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Changes from last draft

1 * * * Goals * * *

2 Sec. 1. GOALS

3 By enacting this legislation, the General Assembly intends to modernize

4 Vermont’s school district governance structure in a manner that:

5 (1) enables higher quality educational delivery;

6 (2) improves governance efficiency;

7 (3) moderates the growth rate of education spending;

8 (4) preserves local voice;

9 (5) is sensitive and responsive to the diverse needs of the State; and

10 (6) uses a structured voluntary process first, with a limited and targeted
11 involuntary mechanism only if necessary to meet statewide goals.

12 * * * Supervisory Unions * * *

13 Sec. 2. 16 V.S.A. § 301 is redesignated to read:

14 § ~~301~~ 265. APPORTIONMENT OF EXPENSES

15 Sec. 3. 16 V.S.A. chapter 7, subchapter 2 is amended to read:

16 Subchapter 2. ~~Supervisory Union Expenses~~ Division of State into Supervisory
17 Unions

18 **§ 280. SUPERVISORY UNIONS**

19 The State is divided into the supervisory unions of Southwest Area

20 Supervisory Union, Bennington-Rutland Supervisory Union, Windham South

21 Supervisory Union, Windham North Supervisory Union, Upper Valley Area

22 Supervisory Union, Rutland Area Supervisory Union, Randolph Area

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1 Supervisory Union, Central Area Supervisory Union, Caledonia Area
2 Supervisory Union, Lamoille Area Supervisory Union, Essex-Orleans Area
3 Supervisory Union, Northwest Area Supervisory Union, Champlain Valley
4 Supervisory District, Essex Westford Supervisory District, Burlington
5 Supervisory District, Mount Mansfield Unified Union Supervisory District,
6 South Burlington Supervisory District, Maple Run Unified Supervisory
7 District, Colchester Supervisory District, Barre Unified Union Supervisory
8 District, Franklin West Supervisory Union, Harwood Unified Union
9 Supervisory District, Addison Central Supervisory District, Milton Town
10 Supervisory District, Washington Central Unified Union Supervisory District,
11 Mount Abraham Unified Supervisory District, Montpelier Roxbury
12 Supervisory District, Addison Northwest Supervisory District, Winooski
13 Supervisory District, Caledonia Supervisory District, and Lincoln Supervisory
14 District.

15 **§ 281. SUPERVISORY UNION ONE: SOUTHWEST AREA**

16 The Southwest Area Supervisory Union is formed of the following member
17 school districts and their member municipalities:

18 (1) School district A, which is composed of XXX...

19 Arlington, Bennington, Glastenbury, Pownal, Sandgate, Searsburg,
20 Shaftsbury, and Woodford

21 **§ 282. SUPERVISORY UNION TWO: BENNINGTON-RUTLAND**

22 **SUPERVISORY UNION**

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1 The Bennington-Rutland Supervisory Union is formed of the following
2 member school districts and their member municipalities:

3 (1) School district A, which is composed of XXX...

4 Danby, Dorset, Dover, Landgrove, Londonderry, Manchester,
5 Middletown Springs, Mount Tabor, Pawlet, Peru, Rupert, Somerset, Stratton,
6 Sunderland, Wardsboro, Wells, Weston, and Winhall.

7 **§ 283. SUPERVISORY UNION THREE: WINDHAM SOUTH**

8 The Windham South Supervisory Union is formed of the following member
9 school districts and their member municipalities:

10 (1) School District A, which is composed of XXX...

11 Brattleboro, Brookline, Dummerston, Guilford, Halifax, Jamaica,
12 Marlboro, Newfane, Putney, Readsboro, Stamford, Townshend, Vernon,
13 Whitingham, Wilmington

14 **§ 284. SUPERVISORY UNION FOUR: WINDHAM NORTH**

15 The Windham North Supervisory Union is formed of the following member
16 school districts and their member municipalities:

17 (1) School District A, which is composed of XXX...

18 Andover, Athens, Baltimore, Cavendish, Chester, Grafton, Ludlow,
19 Mount Holly, Rockingham, Springfield, Westminster, Windham

20 **§ 285. SUPERVISORY UNION FIVE: UPPER VALLEY AREA**

21 The Upper Valley Area Supervisory Union is formed of the following
22 member school districts and their member municipalities:

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1 (1) School District A, which is composed of XXX...
2 Barnard, Bridgewater, Hartford, Hartland, Killington, Pittsfield,
3 Plymouth, Pomfret, Reading, Weathersfield, West Windsor, Windsor,
4 Woodstock

5 **§ 286. SUPERVISORY UNION SIX: RUTLAND AREA**

6 The Rutland Area Supervisory Union is formed of the following member
7 school districts and their member municipalities:

8 (1) School District A, which is composed of XXX...
9 Benson, Brandon, Castleton, Chittenden, Clarendon, Fair Haven,
10 Goshen, Hubbardton, Ira, Leicester, Mendon, Orwell, Pittsford, Poultney,
11 Proctor, Rutland City, Rutland Town, Shrewsbury, Sudbury, Tinmouth,
12 Wallingford, West Haven, West Rutland, Whiting

13 **§ 287. SUPERVISORY UNION SEVEN: RANDOLPH AREA**

14 The Randolph Area Supervisory Union is formed of the following member
15 school districts and their member municipalities:

16 (1) School District A, which is composed of XXX...
17 Bethel, Braintree, Brookfield, Chelsea, Granville, Hancock, Randolph,
18 Rochester, Royalton, Sharon, Stockbridge, Strafford, Thetford, Tunbridge

19 **§ 288. SUPERVISORY UNION EIGHT: CENTRAL AREA**

20 The Central Area Supervisory Union is formed of the following member
21 school districts and their member municipalities:

22 (1) School District A, which is composed of XXX...

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1 Bradford, Corinth, Groton, Newbury, Northfield, Orange, Ryegate,
2 Topsham, Washington, Williamstown

3 **§ 289. SUPERVISORY UNION NINE: CALEDONIA AREA**

4 The Caledonia Area Supervisory Union is formed of the following member
5 school districts and their member municipalities:

6 (1) School District A, which is composed of XXX...

7 Barnet, Burke, Concord, Danville, Lunenburg, Lyndon, Newark,
8 Peacham, Saint Johnsbury, Sheffield, Sutton, Waldon, Waterford, Wheelock

9 **§ 210. SUPERVISORY UNION 10: LAMOILLE AREA**

10 The Lamoille Area Supervisory Union is formed of the following member
11 school districts and their member municipalities:

12 (1) School District A, which is composed of XXX...

13 Belvidere, Cambridge, Craftsbury, Eden, Elmore, Greensboro,
14 Hardwick, Hyde Park, Johnson, Morristown, Stannard, Stowe, Waterville,
15 Wolcott, Woodbury

16 **§ 291. SUPERVISORY UNION 11: ESSEX-ORLEANS AREA**

17 The Essex-Orleans Area Supervisory Union is formed of the following
18 member school districts and their member municipalities:

19 (1) School District A, which is composed of XXX...

20 Albany, Averill, Avery's Gore, Barton, Bloomfield, Brighton,
21 Brownington, Brunswick, Canaan, Charleston, Coventry, Derby, East Haven,
22 Ferdinand, Glover, Granby, Guildhall, Holland, Irasburg, Jay, Kirby,

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1 Lemington, Lewis, Lowell, Maidstone, Morgan, Newport City, Newport
2 Town, Norton, Troy, Victory, Warner’s Grant, Warren’s Gore, Westfield,
3 Westmore

4 **§ 292. SUPERVISORY UNION 12: NORTHWEST AREA**

5 The Northwest Area Supervisory Union is formed of the following member
6 school districts and their member municipalities:

7 (1) School District A, which is composed of XXX...

8 Alburgh, Bakersfield, Berkshire, Enosburgh, Franklin, Grand Isle,
9 Highgate, Isle La Motte, Montgomery, North Hero, Richford, Sheldon, South
10 Hero, Swanton

11 **§ 293. SUPERVISORY UNION 13: CHAMPLAIN VALLEY**

12 **SUPERVISORY DISTRICT**

13 The Champlain Valley Supervisory District is formed of the Champlain
14 Valley School District, which is composed of the member municipalities of
15 Charlotte, Hinesburg, Shelburne, St. George, and Williston.

16 **§ 294. SUPERVISORY UNION 14: ESSEX WESTFORD SUPERVISORY**

17 **DISTRICT**

18 The Essex Westford Supervisory District is formed of the Essex Westford
19 Educational Community Unified Union School District, which is composed of
20 the member municipalities of Essex, Essex Junction, and Westford.

21 **§ 295. SUPERVISORY UNION 15: BURLINGTON SUPERVISORY**

22 **DISTRICT**

1 The Burlington Supervisory District is formed of the Burlington School
2 District, which is composed of Burlington.

3 **§ 296. SUPERVISORY UNION 16: MOUNT MANSFIELD UNIFIED**

4 **UNION SUPERVISORY DISTRICT**

5 The Mount Mansfield Unified Union Supervisory District is formed of the
6 Mount Mansfield Unified Union School District, which is composed of the
7 member municipalities of Bolton, Buel’s Gore, Huntington, Jericho,
8 Richmond, and Underhill.

9 **§ 297. SUPERVISORY UNION 17: SOUTH BURLINGTON**

10 **SUPERVISORY DISTRICT**

11 The South Burlington Supervisory District is formed of the South
12 Burlington School District, which is composed of South Burlington.

13 **§ 298. SUPERVISORY UNION 18: MAPLE RUN UNIFIED**

14 **SUPERVISORY DISTRICT**

15 The Maple Run Unified Supervisory District is formed of the Maple Run
16 Unified School District, which is composed of Fairfield, St. Albans City, and
17 St. Albans Town.

18 **§ 299. SUPERVISORY UNION 19: COLCESTER SUPERVISORY**

19 **DISTRICT**

20 The Colchester Supervisory District is formed of the Colchester School
21 District, which is composed of Colchester.

22 **§ 300. SUPERVISORY UNION 20: BARRE UNIFIED UNION**

1 **SUPERVISORY DISTRICT**

2 The Barre Unified Union Supervisory District is formed of the Barre
3 Unified Union School District, which is composed of Barre City and Barre
4 Town.

5 **§ 301. SUPERVISORY UNION 21: FRANKLIN WEST SUPERVISORY**

6 **UNION**

7 The Franklin West Supervisory Union is formed of the following member
8 school districts and their member municipalities:

- 9 (1) Fairfax School District, which is composed of Fairfax;
10 (2) Fletcher School District, which is composed of Fletcher; and
11 (3) Georgia School District, which his composed of Georgia.

12 **§ 302. SUPERVISORY UNION 22: HARWOOD UNIFIED UNION**

13 **SUPERVISORY DISTRICT**

14 The Harwood Unified Union Supervisory District is formed of the Harwood
15 Unified Union School District, which is composed of Duxbury, Fayston,
16 Moretown, Waitsfield, Warren, and Waterbury.

17 **§ 303. SUPERVISORY UNION 23: ADDISON CENTRAL SUPERVISORY**

18 **DISTRICT**

19 The Addison Central Supervisory District is formed of the Addison Central
20 School District, which is composed of Bridport, Cornwall, Middlebury,
21 Ripton, Salisbury, Shoreham, and Weybridge.

22 **§ 304. SUPERVISORY UNION 24: MILTON TOWN SUPERVISORY**

1 **DISTRICT**

2 The Milton Supervisory District is formed of the Milton Town School
3 District, which is composed of Milton.

4 **§ 305. SUPERVISORY UNION 25: WASHINGTON CENTRAL UNIFIED**

5 **UNION SUPERVISORY DISTRICT**

6 The Washington Central Unified Union Supervisory District is formed of
7 the Washington Central Unified Union School District, which is composed of
8 Berlin, Calais, East Montpelier, Middlesex, and Worcester.

9 **§ 306. SUPERVISORY UNION 26: MOUNT ABRAHAM UNIFIED**

10 **SUPERVISORY DISTRICT**

11 The Mount Abraham Unified Supervisory District is formed of the Mount
12 Abraham Unified School District, which is composed of Bristol, Monkton,
13 New Haven, and Starksboro.

14 **§ 307. SUPERVISORY UNION 27: MONTPELIER ROXBURY**

15 **SUPERVISORY DISTRICT**

16 The Montpelier Roxbury Supervisory District is formed of the Montpelier
17 Roxbury School District, which is composed of Montpelier and Roxbury.

18 **§ 308. SUPERVISORY UNION 28: ADDISON NORTHWEST**

19 **SUPERVISORY DISTRICT**

20 The Addison Northwest Supervisory District is formed of the Addison
21 Northwest School District, which is composed of Addison, Ferrisburgh,
22 Panton, Vergennes, and Waltham.

1 **§ 309. SUPERVISORY UNION 29: WINOOSKI SUPERVISORY**

2 **DISTRICT**

3 The Winooski Supervisory District is formed of the Winooski School
4 District, which is composed of Winooski.

5 **§ 310. SUPERVISORY UNION 30: CALEDONIA SUPERVISORY UNION**

6 The Caledonia Supervisory Union is formed of the following member
7 school districts and their member municipalities:

8 (1) Cabot School District, which is composed of Cabot; and

9 (2) Twinfield Unified Union School District, which is composed of
10 Marshfield and Plainfield.

11 **§ 311. SUPERVISORY UNION 31. LINCOLN SUPERVISORY DISTRICT**

12 The Lincoln Supervisory District is formed of the Lincoln School District,
13 which is composed of Lincoln.

14 Sec. 4. 16 V.S.A. § 261 is amended to read:

15 § 261. ORGANIZATION AND ADJUSTMENT OF SUPERVISORY

16 UNIONS

17 ~~(a) The State Board shall review on its own initiative or when requested as~~
18 ~~per subsection (b) of this section and may regroup the supervisory unions of~~
19 ~~the State or create new supervisory unions in such manner as to afford~~
20 ~~increased efficiency or greater convenience and economy and to facilitate~~
21 ~~prekindergarten through grade 12 curriculum planning and coordination as~~
22 ~~changed conditions may seem to require. The board of a member school~~

1 district may propose to the General Assembly to adopt, repeal, or amend
2 boundaries of the supervisory union it belongs to in accordance with the
3 following procedure:

4 (1) A proposal to adopt, repeal, or amend a supervisory union boundary
5 may be made by a member school district board or by petition of five percent
6 of the total voters of a member school district.

7 (2) An official copy of the supervisory union boundary adjustment
8 proposal shall be filed as a public record with the clerk of the member school
9 district pursuing a boundary adjustment at least 10 days before the first public
10 hearing regarding the boundary adjustment proposal. The school district clerk
11 shall certify the date on which the clerk received the official copy and the date
12 copies shall be made available to members of the public upon request.

13 (3)(A) The member school district board shall hold at least two public
14 hearings prior to the vote on the boundary adjustment proposal.

15 (B) The first public hearing shall be held in accordance with
16 subdivision (a)(2) of this section and at least 30 days before the vote.

17 (4)(A) If the boundary adjustment proposal is made by a member school
18 district board, the board may revise the proposal as a result of suggestions and
19 recommendations made at a public hearing, but in no event shall such revisions
20 be made less than 20 days before the date of the meeting to vote on the
21 boundary adjustment proposal.

1 (B) If revisions are made, the school board shall post a notice of these
2 revisions in the same places as the warning for the meeting not less than 20
3 days before the date of the meeting and shall attach such revisions to the
4 official copy of the request kept on file for public inspection in the office of the
5 clerk of the member school district.

6 (5)(A) If the boundary adjustment proposal is made by petition, the
7 second public hearing shall be held not later than 10 days after the first public
8 hearing. The school board shall not have the authority to revise a boundary
9 adjustment proposal made by petition.

10 (B) After the warning and hearing requirements of this section are
11 satisfied, the boundary adjustment proposal shall be submitted to the voters of
12 the member school district proposing the boundary adjustment at the next
13 annual meeting, primary election, or general election in the form in which it
14 was filed, except that the school board may make technical corrections.

15 (6)(A) Notice of each public hearing and of the annual or special
16 meeting shall be given in accordance with 17 V.S.A. § 2641.

17 (B)(i) Each notice shall specify the supervisory union boundaries to
18 be adjusted, repealed, or amended, setting out those boundaries in the amended
19 form, with deleted matter struck through and new matter underlined.

20 (ii) If the school board determines that the boundary adjustment
21 proposal is too long or unwieldy to set out in amended form, the notice shall
22 include a concise summary of the boundary adjustment proposal and shall state

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1 that an official copy of the boundary adjustment proposal is on file for public
2 inspection in the office of the clerk of the school district and that copies thereof
3 shall be made available to members of the public upon request.

4 (7)(A) Voting on a boundary adjustment proposal shall be by Australian
5 ballot.

6 (B)(i) The ballot shall show each boundary adjustment to be adopted,
7 repealed, or amended in the amended form, with deleted matter struck through
8 and new matter underlined, and shall permit the voter to vote on each separate
9 proposal contained within the boundary adjustment request.

10 (ii) If the school board determines that the boundary adjustment
11 proposal is too long or unwieldy to be shown in the amended form, voters shall
12 be permitted to vote upon each separate proposal in its entirety in the form of a
13 yes or no proposition.

14 (C) An official copy of the boundary adjustment proposal shall be
15 posted conspicuously in each ballot booth for inspection by the voters during
16 the balloting.

17 ~~(b)(1) Any school district that has so voted at its annual school district~~
18 ~~meeting, if said meeting has been properly warned regarding such a vote, may~~
19 ~~request that the State Board adjust the existing boundaries of the supervisory~~
20 ~~union of which it is a member district~~ The clerk of the member school district
21 shall announce and post the results of the vote immediately after the vote is
22 counted.

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1 (2) ~~Any group of school districts that have so voted at their respective~~
2 ~~annual school district meeting, regardless of whether the districts are members~~
3 ~~of the same supervisory union, may request that the State Board adjust existing~~
4 ~~supervisory union boundaries and move one or more nonrequesting districts to~~
5 ~~a different supervisory union if such adjustment would assist the requesting~~
6 ~~districts to realign their governance structures into a unified union school~~
7 ~~district pursuant to chapter 11 of this title. The clerk of the school district,~~
8 ~~within 10 days after the day of the meeting, shall certify to the Secretary of~~
9 ~~State each separate boundary adjustment contained within the boundary~~
10 ~~adjustment proposal, showing the facts as to its origin and the procedure~~
11 ~~followed, which shall include:~~

12 (A)(i) if the boundary adjustment proposal was made by the school
13 board, the minutes recorded by the school board that detail the origins and
14 intent of each separate boundary adjustment proposal; and

15 (ii) if the boundary adjustment proposal was made by voter
16 petition, the body of the petition and evidence of the required number of
17 petition signatures;

18 (B) a copy of the official certified copy of the boundary adjustment
19 proposal filed with the clerk of the school district pursuant to subdivision
20 (a)(2) of this section;

21 (C) copies of the warnings and published notices for each of the
22 public hearings held pursuant to subdivision (a)(3) of this section;

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1 (D) minutes recorded by the school board that detail each of the
2 public hearings held pursuant to subdivision (a)(3) of this section;

3 (E) copies of warnings and published notices for the meeting to vote
4 on the boundary adjustment proposal;

5 (F) a copy of the ballot and the results of the vote or votes on the
6 boundary adjustment proposal; and

7 (E) the results of the advisory supervisory union board votes made
8 pursuant to subsection (c) of this section.

9 ~~(3) The State Board shall act on a request made pursuant to this~~
10 ~~subsection within 75 days of receipt of the request and may regroup the school~~
11 ~~districts in the area so as to ensure reasonable supervision of all of these public~~
12 ~~schools. If the voters do not approve the boundary adjustment proposal, no~~
13 ~~further action shall be taken unless and until a new boundary adjustment~~
14 ~~proposal is initiated pursuant to this section.~~

15 ~~(c) The State Board may designate any school district, including a unified~~
16 ~~union district, as a supervisory district if it will provide for the education of all~~
17 ~~resident students in prekindergarten through grade 12 and is large enough to~~
18 ~~support the planning and administrative functions of a supervisory union If the~~
19 ~~voters of the member school district vote to approve the boundary adjustment~~
20 ~~proposal, the boards of the supervisory unions affected by the boundary~~
21 ~~adjustment proposal shall hold an advisory vote to approve the boundary~~
22 ~~adjustment proposal within 45 days after the results of the school district vote.~~

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1 The clerk of the school district requesting the boundary adjustment shall
2 submit the results of the advisory supervisory union board votes to the
3 Secretary of State with the information required to be submitted pursuant to
4 subdivision (b)(2) of this section.

5 (d) ~~Upon application by a supervisory union board, the State Board may~~
6 ~~waive any requirements of chapter 5 or 7 of this title with respect to the~~
7 ~~supervisory union board structure, board composition, or board meetings, or~~
8 ~~the staffing pattern of the supervisory union, if it can be demonstrated that such~~
9 ~~a waiver will result in efficient and effective operations of the supervisory~~
10 ~~union; will not result in any disproportionate representation; and is otherwise~~
11 ~~in the public interest~~ If the voters of the member school district vote to
12 approve the boundary adjustment proposal, after confirming that the clerk of
13 the member school district has certified each of the documents listed in
14 subdivision (b)(2) of this section, the Secretary of State shall file the certificate
15 and deliver copies of it to the Agency of Education, the State Board of
16 Education, the Clerk of the House, the Secretary of the Senate, and the chairs
17 of the committees concerned with supervisory union boundaries of both houses
18 of the General Assembly.

19 (e) The boundary adjustment proposal shall become effective upon
20 affirmative enactment of the proposal, either as proposed or as amended by the
21 General Assembly.

1 Sec. 5. TRANSITION TO NEW SUPERVISORY UNIONS; REPORT

2 (a) Transition board formation. Within 30 days following the passage of
3 this act, the Secretary of Education shall separately call a meeting of the school
4 boards of the member school districts within each supervisory union. The
5 number of supervisory union board members shall be determined and directors
6 shall be elected according to 16 V.S.A. § 266. Within 30 days thereafter, the
7 Secretary shall call a meeting and the board shall elect a chair and other
8 necessary officers to serve as a transition board until the first regular annual
9 election of officers. The operational date of the new supervisory unions shall
10 be July 1, 2027.

11 (b) Roles and authority during transitional period. During the transition
12 period:

13 (1) The supervisory unions in existence on July 1, 2026, shall continue
14 to provide administrative, planning, and educational services for their member
15 school districts until the new supervisory unions created pursuant to this act are
16 operational.

17 (2) The transition board shall develop bylaws for the new supervisory
18 union that shall address how the expenses of the supervisory union, including
19 those associated with the central office and those associated with the provision
20 of special education services, shall be assessed to member school districts.

21 (3) The transition board shall take all actions necessary to ensure the
22 supervisory union is able to fully comply with and execute each duty assigned

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1 to a supervisory union pursuant to 16 V.S.A. § 261a not later than the
2 operational date of the new supervisory union.

3 (4) The transition board shall comply with 16 V.S.A. chapter 53,
4 subchapter 3 for the transition of employees.

5 (c) Report. On or before September 1, 2027, the State Board of Education
6 shall submit a written report to the House and Senate Committees on
7 Education with recommendations for:

8 (1) Adjustments to the supervisory union boundaries of the Champlain
9 Valley Supervisory District, Essex Westford Supervisory District, Burlington
10 Supervisory District, Mount Mansfield Unified Union Supervisory District,
11 South Burlington Supervisory District, Maple Run Unified Supervisory
12 District, Colchester Supervisory District, Barre Unified Union Supervisory
13 District, Franklin West Supervisory Union, Harwood Unified Union
14 Supervisory District, Addison Central Supervisory District, Milton Town
15 Supervisory District, Washington Central Unified Union Supervisory District,
16 Mount Abraham Unified Supervisory District, Montpelier Roxbury
17 Supervisory District, Addison Northwest Supervisory District, Winooski
18 Supervisory District, Caledonia Supervisory District, and Lincoln Supervisory
19 District, which shall result in supervisory unions with an aggregate average
20 daily membership of all member school districts within a supervisory union of
21 not less than 2,500 students and may include supervisory districts if the

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1 average daily membership of a supervisory district is also not less than 2,500
2 students.

3 (2) School district mergers within the new supervisory union boundary
4 recommendations submitted pursuant to subdivision (c)(1) of this section,
5 which shall result in a recommendation of a total of 10 school districts, as
6 practical, within the boundaries of the supervisory unions listed in subdivision
7 (1), taking into consideration any merger discussions already underway in the
8 field. The Secretary shall also work with these school districts to facilitate
9 merger study committees or informal merger conversations prior to the
10 Board’s recommendations pursuant to this subdivision.

11 * * * School District Consolidation * * *

12 Sec. 6. REDUCTION IN NUMBER OF SCHOOL DISTRICTS

13 (a) Reduction in number of school districts; goal. On or before July 1,
14 2029, the State shall provide educational opportunities through approximately
15 50 percent fewer school districts than exist on July 1, 2026, through the actions
16 described in this section.

17 (b) Supervisory union member district mergers. On or before September 1,
18 2026, the member school district boards of the following supervisory unions
19 shall establish study committees to study the advisability of forming a new or
20 expanded union school district in any combination that results in the reduction
21 in the number of individual member school districts to a total of 48 school
22 districts, as practical, across all supervisory unions listed in subdivisions (1)–

1 (12) of this subsection, pursuant to the processes and requirements of 16

2 V.S.A. chapter 11:

3 (1) Southwest Area Supervisory Union;

4 (2) Bennington-Rutland Supervisory Union;

5 (3) Windham South Supervisory Union;

6 (4) Windham North Supervisory Union;

7 (5) Upper Valley Area Supervisory Union;

8 (6) Rutland Area Supervisory Union;

9 (7) Randolph Area Supervisory Union;

10 (8) Central Area Supervisory Union;

11 (9) Caledonia Area Supervisory Union;

12 (10) Lamoille Area Supervisory Union;

13 (11) Essex-Orleans Area Supervisory Union; and

14 (12) Northwest Area Supervisory Union.

15 Sec. 7. OPERATION MODEL PROTECTION

16 (a) Intent. Nothing in this act shall be construed to restrict or repeal, or to
17 authorize, encourage, or contemplate the restriction or repeal of, the ability of a
18 school district that provides for the education of all resident students in one or
19 more grades:

20 (1) by paying tuition on the students' behalf, to continue to provide
21 education by paying tuition on behalf of all students in the grade or grades; or

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1 (2) by operating a school offering the grade or grades, to continue to
2 provide education by operating a school for all students in the grade or grades.

3 (b) School operation. All governance transitions contemplated pursuant to
4 this act shall preserve the ability of a district that provides for the education of
5 all resident students in one or more grades by operating a school for all
6 students in the grade or grades if it chooses to do so and shall not require the
7 district to pay tuition for students if it ceases to exist as a discrete entity and
8 realigns into a supervisory district or union school district.

9 (c) Tuition payment. All governance transitions contemplated pursuant to
10 this act shall preserve the ability of a district that provides for the education of
11 all resident students in one or more grades by paying tuition on the students’
12 behalf, to continue to provide education by paying tuition on behalf of all
13 students in the grade or grades if it chooses to do so and shall not require the
14 district to limit the options available to students if it ceases to exist as a discrete
15 entity and realigns into a supervisory district or union school district.

16 (d) Different operating structures. Nothing in this section shall prohibit
17 school districts, regardless of their operating structure, from voluntarily
18 merging pursuant to the processes and requirements of 16 V.S.A. chapter 11.

19 **Sec. 8. EVALUATION BY THE STATE BOARD OF EDUCATION**

20 (a) When evaluating a proposal to create a union school district pursuant to
21 16 V.S.A. chapter 11, including a proposal submitted pursuant to the
22 provisions of Sec. 6 of this act, the State Board of Education shall:

1 (1) consider whether the proposal is designed to meet the goals set forth
2 in Sec. 1 of this act and to reduce the number of school districts as set forth in
3 Sec. 6(a) of this act; and

4 (2) be mindful of any other district in the region that may become
5 geographically isolated, including the potential isolation of a district with low
6 fiscal capacity or with a high percentage of students from economically
7 deprived backgrounds as identified in 16 V.S.A. § 4010(d).

8 (A) At the request of the State Board, the Secretary of Education
9 shall work with the potentially isolated district and other districts in the region
10 to move toward voluntary merger that does not result in such isolation.

11 (B) The State Board is authorized to deny approval to a proposal that
12 would geographically isolate a district that would not be an appropriate
13 member of another governance structure in the region; provided, however, that,
14 notwithstanding 16 V.S.A. § 709(c)(2), the State Board shall approve other
15 mergers formed pursuant to this act that do not geographically isolate a district.

16 (b) As used in this section, “geographically isolated” means a school
17 district that is physically separated from other school districts in its supervisory
18 union in a way that results in less opportunity for the district’s resident
19 students.

20 Sec. 9. NONMERGING DISTRICT PROPOSALS

21 On or before November 30, 2027, the board of each school district listed in
22 Sec. 6(b) that is not a member of a newly formed school district or that does

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1 not expect to become a member of a newly formed school district on or before
2 July 1, 2029, solely on behalf of its own district or jointly with the boards of
3 other districts, shall submit a proposal to the Secretary of Education and the
4 State Board of Education in which the district:

5 (1) proposes to retain its current governance structure, to work with
6 other districts to form a different governance structure, or to enter into another
7 model of joint activity;

8 (2) demonstrates, through reference to enrollment projections,
9 student-to-staff ratios, the comprehensive data collected pursuant to 16 V.S.A.
10 § 165, and otherwise, how the proposal submitted pursuant to this section
11 supports the district’s or districts’ ability to meet or exceed each of the goals
12 set forth in Sec. 1 of this act; and

13 (3) identifies detailed actions it proposes to take to continue to improve
14 its performance in connection with each of the goals set forth in Sec. 1 of this
15 act.

16 Sec. 10. FINAL STATE ACTION

17 (a) Agency of Education’s proposal. In order to modernize Vermont’s
18 school district governance structures and meet the goals set forth in Sec. 1 of
19 this act while reducing the number of school districts located within the
20 supervisory unions listed in Sec. 6(b) to a total of 48 school districts, as
21 practical, the Secretary shall:

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1 (1) Review the governance structures of the school districts and
2 supervisory unions listed in Sec. 6(b) as they will exist, or are anticipated to
3 exist, on July 1, 2029. This review shall include consideration of any
4 proposals submitted by districts or groups of districts pursuant to Sec. 9 of this
5 act and conversations with those and other districts.

6 (2) On or before June 1, 2028, the Secretary shall develop, publish on
7 the Agency of Education’s website, and present to the State Board of
8 Education a proposed plan that, to the extent necessary to promote the purpose
9 stated at the beginning of this subsection, would merge districts into larger
10 school districts in an effort to reduce the number of school districts located
11 within the supervisory unions listed in Sec. 6(b) to a total of 48 school districts,
12 as practical. The Agency shall only recommend merging districts with the
13 same operating structures and districts within the same supervisory union. If it
14 is not possible or practicable to develop a proposal that realigns some districts,
15 where necessary, in a manner that adheres to the protections of Sec. 7 of this
16 act (protection for tuition-paying and operating districts), then the proposal
17 may also allow some school districts not to merge and instead to continue to
18 exist and operate as they did as of July 1, 2026.

19 (3) Any mergers proposed by the Agency shall be based on the
20 following considerations:

21 (A) school districts with small average daily membership counts shall
22 be a priority for mergers;

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1 (B) while school districts do not need to be contiguous in order to be
2 merged, such mergers shall take into account the geography of each applicable
3 school district and any other geographical areas affected by a proposed merger;

4 (C) will the merged school district have adequate infrastructure
5 capacity to consolidate schools should such a need develop;

6 (D) will the merger lead to improved opportunity for resident
7 students;

8 (E) will the merger lead to the potential to gain staffing and
9 administrative efficiencies; and

10 (F) will the merger result in net cost savings.

11 (b) State Board’s plan.

12 (1) School districts. On or before November 30, 2028, the State Board
13 shall review and analyze the Secretary’s proposal under the provisions in
14 subsection (a) of this section, may take testimony or ask for additional
15 information from districts and supervisory unions, shall approve the proposal
16 either in its original form or in an amended form that adheres to the provisions
17 of subsection (a) of this section, and shall publish on the Agency’s website its
18 order merging and realigning districts. The Board shall be prohibited from
19 merging school districts whose operating structures differ as of July 1, 2026,
20 and shall only order the merger of districts that are members of the same
21 supervisory union.

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1 (2) Supervisory unions after mergers. On or before November 30, 2028,
2 the State Board shall submit a written report to the House and Senate
3 Committees on Education with recommended supervisory union boundaries
4 that reflect the new school districts created through voluntary merger pursuant
5 to Sec. 6 of this act and the Board’s order merging and realigning school
6 districts pursuant to subdivision (1) of this subsection.

7 (c) Applicability. This section shall not apply to:

8 (1) an interstate school district;

9 (2) a school district not listed in Sec. 6(b);

10 (3) a regional career technical center school district formed under
11 16 V.S.A. chapter 37, subchapter 5A; or

12 (4) a school district that, between July 1, 2026, and July 1, 2028, began
13 to operate as a unified union school district or obtained an affirmative vote of
14 all necessary districts to voluntarily merge into a new union school district
15 pursuant to Sec. 6 of this act; provided, however, that as part of the State
16 Board’s plan developed pursuant to subsection (b) of this section, the State
17 Board may realign a newly formed unified union school district to include a
18 geographically isolated district where necessary to achieve the goals of this act.

19 Sec. 11. QUALITY ASSURANCE; ACCOUNTABILITY; DATA
20 COLLECTION; REPORT

21 The Secretary of Education shall regularly review, evaluate, and keep the
22 State Board of Education and the General Assembly apprised of the following:

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1 (1) the discussions, studies, and activity among districts to move
2 voluntarily toward creating new, larger school districts pursuant to Sec. 6 of
3 this act, including how such activity will impact access to career technical
4 education; and

5 (2) the data and other information collected in connection with
6 education quality standards pursuant to 16 V.S.A. § 165, and related on-site
7 education quality reviews, including data and information regarding the equity
8 of educational opportunities, academic outcomes, personalization of learning, a
9 safe school climate, high-quality staffing, and financial efficiency.

10 * * * Exploration and Transition Grants * * *

11 Sec. 12. EXPLORATION AND TRANSITION GRANTS; REPORT

12 Notwithstanding 16 V.S.A. § 4025:

13 (1) Supervisory union transition facilitation grant. Within 15 days
14 following the date each transitional board of each supervisory union created
15 pursuant to this act holds a meeting to elect a chair and other necessary officers
16 pursuant to Sec. 5(a), the Secretary of Education shall, from the Education
17 Fund, pay each transitional board a supervisory union transition facilitation
18 grant in the amount of \$250,000.00.

19 (2) Study committee grant. The Secretary of Education shall, from the
20 Education Fund, reimburse up to \$20,000.00 of fees paid by two or more
21 school districts for facilitation, legal, and other consulting services necessary
22 for the initial exploration of the advisability of forming a new union school

1 district for study committees that convene pursuant to 16 V.S.A. chapter 11 on
2 or after July 1, 2026, pursuant to Sec. 6 of this act.

3 (3) Merger support grant.

4 (A) After voter approval of a plan of merger that was developed by a
5 study committee established pursuant to 16 V.S.A. chapter 11 pursuant to
6 Sec. 6 of this act on or after July 1, 2026, the Secretary of Education may pay
7 the transitional board of the new union school district a transition facilitation
8 grant from the Education Fund in the amount of \$40,000.00.

9 (B) A new school district formed pursuant to the recommendation of
10 a study committee established pursuant to 16 V.S.A. chapter 11 pursuant to
11 Sec. 6 of this act on or after July 1, 2026, shall be eligible for a grant under this
12 subdivision (3).

13 (C) Merger support grants shall be available through fiscal year 2032.
14 Eligible newly formed union school districts shall only be eligible for a merger
15 support grant pursuant to this section during the fiscal year following voter
16 approval of a plan of merger.

17 (4) Report. Beginning on December 1, 2026, and annually thereafter
18 until December 1, 2031, the Agency of Education shall submit a written report
19 to the House Committees on Education and on Ways and Means and the
20 Senate Committees on Education and on Finance with information regarding
21 contemplated and active school district mergers and a proposed appropriation

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1 amount for the applicable fiscal year to cover the costs associated with the
2 grants created pursuant to this section. The report shall include:

3 (A) a list of school districts that are members of active study
4 committees formed pursuant to 16 V.S.A. chapter 11, the date the study
5 committee formed, and the status of any such study committee;

6 (B) a list of anticipated new union school districts that are likely to be
7 formed during the applicable fiscal year and the forming members and
8 anticipated average daily membership of each; and

9 (C) proposed appropriation amounts for study committee grants and
10 merger support grants for the applicable fiscal year based on the merger
11 activity observed in the field.

12 (5) Recommended appropriations. The Agency shall include
13 recommended appropriation amounts for supervisory union transition
14 facilitation grants, study committee grants, and merger support grants as part of
15 its budget submitted to the Governor pursuant to 16 V.S.A. § 212(21).

16 Sec. 13. APPROPRIATION; TRANSITION FACILITATION, STUDY
17 COMMITTEE, AND MERGER SUPPORT GRANTS

18 (a) Notwithstanding 16 V.S.A. § 4025, the sum of \$3,000,000.00 is
19 appropriated from the Education Fund to the Agency of Education in fiscal
20 year 2027 for the purpose of awarding supervisory union transition facilitation
21 grants pursuant to Sec. 12(1) of this act.

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1 ~~Assembly the report pursuant to Sec. 45a to provide the General Assembly an~~
2 ~~opportunity to enact legislation in consideration of the report July 1, 2029:~~

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

4 (2) Sec. 28 (tuition repeals);

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

6 (4) Sec. 45b (educational opportunity payment transition);

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

9 (6) Sec. 46a (supplemental district spending tax; cap; transition);

10 (7) Sec. 48a (tax rate transition);

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

13 (9) Sec. 57 (Education Fund Advisory Committee; review of foundation
14 formula); and

15 (10) Secs. 60 and 61 (property tax classifications).

16 (g) In Sec. 27, 16 V.S.A. § 823(b) and (c) shall take effect on July 1, 2028
17 July 1, 2029, ~~provided that the new school districts contemplated by this act~~
18 ~~have assumed responsibility for the education of all resident students and that~~
19 ~~the cost factor foundation formula report required pursuant to Sec. 45a~~
20 ~~contains evidence that it costs more to educate students in grades nine through~~
21 ~~12 but the General Assembly has failed to enact legislation to add a secondary~~
22 ~~student weight.~~

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1 (h) Sec. 62 (regional assessment districts) shall take effect on January 1,
2 2029.

3 * * * Effective Date * * *

4 **Sec. 15.** EFFECTIVE DATE

5 This act shall take effect on July 1, 2026.