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1	H.454
2	Sec. 1. FINDINGS; INTENT; PLAN
3	(a) The General Assembly finds that:
4	(1) In 1997, the first piece of law the General Assembly enacted in
5	response to the Brigham decision stated, "[t]he right to public education is
6	integral to Vermont's constitutional form of government and its guarantees of
7	political and civil rights[and] fundamental for the success of Vermont's
8	children in a rapidly-changing society and global marketplace as well as the
9	State's own economic and social prosperity." 16 V.S.A. § 1.
10	(2) From the very first attempt at creating a basic frame of government,
11	Vermont's founders chose to include a right to public education, the only
12	governmental service included in Vermont's first Constitution of 1777.
13	(3) As the U.S. Supreme Court stated in Brown v. Board of Education,
14	347 U.S. 483 (1954), "education is perhaps the most important function of
15	state and local governments[i]t is required in the performance of our most
16	basic public responsibilities[i]t is the very foundation of good citizenship."
17	(4) The most enduring legacy of Brigham v. State, 166 Vt. 246 (1997) is
18	the State's responsibility to ensure substantially equal educational
19	opportunities for all Vermont students.
20	(5) The education system is still reeling from the effects of a global (5)
21	pandemic, yet the same challenges that have faced Vermont's education

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1	system remain. Thirty to 40 years ago, Vermont educated more than 110,000
2	students each year. Today, there are approximately 84,000 students in the
3	public education system. Many schools have lost a significant number of
4	students and, with them, the ability to offer robust services and programs at
5	every school. Vermont's youth need to be prepared for a rapidly evolving
6	future.
7	(6) Vermonters deserve an exceptional educational system that is stable
8	and predictable and where a student's home address does not dictate the
9	quality of education they receive. School district size and boundaries, school
10	size, and class size are all influential factors in shaping the quality of
11	instruction and overall student outcomes. The effectiveness of our schools
12	depends on teacher quality, resource availability, and the unique strengths of
13	local communities. Change in our educational system is needed. Systems are
14	made of people, so change must come carefully and thoughtfully, with
15	meaningful engagement by all Vermonters.
16	(b) Intent; plan.
17	(1) To ensure each student is provided substantially equal educational
18	opportunities that will prepare them to thrive in a 21st-century world, it is the
19	intent of the General Assembly to work strategically, intentionally, and
20	thoughtfully to ensure that each incremental change made to Vermont's public

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1	education system provides strength and support to its only constitutionally
2	required governmental service.
3	(2) It is further the intent of the General Assembly to:
4	(A) in the 2026 session:
5	(i) enact new, larger school district boundaries that would be
6	effective July 1, 2027;
7	(ii) enact updates to career and technical education governance
8	systems, both at the local and statewide levels, that are reflective of the larger
9	public education governance transformation to new, larger school districts;
10	(iii) create a coordinated and coherent statewide strategy for career
11	and technical education that is responsive to students and the State's workforce
12	needs and that provides opportunities for more integration between career and
13	technical education and traditional high school work;
14	(iv) enact student-centered updates to career and technical
15	education funding within a foundation formula that does not create competition
16	between sending schools and career and technical education programs for
17	available funds; and
18	(v) begin the process to create voting wards within each school
19	district to ensure school board membership is apportioned in such a manner as
20	to achieve substantially equal weighting of the votes of all voters in the
21	election of school board members;

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1	(B) provide or enable the provision of the necessary staffing,
2	resources, and support to the Agency of Education, the Secretary of State's
3	Office, town clerks, and other integral parties to the election system to hold the
4	first school board member elections within the newly created school districts in
5	a special election in March 2028; and
6	(C) provide or enable the provision of the necessary staffing,
7	resources, and support to the Agency of Education, State Board of Education,
8	and other integral parties to ensure that the necessary guidance and funding is
9	in place to allow for a smooth and successful transition between the operation
10	of Vermont's current 119 school districts to the new, larger school districts,
11	with new school districts assuming responsibility for the education of all
12	resident students on July 1, 2029.
13	* * * Commission on the Future of Public Education * * *
14	Sec. 2. 2024 Acts and Resolves No. 183, Sec. 1 is amended to read:
15	Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC
16	EDUCATION; REPORTS
17	(a) Creation. There is hereby created the Commission on the Future of
18	Public Education in Vermont. The right to education is fundamental for the
19	success of Vermont's children in a rapidly changing society and global
20	marketplace as well as for the State's own economic and social prosperity.
21	The Commission shall study the provision of education in Vermont and make

1	recommendations for a statewide vision for Vermont's public education system
2	to ensure that all students are afforded substantially equal educational
3	opportunities in an efficient, sustainable, and stable education system. The
4	Commission shall also make recommendations for the strategic policy changes
5	necessary to make Vermont's educational vision a reality for all Vermont
6	students.
7	(b) Membership. The Commission shall be composed of the following
8	members and, to the extent possible, the members shall represent the State's
9	geographic, gender, racial, and ethnic diversity:
10	(1) the Secretary of Education or designee;
11	(2) the Chair of the State Board of Education or designee;
12	(3) the Tax Commissioner or designee;
13	(4) one current member of the House of Representatives, appointed by
14	the Speaker of the House;
15	(5) one current member of the Senate, appointed by the Committee on
16	Committees;
17	(6) one representative from the Vermont School Boards Association
18	(VSBA), appointed by the VSBA Executive Director;
19	(7) one representative from the Vermont Principals' Association (VPA),
20	appointed by the VPA Executive Director;

1	(8) one representative from the Vermont Superintendents Association
2	(VSA), appointed by the VSA Executive Director;
3	(9) one representative from the Vermont National Education
4	Association (VTNEA), appointed by the VTNEA Executive Director;
5	(10) one representative from the Vermont Association of School
6	Business Officials (VASBO) with experience in school construction projects,
7	appointed by the President of VASBO;
8	(11) the Chair of the Census-Based Funding Advisory Group, created
9	under 2018 Acts and Resolves No. 173;
10	(12) the Executive Director of the Vermont Rural Education
11	Collaborative; and
12	(13) one representative from the Vermont Independent Schools
13	Association (VISA), appointed by the President of VISA.
14	(c) Steering group. On or before July 1, 2024, the Speaker of the House
15	shall appoint two members of the Commission, the Committee on Committees
16	shall appoint two members of the Commission, and the Governor shall appoint
17	two members of the Commission to serve as members of a steering group. The
18	steering group shall provide leadership to the Commission and shall work with
19	a consultant or consultants to analyze the issues, challenges, and opportunities
20	facing Vermont's public education system, as well as develop and propose a
21	work plan to formalize the process through which the Commission shall seek

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1	to achieve its final recommendations. The formal work plan shall be approved
2	by a majority of the Commission members. The steering group shall form a
3	subcommittee of the Commission to address education finance topics in greater
4	depth and may form one or more additional subcommittees of the Commission
5	to address other key topics in greater depth, as necessary. The steering group
6	may appoint non-Commission members to the education finance
7	subcommittee. All other subcommittees shall be composed solely of
8	Commission members.
9	(d) Collaboration and information review.
10	(1) The Commission shall \underline{may} seek input from and collaborate with key
11	stakeholders, as directed by the steering group. At a minimum, the
12	Commission shall consult with:
13	(A) the Department of Mental Health;
14	(B) the Department of Labor;
15	(C) the President of the University of Vermont or designee;
16	(D) the Chancellor of the Vermont State Colleges Corporation or
17	designee;
18	(E) a representative from the Prekindergarten Education
19	Implementation Committee;
20	(F) the Office of Racial Equity;

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1	(G) a representative with expertise in the Community Schools model
2	in Vermont;
3	(H) the Vermont Youth Council;
4	(I) the Commission on Public School Employee Health Benefits; and
5	(J) an organization committed to ensuring equal representation and
6	educational equity.
7	(2) The Commission shall also review and take into consideration
8	existing educational laws and policy, including legislative reports the
9	Commission deems relevant to its work and, at a minimum, 2015 Acts and
10	Resolves No. 46, 2018 Acts and Resolves No. 173, 2022 Acts and Resolves
11	No. 127, and 2023 Acts and Resolves No. 76.
12	(e) Duties of the Commission. The Commission shall study Vermont's
13	public education system and make recommendations to ensure all students are
14	afforded quality educational opportunities in an efficient, sustainable, and
15	equitable education system that will enable students to achieve the highest
16	academic outcomes. The result of the Commission's work shall be a
17	recommendation for a statewide vision for Vermont's public education system,
18	with recommendations for the policy changes necessary to make Vermont's
19	educational vision a reality recommendations for the State-level education
20	governance system, including the roles and responsibilities of the Agency of

1	Education and the State Board of Education. In creating and making its
2	recommendations, the Commission shall engage in the following:
3	(1) Public engagement. The Commission shall conduct not fewer than
4	14 public meetings to inform the work required under this section. At least one
5	meeting of the Commission as a whole or a subcommittee of the Commission
6	shall be held in each county. The Commission shall publish a draft of its final
7	recommendations on or before October 1, 2025, solicit public feedback, and
8	incorporate such feedback into its final recommendations. When submitting its
9	final recommendations to the General Assembly, the Commission shall include
10	all public feedback received as an addendum to its final report. The public
11	feedback process shall include:
12	(A) a minimum 30-day public comment period, during which time
13	the Commission shall accept written comments from the public and
14	stakeholders; and
15	(B) a public outreach plan that maximizes public engagement and
16	includes notice of the availability of language assistance services when
17	requested.
18	(2) Policy considerations. In developing its recommendations, the
19	Commission shall consider and prioritize the following topics:
20	(A) Governance, resources, and administration. The Commission
21	shall study and make recommendations regarding education governance at the

1	State level, including the role of the Agency of Education in the provision of
2	services and support for the education system. Recommendations under this
3	subdivision (A) shall include, at a minimum, the following:
4	(i) whether changes need to be made to the structure of the
5	Agency of Education, including whether it better serves the recommended
6	education vision of the State as an agency or a department;
7	(ii) what are the staffing needs of the Agency of Education;
8	(iii) whether changes need to be made to the composition, role,
9	and function of the State Board of Education to better serve the recommended
10	education vision of the State;
11	(iv) what roles, functions, or decisions should be a function of
12	local control and what roles, functions, or decisions should be a function of
12 13	local control and what roles, functions, or decisions should be a function of control at the State level, including whether there should be a process for the
13	control at the State level, including whether there should be a process for the
13 14	control at the State level, including whether there should be a process for the community served by an elementary school to have a voice in decisions
13 14 15	control at the State level, including whether there should be a process for the community served by an elementary school to have a voice in decisions regarding school closures and, if so, recommendations for what that process
13 14 15 16	control at the State level, including whether there should be a process for the community served by an elementary school to have a voice in decisions regarding school closures and, if so, recommendations for what that process shall entail; and
13 14 15 16 17	control at the State level, including whether there should be a process for the community served by an elementary school to have a voice in decisions regarding school closures and, if so, recommendations for what that process shall entail; and (v) the effective integration of career and technical education in

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1	throughout the creation and implementation of new school districts and a new
2	school funding formula;
3	(B) Physical size and footprint of the education system. The
4	Commission shall study and make recommendations regarding how the unique
5	geographical and socioeconomic needs of different communities should factor
6	into the provision of education in Vermont, taking into account and building
7	upon the recommendations of the State Aid to School Construction Working
8	Group. Recommendations under this subdivision (B) shall include, at a
9	minimum, the following:
10	(i) an analysis and recommendation for the most efficient and
11	effective number and location of school buildings, school districts, and
12	supervisory unions needed to achieve Vermont's vision for education,
13	provided that if there is a recommendation for any change, the
14	recommendation shall include an implementation plan;
15	(ii) an analysis of the capacity and ability to staff all public
16	schools with a qualified workforce, driven by data on class size
17	recommendations;
18	(iii) analysis of whether, and if so, how, collaboration with
19	Vermont's postsecondary schools may support the development and retention
20	of a qualified educator workforce;

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1	(iv) an analysis of the current town tuition program and whether,
2	and if so, what, changes are necessary to meet Vermont's vision for education,
3	including the legal and financial impact of funding independent schools and
4	other private institutions, including consideration of the following:
5	(I) the role designation, under 16 V.S.A. § 827, should play in
6	the delivery of public education; and
7	(II) the financial impact to the Education Fund of public dollars
8	being used in schools located outside Vermont; and
9	(v) an analysis of the current use of private therapeutic schools in
10	the provision of special education services and whether, and if so, what,
11	changes are necessary to meet Vermont's special education needs, including
12	the legal and financial impact of funding private therapeutic schools. The
13	Commission shall study and make recommendations regarding how larger,
14	consolidated school districts shall operate, including how school boards in
15	larger, consolidated school districts can operate efficiently and effectively and
16	still maintain connection to local communities throughout each district.
17	(C) The role of public schools. The Commission shall study and
18	make recommendations regarding the role public schools should play in both
19	the provision of education and the social and emotional well being of students.
20	Recommendations under this subdivision (C) shall include, at a minimum, the
21	following:

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1	(i) how public education in Vermont should be delivered;
2	(ii) whether Vermont's vision for public education shall include
3	the provision of wraparound supports and collocation of services;
4	(iii) whether, and if so, how, collaboration with Vermont's
5	postsecondary schools may support and strengthen the delivery of public
6	education; and
7	(iv) what the consequences are for the Commission's
8	recommendations regarding the role of public schools and other service
9	providers, including what the role of public schools means for staffing,
10	funding, and any other affected system, with the goal of most efficiently
11	utilizing State funds and services and maximizing federal funding. [Repealed.]
12	(D) Education finance system. The Commission shall explore the
13	efficacy and potential equity gains of changes to the education finance system,
14	including weighted educational opportunity payments as a method to fund
15	public education. The Commission's recommendations shall be intended to
16	result in an education funding system designed to afford substantially equal
17	access to a quality basic education for all Vermont students in accordance with
18	State v. Brigham, 166 Vt. 246 (1997). Recommendations under this
19	subdivision (D) shall include, at a minimum, the following:
20	(i) allowable uses for the Education Fund that shall ensure
21	sustainable and equitable use of State funds;

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1	(ii) the method for setting tax rates to sustain allowable uses of the
2	Education Fund;
3	(iii) whether, and if so, what, alternative funding models would
4	create a more affordable, sustainable, and equitable education finance system
5	in Vermont, including the consideration of a statutory, formal base amount of
6	per pupil education spending and whether school districts should be allowed to
7	spend above the base amount;
8	(iv) adjustments to the excess spending threshold, including
9	recommendations that target specific types of spending;
10	(v) the implementation of education spending caps on different
11	services, including administrative and support services and categorical aid;
12	(vi) how to strengthen the understanding and connection between
13	school budget votes and property tax bills;
14	(vii) adjustments to the property tax credit thresholds to better
15	match need to the benefit;
16	(viii) a system for ongoing monitoring of the Education Fund and
17	Vermont's education finance system, to include consideration of a standing
18	Education Fund advisory committee;
19	(ix) an analysis of the impact of healthcare costs on the Education
20	Fund, including recommendations for whether, and if so, what, changes need
21	to be made to contain costs; and

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1	(x) implementation details for any recommended changes to the
2	education funding system. [Repealed.]
3	(E) Additional considerations. The Commission may consider any
4	other topic, factor, or issue that it deems relevant to its work and
5	recommendations.
6	(f) Reports. The Commission shall prepare and submit to the General
7	Assembly the following:
8	(1) a formal, written work plan, which shall include a communication
9	plan to maximize public engagement, on or before September 15, 2024;
10	(2) a written report containing its preliminary findings and
11	recommendations, including short-term cost containment considerations for the
12	2025 legislative session, on or before December 15, 2024; and
13	(3) a written report containing its final findings and recommendations
14	for a statewide vision for Vermont's public education system and the policy
15	changes necessary to make that educational vision a reality based on its
16	analysis of the State-level governance topics contained in subdivision (e)(2)(A)
17	of this section, on or before December 1, 2025; and
18	(4) proposed legislative language to advance any recommendations for
19	the education funding system on or before December 15, 2025.
20	(g) Assistance. The Agency of Education shall contract with one or more
21	independent consultants or facilitators to provide technical and legal assistance

1	to the Commission for the work required under this section. For the purposes
2	of scheduling meetings and providing administrative assistance, the
3	Commission shall have the assistance of the Agency of Education. The
4	Agency shall also provide the educational and financial data necessary to
5	facilitate the work of the Commission. School districts shall comply with
6	requests from the Agency to assist in data collections.
7	(h) Meetings.
8	(1) The Secretary of Education shall call the first meeting of the
9	Commission to occur on or before July 15, 2024.
10	(2) The Speaker of the House and the President Pro Tempore shall
11	jointly select a Commission chair.
12	(3) A majority of the membership shall constitute a quorum.
13	(4) Meetings shall be conducted in accordance with Vermont's Open
14	Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.
15	(5) The Commission shall cease to exist on December 31, 2025.
16	(i) Compensation and reimbursement. Members of the Commission shall
17	be entitled to per diem compensation and reimbursement of expenses as
18	permitted under 32 V.S.A. § 1010 for not more than 30 meetings, including
19	subcommittee meetings. These payments shall be made from monies
20	appropriated to the Agency of Education.
21	* * * School District Redistricting * * *

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1	Sec. 3. SCHOOL DISTRICT REDISTRICTING TASK FORCE; REPORT
2	(a) Creation. There is created the School District Redistricting Task Force
3	to recommend new school district boundaries and configurations to the
4	General Assembly.
5	(b) Membership. The Task Force shall be composed of the following
6	members:
7	(A) Nonlegislative members. There shall be five nonlegislative
8	members, all of whom shall have extensive experience working within the
9	Vermont public education system. Appointing authorities shall coordinate to
10	ensure that, to the extent possible, each of the five nonvoting members
11	represents a different geographic region of the State.
12	(i) Two members, appointed by the Speaker of the House, one of
13	whom shall be a retired or former Vermont superintendent of a supervisory
14	union with multiple member school districts and one of whom shall be either a
15	retired or former Vermont school business manager or a retired or former
16	school board member.
17	(ii) Two members, appointed by the Committee on Committees,
18	one of whom shall be a retired or former Vermont superintendent and one of
19	whom shall be a retired or former Vermont school business manager.
20	(iii) One member, appointed by the Governor, who shall be a
21	retired or former Vermont superintendent.

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1	(B) Legislative members. There shall be four legislative members.
2	(i) Two current members of the House of Representatives, not all
3	from the same political party nor from the same school district, who shall be
4	appointed by the Speaker of the House.
5	(ii) Two current members of the Senate, not all from the same
6	political party nor from the same school district, who shall be appointed by the
7	Committee on Committees.
8	(c) Powers and duties. In consultation with the Commission on the Future
9	of Public Education, the Task Force shall study and consider different
10	configurations for school district consolidation and propose not more than
11	three options for new school district boundaries. At least one boundary
12	proposal recommendation shall consider the use of supervisory unions and
13	supervisory districts, allow for the continuation of a tuitioning system that
14	provides continued access to independent schools that have served geographic
15	areas that do not operate public schools for the grades served by the
16	independent schools, and to the extent practical, not separate geographic areas
17	that contain nonoperating school districts as such districts exist on July 1,
18	<u>2025.</u>
19	(1) Proposed new school districts shall not have an average daily
20	membership of more than 8,000 prekindergarten through grade 12 students.

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1	(2) Proposed new school districts shall also be, to the greatest extent
2	possible, grand list and pupil count balanced, demographically equitable,
3	logistically feasible, and create the least amount of disruption to students as
4	possible.
5	(3) In creating the proposed districts, the Task Force shall consider:
6	(A) current school district and town boundaries and other historic and
7	current community connections, including access to regional services for
8	students, such as designated agencies;
9	(B) geographic barriers, including mountains and rivers;
10	(C) population distribution;
11	(D) location, capacity, and the facility condition index score of
12	current school buildings:
13	(E) transportation and employment patterns and practices:
14	(F) grand list values and current education spending;
15	(G) student demographics;
16	(H) the debt, liabilities, and assets of current school districts;
17	(I) staffing levels and salary scales; and
18	(J) any other factor the Task Force deems relevant.
19	(K) increasing equitable access to educational opportunity:
20	(L) maximizing opportunities for modern, regional middle and high
21	schools, with the least disruption to students;

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1	(M) providing access to education for their resident students in
2	grades kindergarten through 12;
3	(N) providing access to career and technical education (CTE) for all
4	eligible students;
5	(O) to the extent practical, not separating towns within school
6	districts as those boundaries exist on July 1, 2025;
7	(P) to the extent practical, the availability of regional services for
8	students, such as designated agencies, and how those services would integrate
9	into the new proposed school district boundaries:
10	(Q) to the extent practical, creating school districts with a minimum
11	average daily membership of approximately 4,000 students; and
12	(R) to the extent practical, historic attendance patterns in geographic
13	areas that do not operate public schools at all grade levels from kindergarten
14	through grade 12.
15	(4) The report of the Task Force shall include detailed maps for each
16	proposal, which shall include:
17	(A) boundaries of the new proposed school districts;
18	(B) average daily membership for the new proposed school districts;
19	(C) grand list value of the new proposed school districts;
20	(5) The Task Force may consider and make recommendations for the
21	optimal location of schools, including CTE programs.

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1	(d) Public input. The Task Force shall hold not fewer than two public
2	hearings to receive and consider feedback from members of the public
3	regarding school district consolidation and proposed boundaries and shall work
4	closely with the Commission on the Future of Public Education's public
5	engagement process to maximize public input regarding the development of
6	the proposed new school district boundaries.
7	(e) Assistance. The Task Force shall have the administrative, technical,
8	and legal assistance of the Agency of Digital Services, Vermont Center for
9	Geographic Information. The Task Force may also retain the services of one
10	or more independent third parties to provide contracted resources as the Task
11	Force deems necessary.
12	(f) Report and maps. On or before December 1, 2025, the Task Force shall
13	submit a written report to the House Committees on Education and on
14	Government Operations and Military Affairs and the Senate Committees on
15	Education and on Government Operations with its proposals for new
16	consolidated school district boundaries. The report shall include how each
17	proposal meets the requirements contained in subdivisions (c)(1) and (2) of this
18	section, how the considerations in subdivision (c)(3) of this section factored
19	into each proposal, and the pros and cons of each proposal. The detailed maps
20	required under subdivision (c)(4) of this section shall also be included with the
21	report.

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1	(i) average daily membership for each proposed school district for
2	the 2023–2024 school year;
3	(ii) the member towns for each school district;
4	(iii) the location of public schools and nontherapeutic approved
5	independent schools that are eligible to receive public tuition as of July 1,
6	2025, and the grades operated by each of those schools;
7	(iv) the five-year facility condition index score for each school;
8	(v) PCB testing score for each school; and
9	(vi) 10-year change in enrollment between 2014 and 2024 for each
10	school.
11	(g) Meetings.
12	(1) The member appointed by the Governor shall call the first meeting
13	of the Task Force to occur on or before August 15, 2025.
14	(2) The Task Force shall select a chair from among its members at the
15	first meeting.
16	(3) A majority of the membership shall constitute a quorum.
17	(4) The Task Force shall cease to exist on June 30, 2026.
18	(h) Compensation and reimbursement. Members of the Task Force shall be
19	entitled to per diem compensation and reimbursement of expenses as permitted
20	under 32 V.S.A. § 1010 for not more than eight meetings. These payments
21	shall be made from monies appropriated to the Agency of Digital Services.

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1	(i) Appropriation. The sum of \$100,000.00 is appropriated to the Agency
2	of Digital Services from the General Fund in fiscal year 2026 to hire one or
3	more consultants pursuant to subsection (d) of this section.
4	* * * School District Voting Ward Task Force * * *
5	Sec. 4. SCHOOL DISTRICT VOTING WARD WORKING GROUP;
6	REPORT; MAPS
7	(a) Creation. There is created the School District Voting Ward Working
8	Group to create voting district wards within the new school districts
9	contemplated by this act, to ensure school board membership is apportioned in
10	such a manner as to achieve substantially equal weighting of the votes of all
11	voters in the choice of school board members.
12	(b) Membership. The Working Group shall be composed of the following
13	members who shall have substantial understanding of Vermont geography,
14	trade, travel, social interaction, and Vermont's public education system:
15	(1) the Secretary of State or designee, who shall be the chair;
16	(2) three members, who shall be appointed by the Vermont Municipal
17	Clerk Treasurer Association;
18	(3) two members, appointed by the Vermont School Boards
19	Association; and
20	(4) the Director of the Vermont Center for Geographic Information or
21	designee.

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1	(c) Powers and duties. On or before October 15, 2025, the Working Group
2	shall consult with the School District Redistricting Task Force created in Sec. 3
3	of this act to gain an understanding of the status of the work of the Task Force
4	and to determine whether the Task Force has one or more boundary proposals
5	ready for the Working Group to begin the work of creating voting wards.
6	Using the boundary proposals of the Task Force, the Working Group shall,
7	following the principles of apportionment followed by the legislative
8	apportionment board, make recommendations to the General Assembly to
9	achieve voting districts within each school district that are compact,
10	contiguous, and drawn to achieve substantially equal weighting of votes and
11	that meet the requirements of applicable State and federal law. If at any time
12	during the work of the Working Group the General Assembly enacts new
13	school district boundaries, or it appears clear the General Assembly is focused
14	on only one proposal, the Working Group shall focus its work and
15	recommendations to align with the work of the General Assembly. The
16	Working Group's recommendations shall include:
17	(1) the optimal number of school board members per school board to
18	maximize public representation and democratic input while maintaining
19	effective school board size; and
20	(2) boundaries for school district voting wards within each school
21	district, with alternative options if necessary, including detailed maps clearly

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- 1 and unambiguously delineating ward boundaries that respect current municipal
- 2 <u>boundary lines.</u>
- 3 (d) Assistance. The Working Group shall have the administrative,
- 4 <u>technical, and legal assistance of the Secretary of State's office and the</u>
- 5 <u>technical assistance of the Agency of Digital Services, Vermont Center for</u>
- 6 <u>Geographic Information</u>. The Working Group may contract for such expert
- 7 <u>services as may be necessary to carry out its duties.</u>
- 8 <u>(e) Meetings.</u>
- 9 (1) The Secretary of State shall call the first meeting of the Task Force
- 10 to occur on or before August 15, 2025.
- 11 (2) The Secretary of State shall be the chair.
- 12 (3) A majority of the membership shall constitute a quorum.
- 13 (4) The Task Force shall cease to exist on June 30, 2026.
- 14 (f) Compensation and reimbursement. Members of the Working Group
- 15 <u>shall be entitled to per diem compensation and reimbursement of expenses as</u>
- 16 permitted under 32 V.S.A. § 1010 for not more than 10 meetings. These
- 17 payments shall be made from monies appropriated to the Secretary of State's
- 18 <u>office.</u>

19

- * * * Class Size Minimums * * *
- 20 Sec. 5. SCALE; INTENT

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1	It is the intent of the General Assembly to transform education in Vermont			
2	by leveraging attainable and research-based scale to increase equity of			
3	opportunity and promote efficiency and affordability.			
4	Sec. 6. 16 V.S.A. § 165 is amended to read:			
5	§ 165. EDUCATION QUALITY STANDARDS; EQUAL EDUCATIONAL			
6	OPPORTUNITIES; INDEPENDENT SCHOOL MEETING			
7	EDUCATION QUALITY STANDARDS			
8	(a) In order to carry out Vermont's policy that all Vermont children will be			
9	afforded educational opportunities that are substantially equal in quality, each			
10	Vermont public school, including each career technical center, shall meet the			
11	following education quality standards:			
12	* * *			
13	(9) The school complies with average class size minimum standards;			
14	provided, however, that when class size minimums apply to content areas, an			
15	individual class may be smaller than the minimum average. As used in this			
16	subdivision, "content area" means a group of courses within a specific			
17	licensing endorsement area.			
18	(A) Class size standards.			
19	(i) The average class size minimum for kindergarten and first			
20	grade classes shall be 10 students.			

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1	(ii) The average class size minimum for grades two through five
2	shall be 12 students.
3	(iii) The average class size minimum for grades six through eight
4	in all required content areas shall be 15 students.
5	(iv) The average class size minimum for grades nine through 12 in
6	all required content area classes shall be 18 students.
7	(v) Multiage classrooms for grades kindergarten through eight
8	shall be limited to two grade levels per classroom.
9	(vi) Prekindergarten, career and technical education, flexible
10	pathways, terminal courses, advanced placement courses, courses that require
11	specialized equipment, and driver's education classes shall be excluded from
12	the class size minimum requirements in this subdivision (9). Small group
13	services for the purpose of providing special education, supplemental or
14	targeted academic intervention, or English learner instruction shall also be
15	excluded from the class size minimum requirements in this subdivision (9).
16	(vii) Class sizes shall not exceed the maximum occupancy limits
17	established by local and State fire codes, including egress and safety
18	requirements.
19	(B) Waivers. If a school board determines that it operates a school
20	that is unable to comply with the class size minimum standards due to
21	geographic isolation, or a school has developed an implementation plan to

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1	meet the standards contained in this subdivision (9) that may include			
2	consolidation or merger, the school board may ask the State Board of			
3	Education to grant it waiver from this subdivision (9). The State Board shall			
4	define what qualifies as geographic isolation in its rules adopted pursuant to			
5	subdivision (a)(3) of this section. The State Board's decision shall be final.			
6	(C) State Board action. If the Secretary determines that a school is			
7	not meeting the class size minimum standards set forth in this subdivision (9)			
8	over the course of three consecutive school years, the Secretary may			
9	recommend to the State Board one or more of the actions listed in subsection			
10	(b) of this section, regardless of whether the school is meeting all other			
11	education quality standards. The State Board shall then follow the procedure			
12	of subsection (c) of this section.			
13	(b) Annually, the Secretary shall determine whether students in each			
14	Vermont public school are provided educational opportunities substantially			
15	equal to those provided in other public schools. If the Secretary determines			
16	that a school is not meeting the education quality standards listed in subsection			
17	(a) of this section or that the school is making insufficient progress in			
18	improving student performance in relation to the standards for student			
19	performance set forth in subdivision 164(9) of this title, he or she the Secretary			
20	shall describe in writing actions that a district must take in order to meet either			
21	or both sets of standards and shall provide technical assistance to the school. If			

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1	the school fails to meet the standards or make sufficient progress within two
2	years of following the determination, the Secretary shall recommend to the
3	State Board one or more of the following actions:
4	(1) the Agency continue to provide technical assistance for one more
5	cycle of review;
6	(2) the State Board adjust supervisory union boundaries or
7	responsibilities of the superintendency pursuant to section 261 of this title;
8	(3) the Secretary assume administrative control of an individual school,
9	school district, or supervisory union, including budgetary control to ensure
10	sound financial practices, only to the extent necessary to correct deficiencies;
11	(4) the State Board close an individual school or schools and require that
12	the school district pay tuition to another public school or an approved
13	independent school pursuant to chapter 21 of this title; or
14	(5) the State Board require two or more school districts to consolidate
15	their governance structures.
16	(c) The State Board, after offering the school board an opportunity for a
17	hearing, shall either dismiss the Secretary's recommendation or order that one
18	or more of the actions listed in subsection (b) of this section be taken. The
19	action ordered by the State Board shall be the least intrusive consistent with the
20	need to provide students attending the school substantially equal educational

1	opportunities. A school board aggrieved by an order of the State Board may
2	appeal the order in accordance with the Rules of Civil Procedure.
3	* * *
4	(e) If the Secretary determines at any time that the failure of a school to
5	meet the education quality standards listed in subsection (a) of this section is
6	severe or pervasive, potentially results in physical or emotional harm to
7	students or significant deprivation of equal education opportunities, and the
8	school has either unreasonably refused to remedy the problem or its efforts
9	have proved ineffective, he or she the Secretary may recommend to the State
10	Board one or more of the actions listed in subsection (b) of this section. The
11	State Board shall then follow the procedure of subsection (c) of this section.
12	* * *
13	(g) In addition to the education quality standards provided in subsection (a)
14	of this section, each Vermont school district shall meet the school district
15	quality standards adopted by rule of the Agency of Education regarding the
16	business, facilities management, and governance practices of school districts.
17	These standards shall include a process for school district quality reviews to be
18	conducted by the Agency of Education. Annually, the Secretary shall publish
19	metrics regarding the outcomes of school district quality reviews.
20	Sec. 7. FAILURE TO COMPLY WITH EDUCATION QUALITY
21	STANDARDS; STATE BOARD ACTION

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1	Notwithstanding 16 V.S.A. § 165(b)(4) and (5) and any other provision of
2	law to the contrary, the State Board shall be prohibited from ordering school
3	district consolidation or school consolidation if a school fails to comply with
4	class size minimum education quality standards and the resulting consolidation
5	would result in school construction costs in excess of the applicable district's
6	capital reserve account until the General Assembly establishes new school
7	district boundaries and takes further action regarding the consequences for
8	failure to meet education quality standards.
9	* * * Agency and State Board Rules and Reports * * *
10	Sec. 8. STATE BOARD OF EDUCATION; RULES; REPORT
11	(a) Rules.
12	(1) The State Board of Education shall initiate rulemaking to amend the
13	Education Quality Standards rule 2000 series, Agency of Education, Education
14	Quality Standards (22-000-003), pursuant to 3 V.S.A. chapter 25:
15	(A) on or before August 1, 2026, to ensure compliance with the class
16	size minimum standards set pursuant to 16 V.S.A. § 165(a)(9); and
17	(B) on or before July 1, 2027, to adopt standards for statewide
18	graduation requirements based on standards adopted by the State Board and
19	recommendations from the Agency of Education, which shall take effect
20	beginning in the 2027–2028 school year for the graduating class of 2031 and
21	every graduating class thereafter.

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1	(2) On or before August 1, 2026, the State Board of Education shall
2	initiate rulemaking to amend the approved independent school rule 2200 series,
3	Agency of Education, Independent School Program Approval (22-000-004),
4	pursuant to 3 V.S.A. chapter 25, to require approved independent schools that
5	intend to accept public tuition to comply with the class size minimum
6	standards set pursuant to 16 V.S.A. § 165(a)(9). The amendments shall also
7	create a process for review by the State Board for failure to meet the class size
8	minimum requirements and the corresponding actions the Board may take for
9	such noncompliance; provided, however, that the Board shall provide an
10	approved independent school a substantially similar opportunity to come into
11	compliance with class size minimum standards that it would provide to a
12	public school.
13	(b) Report. On or before December 1, 2025, the State Board of Education
14	shall submit a written report to the House and Senate Committees on
15	Education with proposed standards for schools to be deemed "small by
16	necessity."
17	Sec. 9. AGENCY OF EDUCATION; SCHOOL CALENDAR;
18	GRADUATION REQUIREMENTS; REPORT
19	(a) Statewide graduation requirements. On or before January 1, 2026, the
20	Agency of Education shall recommend to the State Board of Education

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1	standards for statewide graduation requirements based on standards adopted by
2	the State Board.
3	(b) Statewide school calendar.
4	(1) On or before January 15, 2027, the Secretary of Education shall
5	develop and publish a statewide calendar for the public schools of the State,
6	including career and technical centers, that shall be in effect in the
7	2028–2029 academic year and after.
8	(2) On or before January 15, 2027, the Secretary shall present to the
9	House and Senate Committees on Education a list of the statutory amendments
10	necessary to effect the intent of this subsection.
11	(c) Report. On or before December 1, 2025, the Agency of Education shall
12	submit a written report and recommended legislative language, as applicable,
13	to the House and Senate Committees on Education with the following:
14	(1) In consultation with educators and administrators, a proposed
15	implementation plan for statewide financial data and student information
16	systems.
17	(2) Recommendations for a school construction division within the
18	Agency of Education, including position descriptions and job duties for each
19	position within the division, a detailed description of the assistance the division
20	would provide to the field, and the overall role the Agency would play within a
21	

21 <u>State aid to school construction program.</u>

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1	(3) A progress report regarding the development of clear, unambiguous
2	guidance that would be provided to school officials and school board members
3	regarding the business processes and transactions that would need to occur to
4	facilitate school district mergers into larger, consolidated school districts,
5	including the merging of data systems, asset and liability transfers, and how to
6	address collective bargaining agreements for both educators and staff. The
7	report shall include a detailed description of how the Agency will provide
8	support and consolidation assistance to the field in each of these areas and an
9	estimate of the costs associated with such work.
10	(4) In consultation with superintendents, directors of therapeutic
11	independent schools, special education directors, and, in the opinion of the
12	Agency, other experts, recommendations for the need for cooperative
13	education services and the oversight of therapeutic schools within the school
14	governance framework both at a State and local level.
15	Sec. 10. STATE BOARD OF EDUCATION; REVIEW OF RULES;
16	APPROPRIATION
17	(a) The State Board of Education shall review each rule series the State
18	Board is responsible for and make a determination as to the continuing need
19	for, appropriateness of, or need for updating of said rules. On or before
20	December 1, 2026, the State Board of Education shall submit a written report
21	to the House and Senate Committees on Education with its recommendation

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1	for rules that are no longer needed and a plan to update rules that are still				
2	necessary, including the order in which the Board proposes to update the rules				
3	and any associated costs or staffing needs.				
4	(b) The sum of \$200,000.00 is appropriated from the General Fund to the				
5	Agency of Education in fiscal year 2026 to provide the State Board of				
6	Education with the contracted resources necessary to review and update the				
7	Board's rules.				
8	* * * School Closure * * *				
9	Sec. 11. PROHIBITION ON SCHOOL CLOSURE AND TRANSITION TO				
10	PAYING TUITION				
11	(a) Notwithstanding any provision of law to the contrary, a school district				
12	shall be prohibited from closing an existing public school and then providing				
13	for the education of its resident students by paying tuition for its students to				
14	attend a public or approved independent school chosen by the parents of the				
15	district's students. If a school district that closes an existing public school is				
16	unable to provide for the education of its affected resident students in a				
17	different school or schools operated by the district, the school district shall				
18	provide for the education of its resident students by designating three or fewer				
19	public schools to serve as the public school or schools of the district.				
20	Notwithstanding any provision of law to the contrary, if designation is required				
21	pursuant to this subsection, the designation process contained in 16 V.S.A.				

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- 1 <u>§ 827 shall apply to schools operating grades kindergarten through grade 12, or</u>
- 2 <u>any subset of grades therein.</u>
- 3 (b) Notwithstanding subsection (a) of this section, if a school district closes
- 4 <u>a public school in a geographically isolated area, as defined by the State Board</u>
- 5 of Education, and is unable to provide for the education of its affected resident
- 6 students in a different school or schools operated by the district, the school
- 7 district may petition the State Board of Education for a determination as to
- 8 whether there is a reasonably accessible public school to designate. If the State
- 9 Board finds there is no reasonably accessible public school to designate, the
- 10 applicable school district may provide for the education of its affected resident
- 11 students by offering tuition pursuant to 16 V.S.A. chapter 21.
- 12 * * * State Aid to School Construction * * *
- 13 Sec. 12. 16 V.S.A. § 3440 is added to read:
- 14 § 3440. STATEMENT OF POLICY
- 15 It is the intent of this chapter to encourage the efficient use of public funds
- 16 to modernize school infrastructure in alignment with current educational needs.
- 17 <u>School construction projects supported by this chapter should be developed</u>
- 18 taking consideration of standards of quality for public schools under section
- 19 <u>165 of this title and prioritizing cost, geographic accessibility, 21st century</u>
- 20 education facilities standards, statewide enrollment trends, and capacity and
- 21 scale that support best educational practices. Further, it is the intent of this

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1	chapter to encourage the use of existing infrastructure to meet the needs of
2	Vermont students. Joint construction projects between two or more school
3	districts and consolidation of buildings within a district where feasible and
4	educationally appropriate are encouraged.
5	Sec. 13. 16 V.S.A. § 3442 is added to read:
6	§ 3442. STATE AID FOR SCHOOL CONSTRUCTION PROGRAM
7	The Agency of Education shall be responsible for implementing the State
8	Aid for School Construction Program according to the provisions of this
9	chapter. The Agency shall be responsible for:
10	(1) reviewing all preliminary applications for State school construction
11	aid and issuing an approval or denial in accordance with section 3445 of this
12	<u>chapter;</u>
13	(2) adopting rules pursuant to 3 V.S.A. chapter 25 pertaining to school
14	construction and capital outlay, including rules to specify a point prioritization
15	methodology and a bonus incentive structure aligned with the legislative intent
16	expressed in section 3440 of this title;
17	(3) including as part of its budget submitted to the Governor pursuant to
18	subdivision 212(21) of this title its annual school construction funding request;
19	(4) developing a prequalification and review process for project delivery
20	consultants and architecture and engineering firms specializing in

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1	prekindergarten through grade 12 school design, renovation, or construction
2	and maintaining a list of such prequalified firms and consultants;
3	(5) providing technical assistance and guidance to school districts and
4	supervisory unions on all phases of school capital projects;
5	(6) providing technical advice and assistance, training, and education to
6	school districts, supervisory unions, general contractors, subcontractors,
7	construction or project managers, designers, and other vendors in the planning,
8	maintenance, and establishment of school facility space;
9	(7) maintaining a current list of school construction projects that have
10	received preliminary approval, projects that have received final approval, and
11	the priority points awarded to each project;
12	(8) collecting, maintaining, and making publicly available quarterly
13	progress reports of all ongoing school construction projects that shall include,
14	at a minimum, the costs of the project and the time schedule of the project;
15	(9) recommending policies and procedures designed to reduce
16	borrowing for school construction programs at both State and local levels;
17	(10) conducting a needs survey at least every five years to ascertain the
18	capital construction, reconstruction, maintenance, and other capital needs for
19	all public schools and maintaining such data in a publicly accessible format;
20	(11) developing a formal enrollment projection model or using
21	projection models already available;

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1	(12) encouraging school districts and supervisory unions to investigate
2	opportunities for the maximum utilization of space in and around the district or
3	supervisory union;
4	(13) collecting and maintaining a clearinghouse of prototypical school
5	plans, as appropriate, that may be consulted by eligible applicants;
6	(14) retaining the services of consultants, as necessary, to effectuate the
7	roles and responsibilities listed within this section; and
8	(15) notwithstanding 2 V.S.A. § 20(d), annually on or before December
9	15, submitting a written report to the General Assembly regarding the status
10	and implementation of the State Aid for School Construction Program,
11	including the data required to be collected pursuant to this section.
12	Sec. 14. 16 V.S.A. § 3443 is added to read:
13	§ 3443. STATE AID FOR SCHOOL CONSTRUCTION ADVISORY
14	BOARD
15	(a) Creation. There is hereby created the State Aid for School Construction
16	Advisory Board, which shall advise the Agency on the implementation of the
17	State Aid for School Construction Program in accordance with the provisions
18	of this chapter, including the adoption of rules, setting of statewide priorities,
19	criteria for project approval, and recommendations for project approval and
20	prioritization.
21	(b) Membership.

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	[Senate] [House] [new or needs attention]
1	(1) Composition. The Board shall be composed of the following eight
2	members:
3	(A) four members who shall serve as ex officio members:
4	(i) the State Treasurer or designee;
5	(ii) the Commissioner of Buildings and General Services or
6	designee;
7	(iii) the Executive Director of the Vermont Bond Bank or
8	designee; and
9	(iv) the Chair of the State Board of Education or designee; and
10	(B) four members, none of whom shall be a current member of the
11	General Assembly, who shall serve four-year terms as follows:
12	(i) two members, appointed by the Speaker of the House, each of
13	whom shall have expertise in education or construction, real estate, or finance
14	and one of whom shall represent a supervisory union; and
15	(ii) two members, appointed by the Committee on Committees,
16	each of whom shall have expertise in education or construction, real estate, or
17	finance and one of whom shall be an educator.
18	(2) Members with four-year terms.
19	(A) A member with a term limit shall serve a term of four years and
20	until a successor is appointed. A term shall begin on January 1 of the year of
21	appointment and run through December 31 of the last year of the term. Terms

(House Conferees; Draft No. 2.1 [policy only] – H.454) Page 41 of 67 5/29/2025 - BSJ - 09:06 AM [House] [new or needs attention] [Senate] 1 of these members shall be staggered so that not all terms expire at the same 2 time. 3 (B) A vacancy created before the expiration of a term shall be filled 4 in the same manner as the original appointment for the unexpired portion of the 5 term. 6 (C) A member with a term limit shall not serve more than two 7 consecutive terms. A member appointed to fill a vacancy created before the 8 expiration of a term shall not be deemed to have served a term for the purpose 9 of this subdivision (C). 10 (c) Duties. The Board shall advise the Agency on the implementation of the State Aid for School Construction Program in accordance with the 11 12 provisions of this chapter, including: 13 (1) rules pertaining to school construction and capital outlay; 14 (2) project priorities; 15 (3) proposed legislation the Board deems desirable or necessary related 16 to the State Aid for School Construction Program, the provisions of this 17 chapter, and any related laws; 18 (4) policies and procedures designed to reduce borrowing for school 19 construction programs at both State and local levels; 20 (5) development of a formal enrollment projection model or the 21 consideration of using projection models already available;

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1	(6) processes and procedures necessary to apply for, receive, administer,
2	and comply with the conditions and requirements of any grant, gift,
3	appropriation of property, services, or monies;
4	(7) the collection and maintenance of a clearinghouse of prototypical
5	school plans that may be consulted by eligible applicants and recommended
6	incentives to utilize such prototypes;
7	(8) the determination of eligible cost components of projects for funding
8	or reimbursement, including partial or full eligibility for project components
9	for which the benefit is shared between the school and other municipal and
10	community entities;
11	(9) development of a long-term vision for a statewide capital plan in
12	accordance with needs and projected funding;
13	(10) collection and maintenance of data on all public school facilities in
14	the State, including information on size, usage, enrollment, available facility
15	space, and maintenance;
16	(11) advising districts on the use of a needs survey to ascertain the
17	capital construction, reconstruction, maintenance, and other capital needs for
18	schools across the State; and
19	(12) encouraging school districts and supervisory unions to investigate
20	opportunities for the maximum utilization of space in and around the district or
21	supervisory union.

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1	(d) Meetings.
2	(1) The Chair of the State Board of Education shall call the first meeting
3	of the Board to occur on or before September 1, 2025.
4	(2) The Board shall select a chair from among its members at the first
5	meeting.
6	(3) A majority of the membership shall constitute a quorum.
7	(4) The Board shall meet not more than six times per year.
8	(e) Assistance. The Board shall have the administrative, technical, and
9	legal assistance of the Agency of Education.
10	(f) Compensation and reimbursement. Members of the Board shall be
11	entitled to per diem compensation and reimbursement of expenses as permitted
12	under 32 V.S.A. § 1010 for not more than six meetings per year.
13	(g) Report. On or before December 15, 2025, the Board shall submit a
14	written report to the House Committees on Education and on Ways and Means
15	and the Senate Committees on Education and on Finance on recommendations
16	for addressing the transfer of any debt obligations from current school districts
17	to future school districts as contemplated by Vermont's education
18	transformation.
19	Sec. 15. PROSPECTIVE REPEAL OF STATE AID FOR SCHOOL
20	CONSTRUCTION ADVISORY BOARD

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1	16 V.S.A. § 3443 (State Aid for School Construction Advisory Board) is
2	repealed on July 1, 2035.
3	Sec. 16. 16 V.S.A. § 3444 is added to read:
4	§ 3444. SCHOOL CONSTRUCTION AID SPECIAL FUND
5	(a) Creation. There is created the School Construction Aid Special Fund,
6	to be administered by the Agency of Education. Monies in the Fund shall be
7	used for the purposes of:
8	(1) awarding aid to school construction projects under section 3445 of
9	this title;
10	(2) awarding grants through the Facilities Master Plan Grant Program
11	established in section 3441 of this title;
12	(3) funding administrative costs of the State Aid for School
13	Construction Program; and
14	(4) awarding emergency aid under section 3445 of this title.
15	(b) Funds. The Fund shall consist of:
16	(1) any amounts transferred or appropriated to it by the General
17	Assembly;
18	(2) any amounts deposited in the Fund from the Supplemental District
19	Spending Reserve; and
20	(3) any interest earned by the Fund.

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1	Sec. 17. 16 V.S.A. § 3445 is added to read:
2	§ 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION
3	PROJECTS
4	(a) Construction aid.
5	(1) Preliminary application for construction aid. A school district
6	eligible for assistance under section 3447 of this title that intends to construct
7	or purchase a new school, or make extensive additions or alterations to its
8	existing school, and desires to avail itself of State school construction aid shall
9	submit a written preliminary application to the Secretary. A preliminary
10	application shall include information required by the Agency by rule and shall
11	specify the need for and purpose of the project.
12	(2) Approval of preliminary application.
13	(A) When reviewing a preliminary application for approval, the
14	Secretary shall consider:
15	(i) regional educational opportunities and needs, including school
16	building capacities across school district boundaries, and available
17	infrastructure in neighboring communities;
18	(ii) economic efficiencies;
19	(iii) the suitability of an existing school building to continue to
20	meet educational needs; and
21	(iv) statewide educational initiatives.

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1	(B) The Secretary may approve a preliminary application if:
2	(i)(I) the project or part of the project fulfills a need occasioned
3	<u>by:</u>
4	(aa) conditions that threaten the health or safety of students
5	or employees:
6	(bb) facilities that are inadequate to provide programs
7	required by State or federal law or regulation;
8	(cc) excessive energy use resulting from the design of a
9	building or reliance on fossil fuels or electric space heat; or
10	(dd) deterioration of an existing building; or
11	(II) the project results in consolidation of two or more school
12	buildings and will serve the educational needs of students in a more cost-
13	effective and educationally appropriate manner as compared to individual
14	projects constructed separately;
15	(ii) the need addressed by the project cannot reasonably be met by
16	another means:
17	(iii) the proposed type, kind, quality, size, and estimated cost of
18	the project are suitable for the proposed curriculum and meet all legal
19	standards;

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1	(iv) the applicant achieves the level of "proficiency" in the school
2	district quality standards regarding facilities management adopted by rule by
3	the Agency; and
4	(v) the applicant has completed a facilities master planning
5	process that:
6	(I) engages robust community involvement;
7	(II) considers regional solutions;
8	(III) evaluates environmental contaminants; and
9	(IV) produces a facilities master plan that unites the applicant's
10	vision statement, educational needs, enrollment projections, renovation needs,
11	and construction projects.
12	(3) Priorities. Following approval of a preliminary application and
13	provided that the district has voted funds or authorized a bond for the total
14	estimated cost of a project, the Agency, with the advice of the State Aid for
15	School Construction Advisory Board, shall assign points to the project as
16	prescribed by rule of the Agency so that the project can be placed on a priority
17	list based on the number of points received.
18	(4) Request for legislative appropriation. The Agency shall submit its
19	annual school construction funding request to the Governor as part of its
20	budget pursuant to subdivision 212(21) of this title. Following submission of
21	the Governor's recommended budget to the General Assembly pursuant to

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1	32 V.S.A. § 306, the House Committee on Education and the Senate
2	Committee on Education shall recommend a total school construction
3	appropriation for the next fiscal year to the General Assembly.
4	(5) Final approval for construction aid.
5	(A) Unless approved by the Secretary for good cause in advance of
6	commencement of construction, a school district shall not begin construction
7	before the Secretary approves a final application. A school district may submit
8	a written final application to the Secretary at any time following approval of a
9	preliminary application.
10	(B) The Secretary may approve a final application for a project
11	provided that:
12	(i) the project has received preliminary approval;
13	(ii) the district has voted funds or authorized a bond for the total
14	estimated cost of the project;
15	(iii) the district has made arrangements for project construction
16	supervision by persons competent in the building trades;
17	(iv) the district has provided for construction financing of the
18	project during a period prescribed by the Agency;
19	(v) the project has otherwise met the requirements of this chapter;
20	(vi) if the proposed project includes a playground, the project
21	includes a requirement that the design and construction of playground

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1	equipment follow the guidelines set forth in the U.S. Consumer Product Safety
2	Commission Handbook for Public Playground Safety; and
3	(vii) if the total estimated cost of the proposed project is less than
4	\$50,000.00, no performance bond or irrevocable letter of credit shall be
5	required.
6	(C) The Secretary may provide that a grant for a high school project
7	is conditioned upon the agreement of the recipient to provide high school
8	instruction for any high school pupil living in an area prescribed by the Agency
9	who may elect to attend the school.
10	(D) A district may begin construction upon receipt of final approval.
11	However, a district shall not be reimbursed for debt incurred due to borrowing
12	of funds in anticipation of aid under this section.
13	(6) Award of construction aid.
14	(A) The base amount of an award shall be 20 percent of the eligible
15	debt service cost of a project. Projects are eligible for additional bonus
16	incentives as specified in rule for up to an additional 20 percent of the eligible
17	debt service cost. Amounts shall be awarded annually.
18	(B) As used in subdivision (A) of this subdivision (6), "eligible debt
19	service cost" of a project means the product of the lifetime cost of the bond
20	authorized for the project and the ratio of the approved cost of a project to the
21	total cost of the project.

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1	(b) Emergency aid. Notwithstanding any other provision of this section,
2	the Secretary may grant aid for a project the Secretary deems to be an
3	emergency in the amount of 30 percent of eligible project costs, up to a
4	maximum eligible total project cost of \$300,000.00.
5	Sec. 18. 16 V.S.A. § 3446 is added to read:
6	<u>§ 3446. APPEAL</u>
7	Any municipal corporation as defined in section 3447 of this title aggrieved
8	by an order, allocation, or award of the Agency of Education may, within 30
9	days, appeal to the Superior Court in the county in which the project is located.
10	Sec. 19. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF
11	RULES
11 12	RULES (a) The statutory authority to adopt rules by the State Board of Education
12	(a) The statutory authority to adopt rules by the State Board of Education
12 13	(a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A.
12 13 14	(a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A. § 3448(e) and 3 V.S.A. chapter 25 is transferred from the State Board of
12 13 14 15	(a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A. § 3448(e) and 3 V.S.A. chapter 25 is transferred from the State Board of Education to the Agency of Education.
12 13 14 15 16	 (a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A. § 3448(e) and 3 V.S.A. chapter 25 is transferred from the State Board of Education to the Agency of Education. (b) All rules pertaining to school construction and capital outlay adopted by
12 13 14 15 16 17	 (a) The statutory authority to adopt rules by the State Board of Education pertaining to school construction and capital outlay adopted under 16 V.S.A. § 3448(e) and 3 V.S.A. chapter 25 is transferred from the State Board of Education to the Agency of Education. (b) All rules pertaining to school construction and capital outlay adopted by the State Board of Education under 3 V.S.A. chapter 25 prior to July 1, 2026

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1	(c) The Agency of Education shall provide notice of the transfer to the					
2	Secretary of State and the Legislative Committee on Administrative Rules in					
3	accordance with 3 V.S.A. § 848(d)(2).					
4	Sec. 20. REPEALS					
5	(a) 16 V.S.A. § 3448 (approval of funding of school construction projects;					
6	renewable energy) is repealed on July 1, 2026.					
7	(b) 16 V.S.A. § 3448a (appeal) is repealed on July 1, 2026.					
8	* * * Schools Eligible to Receive Public Tuition * * *					
9	Sec. 21. 16 V.S.A. § 828 is amended to read:					
10	§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL					
11	(a) A school district shall not pay the tuition of a student except to:					
12	(1) a public school, located in Vermont;					
13	(2) an approved independent school, that:					
14	(A) is located in Vermont;					
15	(B) is approved under section 166 of this title on or before July 1,					
16	<u>2025;</u>					
17	(C) is located within either:					
18	(i) a supervisory district that does not operate a public school for					
19	some or all grades as of July 1, 2024; or					
20	(ii) a supervisory union with one or more member school districts					
21	that does not operate a public school for some or all grades as of July 1, 2024;					

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1	(D) had at least 40 percent of its student enrollment composed of
2	students attending on a district-funded tuition basis pursuant to chapter 21 of
3	this title during the 2023–2024 school year; and
4	(E) complies with the minimum class size requirements contained in
5	subdivision 165(a)(9) of this title and State Board rule; provided, however, that
6	if a school is unable to comply with the class size minimum standards due to
7	geographic isolation or a school has developed an implementation plan to meet
8	the class size minimum requirements, the school may ask the State Board to
9	grant it a waiver from this subdivision (E), which decision shall be final;
10	(3) an independent school meeting education quality standards;
11	(4) a tutorial program approved by the State Board;
12	(5) an approved education program, or;
13	(6) an independent school in another state or country approved under the
14	laws of that state or country, that complies with the reporting requirement
15	under subsection 4010(c) of this title, a public school located in another state;
16	<u>or</u>
17	(7) a therapeutic approved independent school located in Vermont or
18	another state or country that is approved under the laws of that state or country.
19	(b) nor shall payment Payment of tuition on behalf of a person shall not be
20	denied on account of age.

1	(c) Unless otherwise provided, a person who is aggrieved by a decision of a
2	school board relating to eligibility for tuition payments, the amount of tuition
3	payable, or the school the person may attend, may appeal to the State Board
4	and its decision shall be final.
5	(d) As used in this section, "therapeutic approved independent school"
6	means an approved independent school that limits enrollment for publicly
7	funded students residing in Vermont to students who are on an individualized
8	education program or plan under Section 504 of the Rehabilitation Act of
9	1973, 29 U.S.C. § 794, or who are enrolled pursuant to a written agreement
10	between a local education agency and the school or pursuant to a court order.
11	Sec. 22. TUITION TRANSITION
12	A school district that pays tuition pursuant to the provisions of 16 V.S.A.
13	chapter 21 in effect on June 30, 2025 shall continue to pay tuition on behalf of
14	a resident student enrolled for the 2024–2025 school year in or who has been
15	accepted for enrollment for the 2025–2026 school year by an approved
16	independent school subject to the provisions of 16 V.S.A. § 828 in effect on
17	June 30, 2025, until such time as the student graduates from that school.
18	* * * State-Level Governance * * *
19	Sec. 23. STATE-LEVEL GOVERNANCE; INTENT
20	It is the intent of the General Assembly to consolidate structures and
21	systems that are foundational to the administration of education and to ensure

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1	that the State Board of Education is the independent, transparent, and public
2	facing body for public education and to ensure the Board maintains its ability
3	provide an important outlet for the public to engage in the rulemaking process
4	and regularly provide public comment regarding the state of Vermont's
5	education system.
6	Sec. 24. 16 V.S.A. § 161 is amended to read:
7	§ 161. STATE BOARD OF EDUCATION; APPOINTMENT OF
8	MEMBERS; TERM; VACANCY
9	The State Board shall consist of ten 10 members. Two of the members shall
10	be secondary students, one of whom shall be a full member and the other of
11	whom shall be a junior member who may not vote. All Eight members,
12	including the two student members, shall be appointed by the Governor with
13	the advice and consent of the Senate. One member shall be appointed by the
14	Speaker of the House and one member shall be appointed by the Senate
15	Committee on Committees. In the appointment of the nonstudent members,
16	priority shall be given to the selection of persons with a demonstrated
17	commitment to ensuring quality education for Vermont students. To the extent
18	possible, the members shall represent the State's geographic, gender, racial,
19	and ethnic diversity. The Secretary shall serve on the State Board as a
20	nonvoting member.

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1	(1) Upon the expiration of the respective terms of those members of the
2	Board previously appointed, excluding the student members, the Governor
3	appointing authority that made the initial appointment to the expired term
4	shall, biennially in the month of February with the advice and consent of the
5	Senate, as applicable, appoint members for terms of six years. The terms shall
6	begin March 1 of the year in which the appointments are made. A member
7	serving a term of six years shall not be eligible for reappointment for
8	successive terms.
9	(2) In the event of any vacancy occurring in the membership of the
10	Board, the Governor appointing authority that made the initial appointment to
11	the vacated term shall fill the vacancy with a qualified person whose
12	appointment shall be for the unexpired portion of the term.
13	(3) Biennially, the Board shall choose a member of the Board to be its
14	chair.
15	(4) Annually, using an application process that is open and accessible to
16	all eligible students, the Governor shall appoint a Vermont secondary school
17	student who will continue to be a secondary student for at least two years
18	following taking office, to serve on the State Board for two years, beginning on
19	July 1 of the year of appointment. The student member shall not vote during
20	the first year and shall be a full and voting member during the second year of
21	his or her the student's term.

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1	subsequent appointments for the remaining five non-student seats, with the
2	advice and consent of the Senate, in accordance with 16 V.S.A. § 161.
3	Sec. 26. 16 V.S.A. § 162 is amended to read:
4	§ 162. REMOVAL OF BOARD MEMBERS
5	After notice and hearing, the Governor may remove a member of the State
6	Board for incompetency, failure to discharge his or her the member's duties,
7	malfeasance, illegal acts, or other cause inimical to the welfare of the public
8	schools; and in case of such removal, he or she the appointing authority that
9	made the initial appointment shall appoint a person to fill the unexpired term.
10	* * * Calculation of Tuition * * *
11	Sec. 27. 16 V.S.A. § 823 is amended to read:
12	§ 823. ELEMENTARY TUITION
13	(a) Tuition for elementary students shall be paid by the district in which the
14	student is a resident. The district shall pay the full tuition charged its students
15	attending a public elementary school to a receiving school an amount equal to
16	the base amount contained in subdivision 4001(16) of this title multiplied by
17	the sum of one and any weights applicable to the resident student under section
18	4010 of this title, for each resident student attending the receiving school. If a
19	payment made to a public elementary school is three percent more or less than
20	the calculated net cost per elementary pupil in the receiving school district for
21	the year of attendance, the district shall be reimbursed, credited, or refunded

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1	pursuant to section 836 of this title. Notwithstanding the provisions of this
2	subsection or of subsection 825(b) of this title, the boards of both the receiving
3	and sending districts may enter into tuition agreements with terms differing
4	from the provisions of those subsections, provided that the receiving district
5	must offer identical terms to all sending districts, and further provided that the
6	statutory provisions apply to any sending district that declines the offered
7	terms.
8	(b) Unless the electorate of a school district authorizes payment of a higher
9	amount at an annual or special meeting warned for the purpose, the tuition paid
10	to an approved independent elementary school or an independent school
11	meeting education quality standards shall not exceed the least of:
12	(1) the average announced tuition of Vermont union elementary schools
13	for the year of attendance;
14	(2) the tuition charged by the approved independent school for the year
15	of attendance; or
16	(3) the average per-pupil tuition the district pays for its other resident
17	elementary students in the year in which the student is enrolled in the approved
18	independent school. [Repealed.]
19	Sec. 28. REPEALS
20	16 V.S.A. §§ 824 (high school tuition), 825 (maximum tuition rate;
21	calculated net cost per pupil defined), 826 (notice of tuition rates; special

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	[Senate] [House] [new or needs attention]
1	education charges), and 836 (tuition overcharge or undercharge) are repealed
2	<u>on July 1, 2029.</u>
3	* * * Special Education Delivery * * *
4	Sec. 29. STATE OF SPECIAL EDUCATION DELIVERY; AGENCY OF
5	EDUCATION; REPORT
6	(a) On or before September 1, 2025, the Agency of Education shall submit
7	a written report to the House and Senate Committees on Education, the House
8	Committee on Ways and Means, and the Senate Committee on Finance
9	addressing the factors contributing to growth in extraordinary special education
10	reimbursement costs. The report shall include detailed information regarding
11	the current state of special education delivery in Vermont, including an update
12	on the implementation of special education changes enacted pursuant to 2018
13	Acts and Resolves No. 173 (Act 173). The report shall include a description of
14	the current state of support for students with disabilities in Vermont and
15	recommended changes to structure, practice, and law with the goal of:
16	(1) improving the delivery of special education services and managing
17	the rising extraordinary special education costs as Vermont's special education
18	finance system transitions from a census block grant to a weight for special
19	education costs;

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1	(2) ensuring better, more inclusive services in the least restrictive
2	environment in a way that makes efficient and effective use of limited
3	resources while resulting in the best outcomes;
4	(3) responding to the challenges of fully implementing Act 173 and the
5	lessons learned from implementation efforts to date;
6	(4) ensuring that the delivery of special education is responsive to
7	student needs; and
8	(5) addressing drivers of growth of extraordinary expenditures in special
9	education.
10	(b) The report shall include:
11	(1) An analysis of the costs of and services provided for students with
12	extraordinary needs in specialized settings, separated by school-district-
13	operated specialized programs, independent nonprofit programs, and
14	independent for-profit programs. The report shall include a geographic map
15	with the location of all specialized programs within the State of Vermont, as
16	well as the following information for each individual specialized program:
17	(A) disability categories served;
18	(B) grade levels served;
19	(C) the number of students with IEPs and the average duration of
20	time each student spent in the program over the last 10 years;

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1	(D) average cost per pupil, inclusive of extraordinary spending and
2	any costs in excess of general tuition rates;
3	(E) years of experience, training, and tenure of licensed special
4	education staff;
5	(F) a review of the findings of all investigations conducted by the
6	Agency of Education; and
7	(G) a review of the Agency's public assurance capabilities, with
8	respect to special education programs in all settings, and an analysis of the
9	effectiveness of current oversight or rule, and recommended changes if needed.
10	(2) An evaluation of the state of implementation of Act 173, including
11	examples of where implementation has been successful, where it has not, and
12	why.
13	(3) Identification of drivers of accelerating costs within the special
14	education system.
15	(4) Identification of barriers to the success of students with disabilities.
16	(5) A description of how specialized programs for students with
17	extraordinary needs operated by school districts, independent nonprofit
18	schools, and independent for-profit schools are funded, with an analysis of the
19	benefits and risks of each funding model.
20	(6) An assessment of whether Vermont's current special education laws
21	ensure equitable access for all students with disabilities to education alongside

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1	their peers in a way that is consistent with the Vermont education quality
2	standards for public schools and the right to a free appropriate public education
3	(FAPE) under the Individuals with Disabilities Education Act, 20 U.S.C.
4	<u>§§ 1400–1482.</u>
5	(7) A review of the capacity of the Agency to support and guide school
6	districts on the effective support of students with disabilities, as well as
7	compliance with federal law, which shall include:
8	(A) a review of final reports of investigations conducted by the
9	Agency in school-district-operated specialized programs, independent
10	nonprofit programs, and independent for-profit programs in the previous 10
11	years and an evaluation of what practices could reduce adverse findings in
12	these settings;
13	(B) an assessment of the ability of the State to ensure State resources
14	are used in the most efficient and effective way possible to support the success
15	of students with disabilities and their access to a free and appropriate public
16	education;
17	(C) a review of any pending and recent federal findings against the
18	State or school districts, as well as progress on corrective actions;
19	(D) a review of the Agency's staffing and capacity to review and
20	conduct monitoring and visits to schools, especially independent settings;

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1	(E) a description of the process and status of reviews and approvals
2	of approved independent schools that provide special education and therapeutic
3	schools; and
4	(F) recommendations for whether the Agency has capacity to ensure
5	timely review of approved independent schools and provide sufficient
6	oversight for specialized programs in nonprofit independent schools and for-
7	profit independent schools.
8	(8) Recommendations for needed capacity at the Agency to provide
9	technical assistance and support to school districts in the provision of special
10	education services.
11	(9) An analysis of whether more strategic support for better primary first
12	instruction and more successful implementation of Act 173 needs to be in
13	place for a weighted funding model for special education to succeed, including
14	a suggested transition timeline, with indicators, to be incorporated into the
15	Agency's strategic plan.
16	(10) If warranted, a review of options for changes to practice, structure,
17	and law that ensure students with disabilities are provided access to quality
18	education, in the least restrictive environment, in a cost-effective way that is
19	consistent with State and federal law, which may include a review of the
20	possible role of BOCES and the impact of larger districts on effective, high-
21	quality support for students with disabilities.

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1	Sec. 30. SPECIAL EDUCATION STRATEGIC PLAN; AGENCY OF
2	EDUCATION
3	(a) Strategic plan. In consultation with the State Advisory Panel on Special
4	Education established under 16 V.S.A. § 2945, the Agency of Education shall
5	develop a three-year strategic plan for the delivery of special education
6	services in Vermont. The strategic plan shall include unambiguous measurable
7	outcomes and a timeline for implementation. The strategic plan shall be
8	informed by the analysis and findings of the report required of the Agency
9	under Sec. 29 of this act and be designed to ensure successful implementation
10	of 2018 Acts and Resolves No. 173 (Act 173) and provide the supports and
11	processes that need to be in place for the transition to a weighted funding
12	model for special education to succeed, including a suggested transition
13	timeline, with benchmarks for success. The strategic plan shall also include
14	contingency recommendations for special education funding in the event
15	federal special education funding under the Individuals with Disabilities
16	Education Act, 20 U.S.C. §§ 1400–1482, is no longer available or transitions
17	to a system that requires more planning and management on the part of the
18	State to ensure funds are distributed equitably.
19	(b) Reports.
20	(1) On or before December 1, 2025, the Agency shall submit the three-
21	year strategic plan created pursuant to subsection (a) of this section to the

1	House and Senate Committees on Education, the House Committee on Ways
2	and Means, and the Senate Committee on Finance.
3	(2) On or before December 1 of 2026, 2027, 2028, and 2029, the
4	Agency shall submit a written report to the House and Senate Committees on
5	Education, the House Committee on Ways and Means, and the Senate
6	Committee on Finance with a detailed update on the Agency's implementation
7	of its strategic plan and any recommendations for legislative changes needed to
8	ensure a successful transition to a weighted funding model and continued
9	successful implementation of Act 173.
10	Sec. 31. POSITION; AGENCY OF EDUCATION
11	(a) Establishment of one new permanent, classified position is authorized
12	in the Agency of Education in fiscal year 2026, to support development and
13	implementation of the three-year strategic plan required under Sec. 30 of this
14	<u>act.</u>
15	(b) The sum of \$150,000.00 is appropriated from the General Fund to the
16	Agency of Education's base budget in fiscal year 2026 for the purposes of
17	funding the position created in subsection (a) of this section. The Agency shall
18	include funding for this permanent position in their annual base budget request
19	in subsequent years.
20	* * * Agency of Education Transformation Support * * *
21	Sec. 32. AGENCY OF EDUCATION; TRANSFORMATION

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1	APPROPRIATION
2	The sum of \$3,400,000.00 is appropriated from the General Fund to the
3	Agency of Education in fiscal year 2026 to support education transformation
4	work as follows:
5	(1) \$200,000.00 to support school boards transitioning to new
6	governance models as contemplated in this act;
7	(2) \$562,500.00 for positions established in Sec. 33 of this act; and
8	(3) \$2,637,500.00 for contracted services to support school districts with
9	administrative activities relating to consolidation, including accounting, budget
10	and operational practice, and to support education quality activities including
11	the alignment of curricula, instructional materials, and teaching activities.
12	Sec. 33. EDUCATION TRANSFORMATION; POOL POSITIONS
13	The General Fund appropriation in Sec. 32 of this act shall fund five limited
14	service classified positions taken from the position pool. The pool positions
15	shall be used to establish the following limited service classified positions at
16	the Agency of Education in fiscal year 2026 to support education
17	transformation work:
18	(1) one Business Operations Support Specialist;
19	(2) one Data Integration Support Specialist;
20	(3) one Curriculum and Education Quality Standards Integration
21	Specialist:

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- 1 (4) one Learning and Teaching Integration Specialist; and
- 2 (5) one School Facilities Field Support Specialist.