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## TESTIMONY

**Testimony to:** The Vermont General Assembly

**Respectfully Submitted by:** The Vermont Agency of Education

**Subject:** H.955 - An act relating to next steps in transforming Vermont's education system

**Date:** April 22, 2026

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The Agency of Education recognizes the complexity of leading through a period of significant transition in Vermont's education system and the weight of the decisions before the Legislature. This moment requires clear direction, coherence, and a sustained focus on the long-term outcomes we are collectively working to achieve for students.

As currently constructed, H.955 does not provide that clarity or direction. The resulting legislation does not deliver on the promise of Act 73, and the Agency has serious concerns about its impact on students, districts, and taxpayers.

At its core, H.955 is built on a fundamental misalignment with Act 73. The bill advances a lengthy and complex voluntary merger process that is unlikely to produce the scale necessary to support the foundation formula. As members of the committees themselves have acknowledged, without meaningful consolidation, districts will struggle to operate effectively under that formula. In practice, this approach risks producing reactive, uneven mergers driven by financial pressure rather than a coherent, statewide strategy. The Agency shares the concern that this path will not achieve the outcomes envisioned in Act 73 and does not believe it is a sound foundation for statewide transformation.

In place of a clear and deliberate approach to governance reform, H.955 relies heavily on the creation of Cooperative Educational Service Areas (CESAs) as a mechanism for achieving efficiencies. While the Agency supports regional service delivery, the bill proposes doing so by adding a new layer of governance, with associated administrative costs and structural complexity. There is little credible evidence that this approach will yield the efficiencies that have been suggested and risks exacerbating the very workforce issues and complexity that are current barriers to education quality and affordability. Claims of substantial savings are based on misapplied or overstated data and should not be the basis for decisions of this magnitude. Creating additional bureaucracy without addressing underlying governance fragmentation will not deliver the system-level improvements that Vermonters expect and abdicates



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state level responsibilities to ensure that every student has access to a high quality education.

More broadly, H.955 layers a series of policy decisions on top of this weak foundation that compound, rather than resolve, the underlying challenges. The bill delays implementation of the foundation formula, introduces new processes that duplicate or conflict with work already completed at the state level, and shifts responsibility for resolving complex structural issues onto local communities. It also proposes significant new investments in school construction without a clear, statewide understanding of system needs and in ways that are misaligned with the timeline and resource requirements the Agency has outlined for successful implementation. This approach risks a failed rollout of a major public investment, with long-term implications for the viability and credibility of state support for school construction. In doing so, it increases uncertainty, adds cost, and risks further entrenching inequities that Act 73 was designed to address. Taken together, these choices do not reflect a thoughtful or strategic use of limited state resources.

The Agency has consistently provided analysis, data, and pragmatic solutions to the challenges identified throughout this process, including approaches to governance, staffing, finance, and implementation. We remain ready to partner with the Legislature to advance a path forward that reflects both the intent and the urgency of Act 73.

Achieving the scale and coherence envisioned in Act 73 is not easy—but it is necessary. The complexity of this work should not be a reason to defer or diffuse responsibility. As currently constructed, H.955 shifts the most difficult decisions away from the state level and places the burden on local communities to solve systemic challenges that require statewide leadership.

To deliver on the promise of Act 73—equitable access, improved outcomes, and a more sustainable system—the State must take a clear, consistent, and evidence-based approach to governance and implementation. The Agency urges the Legislature to reconsider the current direction of H.955 and to work collaboratively toward a solution that is grounded in both the policy goals and the practical realities of Vermont's education system.

We appreciate your consideration and remain committed to supporting this work.

Sincerely,

Zoie Saunders, M.Ed., Secretary of Education



Section	Topic	AOE Feedback
Sec 1	Legislative Intent	<p>The AOE supports the intent of the General Assembly to prioritize local voice and community input. However, we encourage legislators to consider avenues for local voice and community input beyond serving on local school boards, such as School Advisory Councils to guarantee community input in district-wide policymaking and budgeting.</p>
Sec 2	Cooperative Educational Service Areas Map	<p>Creating an additional layer of governance in Vermont’s education system will not achieve the goals established in Act 73. The AOE supports the legislature enacting a map with new, larger governance units; however, enacting these governance units as CESAs rather than school districts will not achieve the operational scale necessary to deliver on the educational quality goals under the foundation formula in Act 73.</p> <p>The research that has been cited to promote CESAs as a cost-saving mechanism is based on savings from district consolidation, not CESAs. Advocates have cited a report from Campaign for Vermont <a href="#">promising at least \$291 million in annual savings from CESAs</a>; however, this report uses existing research on savings from district consolidation (as well as private sector consolidation) to determine potential savings from CESAs—while, inexplicably, claiming that district consolidation will not produce meaningful savings.</p> <p>Advocates have also cited the experience of the one established BOCES/CESA in Vermont (<a href="#">the Vermont Learning Collaborative</a>) to promise significant savings. The AOE supports the work of VTLC, but these savings are limited to narrow opportunities such as professional development and evaluation services. Additionally, these savings are derived by comparisons between procuring these services from a BOCES/CESA and a private provider. These comparisons do not contemplate additional savings that could be achieved by a larger district being able to employ staff for these services.</p>
Sec 4	CESA Appropriation	<p>The AOE does not support expanding the scope of work for CESAs to include facilitating voluntary mergers, and therefore we do not support increasing the start-up grants.</p>
Sec 12	CESA Transition	<p>Although the AOE supports the concept of regional service delivery to meet specialized service needs, the AOE opposes creating an additional layer of governance on top of Vermont’s existing 52 supervisory unions/supervisory districts and 119 school districts.</p>



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		Instead, the AOE recommends evaluating regional service delivery needs after achieving scale through larger districts.
Sec 13	Union School District Creation Consultation and Facilitation	The AOE opposes enacting a merger process that does not guarantee the creation of new, larger districts. Creating decentralized study committees across Vermont to advise on potential consolidation is unlikely to result in new, larger districts and is a significant and unproductive use of time and resources by local education leaders. Tasking these committees with studying the “advisability” of forming unified union school districts is a broad and unspecific charge that is detached from the intent and criteria of Act 73.
Sec 14	Guidance for Study Committee Groupings	Providing a guidance map for study committees, rather than enacting new district lines, is unlikely to result in new, larger districts. However, in creating this map, the House Education Committee demonstrated the level of care and nuance necessary to enact new district lines at the state level, and their deliberations provide confidence in legislators’ abilities to reflect the intricacies of local communities in a statewide map. This map could act as a starting point for enacting new, larger districts.
Sec 15	Study Committee Results and Analysis; Facilitator Report	The written reports required by CESA facilitators ask for information and recommendations that the AOE has already provided. The AOE has already identified differences in staff salaries and differences in operating structures and has <a href="#">provided recommendations in testimony</a> for addressing these differences. Additionally, every proposed map has accounted for geographic and topographic barriers as well as enrollment patterns and projections.
Sec 16	SU and CESA Boundaries; AOE Report	The AOE stands ready to be a partner in this role; however, the need for SU boundary adjustments to reflect new union school districts assumes that the SU structure will be maintained. The SU structure limits the intended efficiencies of new, larger districts under Act 73, and the AOE is not supportive of maintaining this structure.
Sec 17	Study Committee Reimbursement Grants; CESA Executive Director Grants; Reports; Funding	Because the work assigned to study committees is duplicative of statewide efforts over the past year, awarding funds to study committees is not a productive use of state dollars. Additionally, withholding previously appropriated funds from the AOE introduces a level of uncertainty that undermines the very efforts the legislature has asked the AOE to lead. Redirecting these funds to, among other purposes, hire executive directors for CESAs is indicative of the additional layer of bureaucracy that CESAs represent.
Sec 18	Effective Dates	The new timeline of effective dates reflects a misguided approach to education transformation that enacts a foundation formula without



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		<p>guaranteeing the formation of new, larger districts that the foundation formula was designed for. If this approach does result in mergers, those mergers will be achieved through financial hardship, essentially threatening smaller districts with the prospect of operating at disadvantage compared with larger districts across the state. This is not a productive or thoughtful approach to education policy. More generally, delaying the enactment of the foundation formula will delay the state’s ability to deliver on the promise of Act 73. Pushing this timeline back by two years will add significant costs for taxpayers, and it will further entrench existing inequities in the meantime.</p>
Secs 21-22	Prekindergarten Education Funding; Reports; Appropriation; Data Collection	<p>Restudying Prekindergarten for an additional year is not a prudent use of state funds. The AOE would recommend amending the current JFO contract and adjust the scope of work to include Prekindergarten.</p> <p>The language requiring AOE, DCF, and Building Bright Futures to establish a system to jointly monitor and evaluate pre-k programs is unnecessary, as the AOE, CDD, and BBF are collaborating through the <a href="#">Preschool Development Grant Birth through Five (PDG B-5) program</a> to streamline governance and data collection protocols. Vermont received a one-year PDG B-5 grant in January 2026. This latest initiative is a comprehensive, integrative systems-building project that focuses on increasing child care capacity; modernizing early childhood data systems; and strengthening pathways that connect families to services such as developmental screening, referrals, and financial support.</p>
Sec 23	Special Education Funding Safeguard; Legislative Intent	<p>The AOE is committed to ensuring compliance with federal maintenance of effort (MOE) requirements as well as ensuring access to a free appropriate public education (FAPE). The AOE will maintain these commitments regardless of changes to state law. Requiring the AOE to issue guidance to ensure compliance with federal law is unnecessary, as the AOE already holds districts to an expectation of compliance with state and federal law.</p>
Sec 25	Union School District Study Committee Budgets	<p>Based on committee discussion, \$500,000 appears to be an arbitrary threshold for a study committee budget that requires approval by the electorate. Without a clear rationale for increasing the current threshold of \$50,000 to \$500,000, this approach risks abandoning the legislature’s intent in H.955 to retain local voice and community input.</p>



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Secs 26-27a	Rulemaking: Small and Sparse Schools; Intradistrict Budgeting; Reserve Fund Account Standards	The AOE is supportive and stands ready to collaborate in rulemaking for these sections.
Sec 27b	School Transportation Grants; Report	The AOE is supportive and stands ready to compile this information and provide recommendations.
Sec 27c	Student Profile Form	Districts already collect the information included in the proposed Student Profile Form. The AOE collects this data through the DC04, where it is vetted and certified by districts and quality checked by AOE staff. The AOE is not supportive of an additional form, which may create data discrepancies.
Sec 27d	Length of school day; rulemaking	The AOE supports increasing instructional minutes and providing guidelines by grand band, but we encourage the legislature to allow flexibility to districts in meeting those instructional minutes.
Sec 29	Small/sparse schools; support grants	The AOE is supportive of assuming responsibility for making the small/sparse by necessity determination.
Secs 68-78	School Construction	These sections propose significant new investments in school construction without a clear, statewide understanding of system needs and in ways that are misaligned with the timeline and resource requirements the Agency has outlined for successful implementation. This approach risks a failed rollout of a major public investment, with long-term implications for the viability and credibility of state support for school construction. In doing so, it increases uncertainty, adds cost, and risks further entrenching inequities that Act 73 was designed to address. Taken together, these choices do not reflect a thoughtful or strategic use of limited state resources.
Secs 81-84	Various Transition Timelines	The timeline adjustments reflect a delay in enacting Act 73 that the AOE does not support.
Sec 85	Education Fund Advisory Committee	Removing the Commissioner of Taxes, the Secretary of Education, and the Chair of the State Board of Education (or their designees) will eliminate much-needed expertise on the Education Fund Advisory Committee.

