u></p> <p><u>(a) A school district shall be eligible to receive legacy debt aid pursuant to this section only if the district is not identified as a bad faith</u></p>

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<p><u>Aid shall be awarded annually for annual debt service costs up to a maximum total annual amount of \$61,000,000.00 and is subject to an annual appropriation for the purposes of the legacy debt aid.</u></p>	<p><u>participant in the facilitator report submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a study committee to study the advisability of forming a unified union school district.</u> <u>(b) An eligible school district’s legacy debt aid shall equal 75 percent of the debt service cost of any debt that is approved by the voters of the district related to facility construction and renovation and for which construction has begun as of December 31, 2025.</u> <u>(c) Aid shall be awarded annually for annual debt service costs up to a maximum total annual amount of \$45,750,000.00 and is subject to an annual appropriation for the purposes of the legacy debt aid.</u></p>
<p>Sec. 75. 16 V.S.A. § 4011(a) is amended to read: <u>[7.1.26]</u> <i>no difference</i></p>	<p>Sec. 75. 16 V.S.A. § 4011(a) is amended to read: <u>[7.1.26]</u> <i>no difference</i></p>
<p>Sec. 76. 16 V.S.A. § 4011(a) is amended to read: <u>[contingently effective 7.1.2030, with FF]</u> <i>no difference</i></p>	<p>Sec. 76. 16 V.S.A. § 4011(a) is amended to read: <u>[contingently effective 7.1.2030, with FF]</u> <i>no difference</i></p>
<p>Sec. 77. 32 V.S.A. § 5401(22) is amended to read: <u>[contingently effective 7.1.2030, with FF]</u> <i>no difference</i></p>	<p>Sec. 77. 32 V.S.A. § 5401(22) is amended to read: <u>[contingently effective 7.1.2030, with FF]</u> <i>no difference</i></p>
<p>No similar provision</p>	<p><u>Sec. 77a. 24 V.S.A. § 1758 is amended to read: [contingently effective 7.1.2030, with FF]</u> <u>§ 1758. CONDUCT OF MEETINGS</u> <u>(a) Meetings of voters in municipal corporations under this subchapter shall be conducted in the same manner as the annual city and town meetings are conducted. The qualifications of voters at such meetings shall be the same as the qualifications of voters at annual city and town meetings. The vote on the question of issuing bonds for such</u></p>

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	<p>improvements shall be by Australian ballot. The form of the ballot to be used shall be substantially as follows:</p> <p>I. Shall the bonds of the of in an amount not to exceed be issued for the purpose of?</p> <p>If in favor of the bond issue, make a cross (x) in this square <input type="checkbox"/>.</p> <p>If opposed to the bond issue, make a cross (x) in this square <input type="checkbox"/>.</p> <p>In the discretion of the legislative branch <u>Legislative Branch</u>, the form of the ballot may also state the maximum rate of interest to be paid on the bonds, in which case the form of the ballot to be used shall be substantially as follows:</p> <p>I. Shall bonds of the of in an amount not to exceed bearing interest not to exceed percent, be issued for the purpose of?</p> <p>If in favor of the bond issue, make a cross (x) in this square <input type="checkbox"/>.</p> <p>If opposed to the bond issue, make a cross (x) in this square <input type="checkbox"/>.</p> <p>(b) If a school board submits to its voters the proposition of incurring a bonded debt to pay for an improvement, the form of the ballot shall be as set forth in subsection (a) of this section, however:</p> <p>(1) If the entire costs of the improvement are not eligible for State construction aid pursuant to 16 V.S.A. chapter 123 because the costs exceed the maximum allowed by formula established by the State Board of Education <u>Agency of Education</u>, the ballot text set forth in subsection (a) shall be preceded by the following introductory sentences:</p> <p>The school board proposes to incur bonded indebtedness for the purpose of at the estimated total project cost of \$ It is estimated that percent of the project will not be eligible for State school construction aid because its (unit costs and/or allowable space) cause it to exceed the maximum cost for state participation under the State Board of Education's <u>Agency of Education's</u> formula for school construction. Therefore, the percent of the project that is estimated to be ineligible under the formula shall be built at 100% school district</p>
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	<p>cost without State participation. The cost of the portion of construction which is ineligible under the formula is \$</p> <p>(2) The ballot may contain language conditioning commencement of the improvement by the school board on receipt of final approval by the State Board of Education <u>Agency of Education for State</u> construction aid under 16 V.S.A. § 3448(a)(5) <u>3445(a)(5)</u>.</p> <p>(3) The warning and ballot shall contain the following set forth in bold-faced type:</p> <p style="padding-left: 40px;">State funds may not be available at the time this project is otherwise eligible to receive State school construction aid. The district is responsible for all costs incurred in connection with any borrowing done in anticipation of State school construction aid.</p> <p style="padding-left: 40px;"><u>Funds to cover annual debt service costs on the bonds shall be raised through the district’s supplemental district spending tax. Any bonded indebtedness incurred for school construction shall constitute an ongoing obligation of the district not subject to annual authorization of supplemental district spending.</u></p> <p>(c) A public informational hearing adhering to the requirements of 17 V.S.A. § 2680(g) shall be held to discuss the proposition of a school district incurring a bonded debt to pay for an improvement. At such hearing, the school board shall distribute to the participants a written estimate of <u>the following factors:</u></p> <p style="padding-left: 40px;">(1) the <u>The percentage of the costs of the improvement that will not be eligible for State school construction aid because its unit costs or allowable space, or both, cause it to exceed the maximum cost for State participation under the State Board of Education’s <u>Agency of Education’s</u> formula for school construction.</u></p> <p style="padding-left: 40px;"><u>(2)(A) The estimated supplemental district spending tax rate that would be required to pay annual debt service costs on the bonds for each of the following aid scenarios:</u></p> <p style="padding-left: 80px;"><u>(i) if the district receives no State aid for the project;</u></p>
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	<p>(ii) if the district receives State aid of 30% of the total approved cost of the project; and</p> <p>(iii) if the district receives State aid of 75% of the total approved cost of the project.</p> <p>(B) The board shall notify the participants of the following assumptions that shall be made when estimating annual supplemental district spending tax rates to pay annual debt service costs on the bonds:</p> <p>(i) supplemental district spending yield equal to the current yield;</p> <p>(ii) long-term membership equal to the district’s current long-term membership; and</p> <p>(iii) supplemental district spending equal to the estimated annual debt service cost on the bond.</p> <p>(C) The board shall further notify the participants that future supplemental district spending tax rates will vary annually based on the supplemental district spending yield, the district’s long-term membership, and any other supplemental district spending that the district approves for the year.</p>
<p>Sec. 78. 16 V.S.A. § 563 is amended to read: <i>[contingently effective 7.1.2030, with FF]</i></p> <p>§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE</p> <p>The school board of a school district, in addition to other duties and authority specifically assigned by law:</p> <p style="text-align: center;">* * *</p> <p>(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.</p> <p>(B) [Repealed.]</p> <p>(C) At a school district’s annual or special meeting, the electorate may vote to provide notice of availability of the school budget</p>	<p>Sec. 78. 16 V.S.A. § 563 is amended to read: <i>[contingently effective 7.1.2030, with FF]</i></p> <p>§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE</p> <p>The school board of a school district, in addition to other duties and authority specifically assigned by law:</p> <p style="text-align: center;">* * *</p> <p>(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.</p> <p>(B) [Repealed.]</p> <p>(C) At a school district’s annual or special meeting, the electorate may vote to provide notice of availability of the school budget</p>

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

- (i) all revenues from all sources, and expenses, including as separate items any assessment for a supervisory union of which it is a member and any tuition to be paid to a career technical center; and including the report required in subdivision 242(4)(D) of this title itemizing the component costs of the supervisory union assessment;
- (ii) the specific amount of any deficit incurred in the most recently closed fiscal year and how the deficit was or will be remedied;
- (iii) the anticipated statewide education tax rate, as adjusted for each tax classification pursuant to 32 V.S.A. § 5402;

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

- (v) the supplemental district spending yield; and
- (vi) the annual debt service cost of any outstanding capital

indebtedness.

(D) ~~The~~ If the board determines that additional spending is necessary in excess of the school district’s educational opportunity

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

- (i) all revenues from all sources, and expenses, including as separate items any assessment for a supervisory union of which it is a member and any tuition to be paid to a career technical center; and including the report required in subdivision 242(4)(D) of this title itemizing the component costs of the supervisory union assessment;
- (ii) the specific amount of any deficit incurred in the most recently closed fiscal year and how the deficit was or will be remedied;
- (iii) the anticipated ~~homestead~~ statewide education tax rate ~~and the percentage of household income used to determine income sensitivity in the district as a result of passage of the budget, including those portions of the tax rate attributable to supervisory union assessments, as adjusted for each tax classification pursuant to 32~~ V.S.A. § 5402; and

(iv) the definition of “~~education spending~~ supplemental district spending,” ~~the number of pupils and number of equalized pupils in~~ long-term membership of the school district, and the district’s ~~education spending per equalized pupil~~ supplemental district spending in the proposed budget and in each of the prior three years;

- (v) the supplemental district spending yield; and
- (vi) the annual debt service cost of any outstanding capital

indebtedness.

(D) ~~The~~ If the board determines that the district should raise funds to cover expenditures other than annual debt service obligations

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payment, the board shall present the a supplemental district spending budget to the voters by means of a ballot in the following form, provided that the board shall submit for authorization supplemental district spending to cover annual debt service costs for school construction only at the initial authorization of indebtedness and under subdivision (E) of this subdivision (11):

“Article #1 (School Budget):

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

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

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

“Article #1 (School Budget):

on outstanding capital indebtedness for school construction, the board shall present the a supplemental district spending budget to the voters by means of a ballot in the following form:

“Article #1 (School Budget):

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

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

If these expenditures are not approved, the District estimates a supplemental district spending tax rate of _____ per \$100.00 of equalized education property value to pay for the District’s annual debt service obligations on outstanding capital indebtedness.”

(E) If the board receives a determination of the district’s State aid for school construction pursuant to 16 V.S.A. § 3445(a)(5), prior to issuing any bonds for school construction, the board shall present to the voters for one-time authorization a supplemental district spending budget to cover the annual debt service obligations for school construction by means of a ballot in the following form:

“Article #1 (School Budget):

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<p><u>Shall the voters of the school district approve the school board to expend \$ _____, which is the amount the school board has determined to be necessary to cover the annual debt service cost on school construction and any other expenditure in excess of the school district’s educational opportunity payment for the ensuing fiscal year?</u></p> <p><u>The _____ District estimates that this proposed budget, if approved, will result in per pupil supplemental district spending of \$ _____, which is _____ % higher/lower than per pupil supplemental district spending for the current year, and a supplemental district spending tax rate of _____ per \$100.00 of equalized education property value.</u></p> <p style="text-align: center;">* * *</p>	<p><u>Shall the voters of the school district approve the school board to expend \$ _____, which is the amount the school board has determined to be necessary to cover the annual debt service obligations on school construction for the ensuing fiscal year?</u></p> <p><u>The _____ District estimates that this proposed budget, if approved, will result in per pupil supplemental district spending of \$ _____, which is _____ % higher/lower than per pupil supplemental district spending for the current year, and a supplemental district spending tax rate of _____ per \$100.00 of equalized education property value.</u></p> <p><u>If the District separately approves supplemental district spending for the ensuing fiscal year to cover expenditures other than the annual debt service obligations on school construction, the total supplemental district spending tax rate provided on the ballot for approval of those expenditures shall reflect the rate required to cover all expenditures, including the annual debt service obligations on school construction.”</u></p> <p style="text-align: center;">* * *</p>
<p>* * * Foundation Formula Transition Measures and Reports* * *</p>	
<p>Sec. 79. REPEALS [passage]</p> <p><u>The following sections of 2025 Acts and Resolves No. 73 are repealed:</u></p> <ul style="list-style-type: none"> <u>(1) Sec. 45b (educational opportunity payment transition);</u> <u>(2) Sec. 46a (supplemental district spending; cap; transition);</u> <u>(3) Sec. 48a (tax rate transition); and</u> <u>(4) Sec. 57 (Education Fund Advisory Committee).</u> 	<p>Sec. 79. REPEALS [passage]</p> <p><u>The following sections of 2025 Acts and Resolves No. 73 are repealed:</u></p> <ul style="list-style-type: none"> <u>(1) Sec. 41 (16 V.S.A. § 563);</u> <u>(2) Sec. 45b (educational opportunity payment transition);</u> <u>(3) Sec. 46a (supplemental district spending; cap; transition);</u> <u>(4) Sec. 48a (tax rate transition); and</u> <u>(5) Sec. 57 (Education Fund Advisory Committee).</u>

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<p>Sec. 80. EDUCATIONAL OPPORTUNITY PAYMENTS; TUITION; TRANSITION; FISCAL YEARS 2031–2034 : <u>[contingently effective 7.1.2030, with FF]</u></p> <p>(a) Notwithstanding 16 V.S.A. § 4001(17), in each of fiscal years 2031–2034, the educational opportunity payment for a school district shall equal the educational opportunity payment for the school district as calculated pursuant to 16 V.S.A. § 4010(f) plus a yearly adjustment equal to:</p> <ol style="list-style-type: none"> (1) in fiscal year 2031, the transition gap multiplied by 0.80; (2) in fiscal year 2032, the transition gap multiplied by 0.60; (3) in fiscal year 2033, the transition gap multiplied by 0.40; and (4) in fiscal year 2034, the transition gap multiplied by 0.20. <p>(b) Notwithstanding 16 V.S.A. § 823(a), in each of fiscal years 2031–2034, a school district shall pay as tuition to a receiving school for each resident student attending the receiving school an amount equal to the adjusted base multiplied by the sum of one and any weights applicable to the resident student under section 16 V.S.A. § 4010.</p> <p>(c) As used in this section:</p> <ol style="list-style-type: none"> (1) “Adjusted base” means the quotient resulting from dividing the school district’s educational opportunity payment, as adjusted by the yearly adjustment, by the school district’s weighted long-term membership as defined in 16 V.S.A. § 4001. (2) “Adjusted for inflation” means adjusting the school district’s education spending by the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures and gross investment published by the U.S. Department of Commerce, Bureau of Economic Analysis, from fiscal year 2025 through fiscal year 2031 and rounding upward to the nearest whole dollar amount. 	<p>Sec. 80. EDUCATIONAL OPPORTUNITY PAYMENTS; TUITION; TRANSITION; FISCAL YEARS 2030–2033 : <u>[contingently effective 7.1.2030, with FF]</u></p> <p>(a) Notwithstanding 16 V.S.A. § 4001(17), in each of fiscal years 2030–2033, 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> <ol style="list-style-type: none"> (1) in fiscal year 2030, the transition gap multiplied by 0.80; (2) in fiscal year 2031, the transition gap multiplied by 0.60; (3) in fiscal year 2032, the transition gap multiplied by 0.40; and (4) in fiscal year 2033, the transition gap multiplied by 0.20. <p>(b) Notwithstanding 16 V.S.A. § 823(a), in each of fiscal years 2030–2033, a school district shall pay as tuition to a receiving school for each resident student attending the receiving school an amount equal to the adjusted base multiplied by the sum of one and any weights applicable to the resident student under section 16 V.S.A. § 4010.</p> <p>(c) As used in this section:</p> <ol style="list-style-type: none"> (1) “Adjusted base” means the quotient resulting from dividing the school district’s educational opportunity payment, as adjusted by the yearly adjustment, by the school district’s weighted long-term membership as defined in 16 V.S.A. § 4001. (2) “Adjusted for inflation” means adjusting the school district’s education spending by the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures and gross investment published by the U.S. Department of Commerce, Bureau of Economic Analysis, from fiscal year 2025 through fiscal year 2031 and rounding upward to the nearest whole dollar amount.
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<p><u>(3) “Transition gap” means the amount, whether positive or negative, that results from subtracting the school district’s educational opportunity payment as calculated pursuant to 16 V.S.A. § 4010(f) for fiscal year 2031 from the school district’s education spending in fiscal year 2025, as adjusted for inflation. The school district’s education spending shall be adjusted for inflation on or before November 15 by the Secretary of Education.</u></p>	<p><u>(3) “Transition gap” means the amount, whether positive or negative, that results from subtracting the school district’s educational opportunity payment as calculated pursuant to 16 V.S.A. § 4010(f) for fiscal year 2030 from the school district’s education spending in fiscal year 2025, as adjusted for inflation. The school district’s education spending shall be adjusted for inflation on or before November 15 by the Secretary of Education.</u></p>
<p>Sec. 81. SUPPLEMENTAL DISTRICT SPENDING; CAP; TRANSITION; FISCAL YEARS 2031–2039 : <i>[contingently effective 7.1.2030, with FF]</i></p> <p><u>Notwithstanding 32 V.S.A. § 5401(22), in each of fiscal years 2031–2039, the voters of a school district other than an interstate school district shall not approve spending in excess of the following percentage of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district’s long-term membership, as defined in 16 V.S.A. § 4001(7):</u></p> <ul style="list-style-type: none"> <u>(1) in fiscal years 2031–2035, 10 percent;</u> <u>(2) in fiscal year 2036, 9 percent;</u> <u>(3) in fiscal year 2037, 8 percent;</u> <u>(4) in fiscal year 2038, 7 percent; and</u> <u>(5) in fiscal year 2039, 6 percent.</u> 	<p>Sec. 81. SUPPLEMENTAL DISTRICT SPENDING; CAP; TRANSITION; FISCAL YEARS 2030–2038 : <i>[contingently effective 7.1.2030, with FF]</i></p> <p><u>Notwithstanding 32 V.S.A. § 5401(22), in each of fiscal years 2030–2038, the voters of a school district other than an interstate school district shall not approve spending in excess of the following percentage of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district’s long-term membership, as defined in 16 V.S.A. § 4001(7):</u></p> <ul style="list-style-type: none"> <u>(1) in fiscal years 2030–2034, 10 percent;</u> <u>(2) in fiscal year 2035, 9 percent;</u> <u>(3) in fiscal year 2036, 8 percent;</u> <u>(4) in fiscal year 2037, 7 percent; and</u> <u>(5) in fiscal year 2038, 6 percent.</u>
<p>Sec. 82. HOMESTEAD PROPERTY TAX RATE; TRANSITION; FISCAL YEARS 2031–2034; : <i>[contingently effective 7.1.2030, with FF]</i></p> <p><u>(a) Notwithstanding 32 V.S.A. § 5402, in each of fiscal years 2031–2034, the homestead property tax rate for a school district shall equal the homestead property tax rate imposed pursuant to 32 V.S.A. § 5402 plus a yearly adjustment equal to:</u></p>	<p>Sec. 82. HOMESTEAD PROPERTY TAX RATE; TRANSITION; FISCAL YEARS 2030–2033; : <i>[contingently effective 7.1.2030, with FF]</i></p> <p><u>(a) Notwithstanding 32 V.S.A. § 5402, in each of fiscal years 2030–2033, 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:</u></p>

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<p><u>(1) in fiscal year 2031, the transition gap multiplied by 0.80;</u> <u>(2) in fiscal year 2032, the transition gap multiplied by 0.60;</u> <u>(3) in fiscal year 2033, the transition gap multiplied by 0.40; and</u> <u>(4) in fiscal year 2034, the transition gap multiplied by 0.20.</u> <u>(b) As used in this section, “transition gap” means the amount, whether positive or negative, that results from subtracting the uniform homestead property tax rate for fiscal year 2031 were it calculated assuming no tax rate transition under this section from the homestead property tax rate for the school district in fiscal year 2030.</u></p>	<p><u>(1) in fiscal year 2030, the transition gap multiplied by 0.80;</u> <u>(2) in fiscal year 2031, the transition gap multiplied by 0.60;</u> <u>(3) in fiscal year 2032, the transition gap multiplied by 0.40; and</u> <u>(4) in fiscal year 2033, the transition gap multiplied by 0.20.</u> <u>(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.</u></p>
<p>Sec. 83. HOMESTEAD PROPERTY TAX RATE; TRANSITION; REPORT [passage] <u>On or before December 15, 2028, the Department of Taxes, in consultation with the Joint Fiscal Office and the Agency of Education, shall submit a written report to the House Committee on Ways and Means and the Senate Committee on Finance with recommendations and an implementation plan to ensure that homestead education property tax rates do not increase as part of the transition to the new foundation formula.</u></p>	<p>Sec. 83. HOMESTEAD PROPERTY TAX RATE; TRANSITION; REPORT [passage] <u>On or before December 15, 2027, the Department of Taxes, in consultation with the Joint Fiscal Office and the Agency of Education, shall submit a written report to the House Committee on Ways and Means and the Senate Committee on Finance with recommendations and an implementation plan to ensure that homestead education property tax rates do not increase as part of the transition to the new foundation formula.</u></p>
<p>Sec. 84. 2025 Acts and Resolves No. 73, Sec. 53(b) is amended to read: [passage] <u>(b) On or before December 15, 2026 2028, the Department of Taxes, in consultation with the Joint Fiscal Office, shall submit a proposal to the House Committee on Ways and Means and the Senate Committee on Finance designing a homestead exemption structure that minimizes the:</u> <p style="text-align: center;">* * *</p></p>	<p>Sec. 84. 2025 Acts and Resolves No. 73, Sec. 53(b) is amended to read: [passage] <u>(b) On or before December 15, 2026 2027, 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:</u> <p style="text-align: center;">* * *</p></p>
<p>Sec. 85. 32 V.S.A. § 5414 is amended to read: [passage]</p>	<p>Sec. 85. 32 V.S.A. § 5414 is amended to read: [passage]</p>

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§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

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

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

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

(c) Powers and duties.

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

§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

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

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

(c) Powers and duties.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(5) enactment of any updates to weights or categorical aid recommended by the Joint Fiscal Office and the Agency of Education;~~
(6) the appropriations required to fully fund each school district's educational opportunity payment under the foundation formula established in 16 V.S.A. chapter 133 for the current and upcoming fiscal year; and

~~(H)(7) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.~~

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

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<p>(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Taxes and the Agency of Education.</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, 2026 <u>2031</u>.</p> <p>(2) The Committee shall select a chair from among its members at the first meeting.</p> <p>(3) A majority of the membership shall constitute a quorum.</p> <p>(f) Compensation and reimbursement. Members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under section 1010 of this title for up to four meetings per year.</p>	<p>(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Taxes and the Agency of Education.</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, 2026 <u>2030</u>.</p> <p>(2) The Committee shall select a chair from among its members at the first meeting.</p> <p>(3) A majority of the membership shall constitute a quorum.</p> <p>(f) Compensation and reimbursement. Members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under section 1010 of this title for up to four meetings per year.</p>
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* * * Effective Dates * * *

<p>Sec. 86. EFFECTIVE DATES [passage]</p> <p><u>This act shall take effect on July 1, 2026, except as follows:</u></p> <p><u>(1) Sec. 30 (creation of regional assessment districts), Secs. 31–33 (conforming changes for regional assessment), Sec. 34(b) (repeal of 32 V.S.A. chapter 131), and Secs. 37–52 (conforming changes for repeal of 32 V.S.A. chapter 131) shall take effect on January 1, 2031, provided regional assessment district appeals boards shall commence jurisdiction over valuation appeals and notices of changes of valuation on July 1, 2031.</u></p> <p><u>(2) This section, Sec. 18 (Act 73 effective dates), Sec. 27a (rulemaking; reserve guidance), Sec. 27c (student profile form), Sec. 34(a) (repeal of 2025 Acts and Resolves No. 73, Secs. 62 and 63), Sec. 53 (transition provisions), Sec. 56 (valuing property in a limited equity cooperative), Sec. 61 (repeals), Sec. 62 (rate multipliers), Sec. 63</u></p>	<p>Sec. 86. EFFECTIVE DATES [passage] <i>*reordered to be chronological</i></p> <p><u>This act shall take effect on July 1, 2026, except as follows:</u></p> <p><u>(1) This section, Sec. 18 (Act 73 effective dates), Sec. 27a (rulemaking; reserve guidance), Sec. 27c (student profile form), Sec. 34(a) (repeal of 2025 Acts and Resolves No. 73, Secs. 62 and 63), Sec. 53 (transition provisions), Sec. 61 (repeals), Sec. 62 (rate multipliers), Sec. 63 (prospective repeal), Sec. 79 (transition repeals), Sec. 83 (tax rate transition report), Sec. 84 (homestead exemption structure report delay), and Sec. 85 (Education Fund Advisory Committee) shall take effect on passage.</u></p> <p><u>(2) Sec. 2a (16 V.S.A. § 604; services offered) shall take effect on July 1, 2027.</u></p> <p><u>(3) Sec. 57 (grand list contents) shall take effect on July 1, <u>2026</u>, and shall apply to grand lists lodged beginning in calendar year 2027.</u></p>
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(prospective repeal), Sec. 79 (transition repeals), Sec. 83 (tax rate transition report), Sec. 84 (homestead exemption structure report delay), and Sec. 85 (Education Fund Advisory Committee) shall take effect on passage.

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

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

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

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

(4) Sec. 60 (transition provisions) shall take effect on January 1, 2028, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1)(A)(i), as amended by this act, have been met.

(5) Sec. 77a (24 V.S.A. § 1758) and Sec. 78 (16 V.S.A. § 563) shall take effect on January 15, 2029, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1), as amended by this act, have been met.

(6) Sec. 29 (16 V.S.A. § 4019), Secs. 58 and 59 (tax classifications), Sec. 64 (homestead definition), Sec. 74 (legacy debt aid), Sec. 76 (education payments), Sec. 77 (supplemental district spending definition), and Secs. 80–82 (foundation formula transitions) shall take effect on July 1, 2029, provided that the conditions under 2025 Acts and Resolves No. 73, Sec. 70(f)(1), as amended by this act, have been met.

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

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