

Presentation to the Committee on Ways and
Mean

January 22, 2026

Identifying Small/Sparse Schools That Operate by Necessity

Legislative Charge

- Section 37 of Act 73 (2025) establishes support grants for small and sparse schools
 - **Statute** defines a school as:
 - **Small** if it has <100 students
 - **Located in a sparsely populated area** if it is in an area with <55 persons per square mile of land
- Act 73 also stipulates that to be eligible for additional state funding a small/sparse school must exist **by necessity**
- Section 8 of Act 73 directs the Vermont State Board of Education to **propose standards** for schools to be considered small and/or sparse by necessity



Process

- In July 2025, the SBE constituted the special committee to develop a proposed framework for defining when a school is “small by necessity” and/or “sparse by necessity.”
- Committee Membership:
 - Tammy Kolbe (chair)
 - Cynthia Stuart
 - Brian Campion
- The committee:
 - Met five times during the fall of 2025
 - Held one public listening session on November 7, 2025
 - Consulted with/received data from AOE
 - Reviewed other state policies and practices
- The SBE voted unanimously to accept the committee’s recommendations at its December 2025 full board meeting

Definitional Considerations

- **By necessity** should be a function of unavoidable or demographic circumstances, since the criteria for small and sparse are already defined in statute
- A **by necessity definition** should distinguish then between:
 - Schools that are small/sparse because of geography or isolation (funding eligible), and
 - Schools that are small/sparse due to local organizational decisions, preferences, or policy choices (funding ineligible)

The SBE's starting point was to define a school as small or sparse "by necessity" where a school cannot reasonably increase enrollment or consolidate without creating undue hardship for students, specifically in terms of travel time, safety, or lack of feasible alternatives.

Framework & Criteria



Proposed Criteria

1. Travel time or distance threshold
2. Safe transportation limitations
3. Lack of feasible consolidation options
4. Community population trajectory
5. Closure or consolidation would impose substantial increases in cost

Travel Time or Distance Threshold

Possible criteria:

- Average one-way student travel times exceeding:
 - 45 minutes for elementary students or 60 minutes for grades 7–12; or
 - Road miles to the nearest school of the same grade span exceed 10–15 miles, depending on terrain.

Rationale:

- Vermont geography makes travel time the most sensitive and equity-relevant measure.
- Most rural states rely on travel time for necessity determinations. The suggested thresholds are consistent with existing research on the effects of travel time on student outcomes and criteria that have been used in other states.
- The Committee received testimony that existing bus times for children exceed 60 minutes in many places in Vermont

Safe Transportation Limitations

Possible criteria:

- A school qualifies if:
- Terrain, winter road conditions, unpaved routes, or mountain gaps create unsafe or unreliable transportation, as certified by the supervisory union or AOE.
- For example:
 - Bus routes requiring travel over roads closed in winter
 - Mountain passes that cause 60+ minute detours
 - Only one road in/out of town (“single ingress”) prone to closures

Rationale:

- Provides additional consideration for specific geography that can impact travel times and student safety.

Lack of Feasible Consolidation Options

Possible criteria:

- A school qualifies if:
 1. Nearby schools – both within and outside the existing district boundary - lack capacity to absorb students and still meet the State’s Educational Quality Standards, including class size minimums, **or**
 2. Costs of renovation or addition at receiving schools exceed projected savings from closure, **or**
 3. Tuitioning out raises per-pupil costs or creates inequities in program access, especially students with disabilities who require special education services and other students whose learning needs cannot be met by nearby non-public schools.
- ***Rationale:***
 - Addresses the feasibility of consolidating students into nearby schools.
 - These criteria are the most commonly used in state “necessary small school” calculations.



Community Population Trajectory

Possible criteria:

- A school qualifies if:
- The census block or town catchment area is projected to remain below an enrollment that would support a viable larger school, even with consolidation.

- ***Rationale:***

- Provides flexibility in places where schools may temporarily fall below 100 students.
- Recognizes the state's interest in maintaining small schools in geographic areas where there may be future demographic and economic changes that would result in an increase in the number of students in a school.

Closure or Consolidation Would Impose Substantial Increases in Cost

Possible Criteria:

A school qualifies if closure or consolidation would create substantial, measurable increases the district's average per student expenditure, including but not limited to:

- **Tuitioning Costs:** Reassigning students to non-public tuition schools would lead to significantly higher per-pupil expenditures than continuing to operate the school.
- **Transportation Costs:** Consolidation would require additional buses, longer routes, more driver hours, or substantial new operational transportation expenses, resulting in a sustained increase in district transportation costs.
- **Capital Costs at Receiving Schools:** Accommodating reassigned students would necessitate major renovations, additions, safety upgrades, or new classrooms, and these capital expenses would exceed any projected savings from closure.
- **New Facility Requirements:** Closure would require new school construction or major facility expansions elsewhere in the school's existing district or nearby district where students would be reassigned, imposing a material tax burden on the community.

Rationale:

- These conditions recognize the interest to taxpayers in controlling education spending.

Other Implementation Considerations



Determining Which Schools Meet Criteria

- Recommend that AOE be charged with the responsibility for determining whether a school qualifies as small/sparse "by necessity"
- The specific criteria, documentation requirements, timeline for review, and data elements used by AOE to make this determination **should be established in rule and incorporated in the EQS**, so expectations are transparent and consistently applied

Timing for Designation

- Recommend that schools be designated as small/sparse by necessity **annually**, on a **timeline that aligns with district budgeting** and annual town meeting decisions
- Districts should have a **clear determination of eligibility in advance of developing and adopting budgets** for the following school year and can plan responsibly