

1 Sec. 1. 16 V.S.A. § 4019 is added to read:

2 § 4019. SMALL SCHOOLS; SPARSE SCHOOLS; SUPPORT GRANTS

3 (a) Definitions. As used in this section:

4 (1) “Enrollment” means the number of students who are enrolled in a
5 school operated by the school district on October 1. A student shall be counted
6 as one whether the student is enrolled as a full-time or part-time student.

7 (2) “Small school” means a school that:

8 (A) has fewer than 100 pupils in two-year average enrollment; and

9 (B) has been determined by the State Board of Education, on an
10 annual basis, to be “small by necessity.”

11 (3) “Sparse area” means a city, town, or incorporated village where the
12 number of persons per square mile residing within the land area of the
13 geographic boundaries of the city, town, or incorporated village as of July 1 of
14 the year of determination is fewer than 55 persons.

15 (4) “Sparse school” means a school that:

16 (A) is within a sparse area; and

17 (B) has been determined by the State Board of Education, on an
18 annual basis, to be “sparse by necessity.”

19 (5) “Two-year average enrollment” means the average enrollment of the
20 two most recently completed school years.

1 (b) Small schools support grant. Annually, the Secretary shall pay a small
2 schools support grant to each school district for each small school within the
3 school district in an amount determined by multiplying the two-year average
4 enrollment in the small school by \$3,157.00.

5 (c) Sparse schools support grant. Annually, the Secretary shall pay a sparse
6 schools support grant to each school district for each sparse school within the
7 school district in an amount determined by multiplying the two-year average
8 enrollment in the sparse school by \$1,954.00.

9 (d) Inflationary adjustment. Each dollar amount under subsections (b) and
10 (c) of this section shall be adjusted for inflation annually on or before
11 November 15 by the Secretary. As used in this subsection, “adjusted for
12 inflation” means adjusting the dollar amount by the National Income and
13 Product Accounts (NIPA) implicit price deflator for state and local government
14 consumption expenditures and gross investment published by the U.S.
15 Department of Commerce, Bureau of Economic Analysis, from fiscal year
16 2025 through the fiscal year for which the amount is being determined, and
17 rounding upward to the nearest whole dollar amount.

18 Sec. 2. STATE BOARD OF EDUCATION; RULEMAKING; SMALL BY
19 NECESSITY; SPARSE BY NECESSITY; SUPPORT GRANTS

20 On or before July 1, 2027, the State Board of Education shall adopt rules
21 pursuant to 3 V.S.A. chapter 25 to define “small by necessity” and “sparse by

1 necessity” for purposes of administering support grants for small schools and
2 sparse schools under 16 V.S.A. § 4019. The State Board of Education shall
3 adopt these rules as an emergency rule and concurrently propose them as a
4 permanent rule. The emergency rule shall be deemed to meet the standard for
5 the adoption of emergency rules pursuant to 3 V.S.A. § 844(a).

6 Sec. 3. REPEAL

7 2025 Acts and Resolves No. 73, Sec. 37 (small schools; sparse schools;
8 support grants) is repealed.

9 Sec. 4. 16 V.S.A. § 4010 is amended to read:

10 § 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP
11 AND PER PUPIL EDUCATION SPENDING

12 * * *

13 (b) Determination of average daily membership and weighting categories.
14 On or before the first day of December during each school year, the Secretary
15 shall determine the average daily membership, as defined in subdivision
16 4001(1) of this title, of each school district for the current school year and shall
17 perform the following tasks.

18 * * *

19 ~~(2)(A) Identify all school districts that have low population density,~~
20 ~~measured by the number of persons per square mile residing within the land~~

1 area of the geographic boundaries of the district as of July 1 of the year of
2 determination, equaling:

3 (i) fewer than 36 persons per square mile;

4 (ii) 36 or more persons per square mile but fewer than 55 persons
5 per square mile; or

6 (iii) 55 or more persons per square mile but fewer than 100
7 persons per square mile.

8 (B) Population density data shall be based on the best available U.S.
9 Census data as provided to the Agency of Education by the Vermont Center for
10 Geographic Information.

11 (C) Using average daily membership, list for each school district that
12 has low population density the number of pupils in each of subdivisions

13 (A)(i)-(iii) of this subdivision (2). [Repealed.]

14 (3)(A) Identify all school districts that have one or more small schools,
15 which are schools that have an average two-year enrollment of:

16 (i) fewer than 100 pupils; or

17 (ii) 100 or more pupils but fewer than 250 pupils.

18 (B) As used in subdivision (A) of this subdivision (3), “average two-
19 year enrollment” means the average enrollment of the two most recently
20 completed school years, and “enrollment” means the number of pupils who are

1 enrolled in a school operated by the district on October 1. A pupil shall be
2 counted as one whether the pupil is enrolled as a full-time or part-time student.

3 (C) ~~Using average two-year enrollment, list for each school district~~
4 ~~that has a small school the number of pupils in each of subdivisions (A)(i)–(ii)~~
5 ~~of this subdivision (3). [Repealed.]~~

6 * * *

7 (d) Determination of weighted long-term membership. For each weighting
8 category ~~except the small schools weighting category under subdivision (b)(3)~~
9 ~~of this section~~, the Secretary shall compute the weighting count by using the
10 long-term membership, as defined in subdivision 4001(7) of this title, in that
11 category.

12 * * *

13 (4) ~~The Secretary shall then apply a weight for pupils living in low~~
14 ~~population density school districts. Each pupil included in long-term~~
15 ~~membership residing in a low population density school district, measured by~~
16 ~~the number of persons per square mile residing within the land area of the~~
17 ~~geographic boundaries of the district as of July 1 of the year of determination,~~
18 ~~shall receive an additional weighting amount of:~~

19 (A) ~~0.15, where the number of persons per square mile is fewer than~~
20 ~~36 persons;~~

