

H.955 APBH (Secs. 1-29a)  
Section by Section Summary  
April 30, 2026

Sec./Instance	Citation/Section Heading	Summary
<p>***Legislative Intent***</p>		
Sec. 1	Legislative Intent	<ul style="list-style-type: none"> <li>• To ensure each student is provided substantially equal educational opportunities that will prepare the student to thrive in a 21st-century world, it is the intent of the General Assembly to work strategically, intentionally, and thoughtfully to ensure that each incremental change made to Vermont’s public education system provides strength and support to its only constitutionally required governmental service.</li> <li>• The General Assembly recognizes that Vermont’s schools anchor local economies and community identity, connecting young people to their homes while supporting workforce development and long-term stability, and that different regions of Vermont have different needs, challenges, and opportunities. Further, it is the intent of the General Assembly to ensure that local voice and community input retain an important role in Vermont’s evolving education landscape.</li> </ul>
<p>*** Cooperative Educational Service Areas ***</p>		
Sec. 2	16 V.S.A. chapter 10 BOCES-->CESA	<p>Sec. 2 amends the current BOCES chapter as follows:</p> <ul style="list-style-type: none"> <li>• Changes boards of cooperative education services to cooperative educational service areas and BOCES to CESAs throughout the chapter</li> <li>• § 601. Policy: language amended to reflect forming a CESA is no longer a voluntary process; overall policy remains the same</li> <li>• § 602. Definitions: adds definition for CESA</li> <li>• § 603. Creation of CESAs               <ul style="list-style-type: none"> <li>○ strikes language that creates the process for voluntary formation of a CESA and replaces it with 7 State created CESAs and their SU/school district membership</li> <li>○ Keeps Vermont Learning Collaborative membership the same as it currently is</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>○ Amends the requirement for BOCES to create articles of agreement to require CESAs to establish bylaws</li> <li>○ Strikes the prohibition on there being more than 7 BOCES statewide</li> <li>● § 604. Powers of CESAs               <ul style="list-style-type: none"> <li>○ Adds examples of the types of services a CESA may offer, including professional development, curriculum coordination and development, and transportation</li> <li>○ Adds a requirement that at a minimum, CESAs shall offer services in special education, business and admin services, and USD creation consultation and facilitation</li> </ul> </li> <li>● §§ 605-607—only changes are the name change from BOCES to CESA</li> </ul>
Sec. 3	REPEAL	Repeals Sec. 3 of 2024 Acts and Resolves No. 168 (transition; report) which required AOE to submit a report to the GA with information on how many BOCES had voluntarily formed by 2028 (no longer relevant now that CESAs created in law)
Sec. 4	2024 Acts and Resolves No. 168, Sec. 4, as amend by 2025 Acts and Resolves No. 72, Sec. 7	Amends the CESA start-up grant program: <ul style="list-style-type: none"> <li>● to replace references to BOCES with CESAs</li> <li>● up the grant amount from \$10k to \$15k</li> <li>● makes the necessary appropriation of \$30,000 for CESA start-up grants an allowable use of the Act 73 education transformation appropriations that were amended in Sec. C.103 of the budget (H.951)</li> </ul>
Sec. 5-11	various sections	Amends everywhere in current law the term BOCES appears to replace it with CESA—no substantive amendments
Sec. 12	CESA Transition	<ul style="list-style-type: none"> <li>● Requires each SU member of a CESA to appoint a person to serve on their CESA board within 30 days of passage of this act</li> <li>● Requires each CESA to call a meeting of the directors and elect a chair and other necessary officers within 45 days of passage of this act</li> <li>● Specifies that the Vermont Learning Collaborative’s articles of agreement in effect on June 30, 2026 shall serve as the operating agreement of VTLC unless and until amended (so</li> </ul>

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		they don't have to do anything extra in terms of their governance in light of this act)
* * * Union School District Exploration and Formation * * *		
Sec. 13	Union School District Creation Consultation and Facilitation	<ul style="list-style-type: none"> <li>• Requires VTLC to hire 7 facilitators and 1 lead facilitator by Oct. 1, 2026 to organize and facilitate study committees to study the advisability of forming a unified union school district. Facilitators are required to have knowledge of and experience working in VT's public education system. VTLC shall assign one facilitator to each CESA membership region</li> <li>• Study committees               <ul style="list-style-type: none"> <li>○ By Dec. 1, 2026, facilitators shall assign each school district to a study committee, after consulting with school boards and using the suggested groupings from Sec. 14 as guidance, taking into consideration grand list values, accounting for the homestead exemption and current education spending, according to following criteria:                   <ul style="list-style-type: none"> <li>▪ Aggregate ADM of participating districts of 2,000</li> <li>▪ Participating districts shall be contiguous</li> <li>▪ May be members of different supervisory unions</li> </ul> </li> <li>○ By Dec. 1, 2026, study committees shall hold 1<sup>st</sup> mtg</li> <li>○ School districts required to participate in study committees</li> <li>○ Study committees shall follow Title 16, chapter 11                   <ul style="list-style-type: none"> <li>▪ Study committees may work with facilitators to adjust committee membership as necessary</li> <li>▪ Budgets funded through appropriations from GA and if study committees need more, they can revert to the current law process</li> <li>▪ Have to explore the advisability of a new UUSD operating a regional middle or high school or both</li> <li>▪ If study committee determines it's advisable to form a new UUSD, final report has to include:                       <ul style="list-style-type: none"> <li>▪ Current law requirements in § 708(c)</li> <li>▪ Educational advantages and disadvantages of proposed new UUSD</li> <li>▪ Financial advantages and disadvantages of proposed new UUSD</li> <li>▪ Likely operational and financial viability and sustainability of proposed new UUSD</li> </ul> </li> </ul> </li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>▪ Any other advantages or disadvantages of proposed new UUSD, including any advantages or disadvantages to the students and taxpayers of the region and the State</li> <li>▪ If study committee determines it's inadvisable to form new UUSD, have to send final report to participating school district boards, and the final report has to include:                         <ul style="list-style-type: none"> <li>▪ Names of participating school districts</li> <li>▪ Analysis of strengths and challenges of current structures of necessary and advisable districts;</li> <li>▪ Reasons why a new UUSD would be inadvisable, with reference to any State law or rule that's an impediment to formation of a new UUSD, and why it's an impediment</li> <li>▪ If not a unanimous decision, the minority view's analysis as to how a new UUSD would meet the policy goals in § 701</li> </ul> </li> <li>▪ If study committee determines it's inadvisable to form new UUSD, once study committee dissolves, school districts can may form new study committees in any configuration to pursue any option available under chapter 11</li> <li>○ Final reports from all study committees due to member school boards on or before Dec. 1, 2027</li> <li>○ School boards required to complete review of final reports on or before Feb. 1, 2028</li> <li>○ Secretary required to review final reports and transmit the reports and Secretary's recommendations to the SBE on or before April 1, 2028 or within 60 days of receipt of the final report, whichever date occurs first. If the Secretary does not do so in the required timeframe, the study committee can transmit the final report directly to the SBE without the Secretary's recommendations</li> <li>○ State Board to issue findings required under § 709(c)(2) on or before June 1, 2028 for final reports that propose forming new UUSD</li> <li>○ Vote to form new UUSD to happen on or before November 7, 2028 (election day)</li> <li>○ AOE to submit a report to GA on or before Feb 1, 2027 with the membership and status of each study committee</li> </ul>

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Sec. 14	Guidance for Study Committee Groupings	Facilitators are required to use the school district groupings contained in this section as guidance when forming study committees. Study committee membership may vary from this guidance but a facilitator has to give the lead facilitator rationale for the variance so the lead facilitator can include that info in the lead facilitator’s final report
Sec. 15	Study Committee Results and Analysis; Facilitator Report	Lead facilitator required to submit written report to GA with results of each study committee with info on whether the final outcomes were impacted or influenced by the following issues: <ul style="list-style-type: none"> <li>• Differences in staffing costs</li> <li>• Geographic and topographic barriers</li> <li>• Enrollment patterns and projections</li> <li>• Any other factor facilitator found to have influenced final decision of study committee</li> </ul>
Sec. 16	Supervisory Union and CESA Boundaries; Agency of Education Report	On or before Jan 1, 2029 AOE, in consultation with the study committees formed pursuant to Sec. 13 and the SBE, a report to the GA with recommendations for SU boundary adjustments and CESA boundary adjustments based on the new UUSDs formed or proposed to be formed pursuant to this act
Sec. 17	Study committee reimbursement grants; CESA executive director grants; reports; appropriations	Creates grant programs for CESA and study committee work as follows: <ul style="list-style-type: none"> <li>• (a) Study committee reimbursement grants <ul style="list-style-type: none"> <li>○ AOE required to pay up to \$10k to study committees formed pursuant to Sec. 13 to reimburse participating school districts for legal and other services incurred on the study committee</li> <li>○ Appropriation of \$210,000 out of Act 73 education transformation appropriation, as amended by Sec. C.103 of the budget</li> </ul> </li> <li>• (b) Facilitator appropriation—requires \$442,000 of the Act 73 education transformation appropriation, as amended by Sec. C.103, to be appropriated to AOE to be granted to the Vermont Learning Collaborative within 45 days of the passage of this act for the purpose of hiring study committee facilitators <ul style="list-style-type: none"> <li>○ 7 facilitators at an estimated \$50k each</li> <li>○ 1 lead facilitator at an estimated \$60k</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>○ VTLC may use to \$32k for admin costs</li> <li>• (c) CESA executive directory grants               <ul style="list-style-type: none"> <li>○ AOE to award each new CESA (not VTLC) w/\$50k towards hiring first exec. Director</li> <li>○ Appropriation of \$300,000 out of Act 73 education transformation appropriation, as amended by Sec. C.103 of the budget</li> </ul> </li> </ul> <p><i>Effective on 7.1.26</i></p>
<p>*** 2025 Acts and Resolves No. 73 ***</p>		
Sec. 18	2025 Acts and Resolves No. 73, Sec. 70	<p>Amends Sec. 70 of Act 73, which is the effective date section, as follows:</p> <ul style="list-style-type: none"> <li>• (d)—Sec. 48 (Dec. 1 letter) effective date amended from 7.1.29 to <b>7.1.30</b></li> <li>• (f)—foundation formula and other tax changes effective dates               <ul style="list-style-type: none"> <li>○ Contingent effective date amended from 7.1.28 to <b>7.1.2030</b></li> <li>○ Contingencies amended to:                   <ul style="list-style-type: none"> <li>▪ (A) school districts have an opportunity to study the advisability of forming a new unified union school district and if the study results in a vote, the clerk of each voting school district has certified the results;</li> <li>▪ (B) GA receives the 45a JFO contractor FF report;</li> <li>▪ (C) JFO has provided the GA with an analysis using FY27 data that compares total appropriated State funds rec'd by each school district under current funding formula to what school districts would get under the Act 73 FF; and</li> <li>▪ (D) legislation has been enacted that addresses several components of the foundation formula</li> </ul> </li> <li>○ (g)—effective date for two provisions of the tuition statute related to additional fees that may be charged by receiving schools to sending districts</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>▪ Contingent effective date amended from 7.1.28 to <b>7.1.2030</b></li> <li>▪ 1<sup>st</sup> contingency amended to: school districts have an opportunity to study the advisability of forming a new unified union school district and if the study results in a vote, the clerk of each voting school district has certified the results; other contingencies remain the same</li> </ul>
Sec. 18a	Interactive Funding Calculator; Dept. of Taxes	<p>On or before Oct. 1, 2027, Dept. of Taxes shall publish on it’s website an interactive calculator that enables a school district or union school district study committee to calculate an estimate of the total education funding from the State it received under Vermont’s current ed finance system in FY27 and the estimated total ed funding it would have received from the State under the new financing formula had it been in effect in FY 27. It has to reflect all ed finance policy choices represented in the total appropriated State funds each school district receives under the current finance system enacted through July 1, 2027, that would impact funding levels. Dept. of Tax has to consult with JFO, AOE, and Dept. of Finance and Management in developing the calculator. It also has to submit a preliminary plan for the calculator to the JFO and AOE for feedback and a preliminary version to the Joint Fiscal Committee in Sept. 2027.</p>
<p>*** Prekindergarten Education ***</p>		
Sec. 19	Prekindergarten Education; Findings	Legislative findings related to Vermont’s prekindergarten education system
Sec. 20	Legislative Intent	<p>Legislative intent re prek education:</p> <ul style="list-style-type: none"> <li>• Ensure that prek education is included as an integral part of VT’s education system</li> <li>• Determine locus of responsibility to ensure access within all school districts</li> <li>• Provide access to licensed teachers in both private and public settings;</li> <li>• Equalize financial resources for all prequalified providers of prek education</li> </ul>

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Sec. 21	Joint Fiscal Office; prekindergarten report; appropriation	<p>The fourth instance amends H.955 as introduced by striking out Sec. 21 in its entirety and replacing it with a new Sec. 21. The HWM Sec. 21:</p> <ul style="list-style-type: none"> <li>• (a) Includes legislative intent for what prek funding will support</li> <li>• (b) Requires AOE, DCF and Building Bright Futures to establish a system to jointly monitor and evaluate prek programs; requires BBF, in consultation with AOE and DCF to report annually to the GA; requires BBF to submit a report to the GA on or before Dec. 1, 2026 with information on BBF’s work under the federal Preschool Development Grant and data collection, initial findings, outstanding gaps in data, and legislative recommendations</li> <li>• (c) Requires JFO to hire a contractor to conduct an updated cost of care analysis to account for prek within VT’s education finance system, utilizing past cost modeling studies; JFO to provide the GA with different funding mechanisms to be used to distribute funds for education costs within the new financing formula, including grants, inclusion within the EOP, and different forms of categorical aid, on or before Dec. 15, 2026; \$75k appropriation to JFO to hire the contractor, from the General Fund</li> </ul>
Sec. 21a	16 V.S.A. § 829 Prekindergarten Education	<p>Amends the prek statute (16 V.S.A. § 829) by:</p> <ul style="list-style-type: none"> <li>• adding a new subdivision (5) to the tuition subsection (d), which requires a district of residence to report annually to AOE the number of hours of prek education received by each prek child for whom it has provided prek education or on whose behalf it has paid tuition pursuant to this section; and</li> <li>• adding Building Bright Futures to subdivision (e)(1) under the rules subsection to require BBF to work with AOE and DCF to establish a system to monitor prek programs</li> </ul>
* * * Data Collection * * *		
Sec. 22	16 V.S.A. § 4010(c)	Amends 16 V.S.A. § 4010(c) to require school districts to require each resident student in grades prek-12 on whose

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		<p>behalf the district pays tuition to complete a form or forms developed by AOE to obtain the info needed for AOE to compute weighting categories for tuitioned students; requires the form to be included with any residency verification forms and requests for public tuition funding forms required by a school district</p>
<p>*** Special Education Funding ***</p>		
<p>Sec. 23</p>	<p>Special Education Funding Safeguards; Legislative Intent</p>	<ul style="list-style-type: none"> <li>• (a) Legislative intent to ensure VT complies with federal maintenance of effort requirements in any education funding reform; prohibits construing Act 73 to permit a reduction of State or local funding for special education in a way that would violate MOE</li> <li>• (b) Intent of the GA to maintain a funding structure in which general ed is funded through a formula-based mechanism established by law and special ed is funded through a supplemental reimbursement, weighted student count, or grant model that preserves MOE requirements</li> <li>• (c) Intent of GA that implementation of Act 73 or any future ed funding reform shall not limit the rights of students with disabilities to FAPE</li> <li>• (d) Prohibits school districts from implementing programmatic reductions, staffing changes, or budgetary actions that disproportionately affect students with disabilities or impair the district's ability to provide FAPE</li> <li>• (e) Requires school districts to assess and document the impact of significant programming changes on students with disabilities, in accordance with guidance issued by AOE</li> <li>• (f) Require AOE to issue guidance to ensure school districts implement Act 73 in a manner consistent with this section and with federal special ed requirements</li> </ul>
<p>*** Tuition ***</p>		
<p>Sec. 24</p>	<p>16 V.S.A. § 828. Tuition to approved schools; age; appeal</p>	<p>Amends 16 V.S.A. § 828 to add a new subsection that:</p> <ul style="list-style-type: none"> <li>• prohibits a school eligible to receive tuition pursuant to this section from requiring tuition or</li> </ul>

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		<p>fees of any kind from a student attending the school on public tuition above the amount a school district pays in tuition pursuant to § 823</p> <ul style="list-style-type: none"> <li>prohibits public receiving schools from requiring tuition or fees of any kind from above the amount a school district pays in tuition pursuant to § 823 for both resident students and tuitioned students</li> </ul>
Sec. 24a.	Prohibition on Charging Fees Beyond Tuition; Legislative Intent	It is the intent of the GA that the “topping off” prohibition in Sec. 24 shall take effect at the same time as the FF and other tax changes envisioned in this act, provided that the contingencies have been met
<p>*** Union School District Study Committee Budgets ***</p>		
Sec. 25	16 V.S.A. § 707. Approval of study budget; appointment of study committee; participation	Amends 16 V.S.A. § 707 to increase the amount of a study committee budget that would require to be approved by the electorate of the school districts participating on the study committee, from \$50k to \$500k
<p>*** Rulemaking, Forms, and Reports ***</p>		
Sec. 26	Small and Sparse Schools; State Board of Education; Education Quality Standards; Rulemaking	Requires SBE to adopt updates to the EQS rule series to establish criteria for identifying schools as small by necessity or sparse by necessity, or both, on or before March 31, 2027, unless given an extension by LCAR; rules are required to be consistent with the work of the Small/Sparse School Committee of the SBE and their recommendations dated Dec. 17, 2025
Sec. 27	Intradistrict Budgeting; Agency of Education; District Quality Standards; Rulemaking	Requires SBE to adopt updates to the DQS rule series to establish criteria for intradistrict budgeting, on or before March 31, 2027, unless given an extension by LCAR; rules shall ensure resources are allocated across schools within each district in a way that provides substantially equal educational opportunities and enables students to achieve/exceed EQS
Sec. 27a.	2024 Acts and Resolves No. 183, Sec. 7	Amends Sec. 7 from Act 183 to require AOE, in collaboration with VSBO, VSA, and VSBA to complete rulemaking updates to DQS to include recommended reserve fund account standards

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Sec. 27b.	School Transportation Grants; Report	<p>Requires AOE to submit a report to GA on or before Dec. 1, 2026 regarding school transportation, including:</p> <ul style="list-style-type: none"> <li>• info on which grades school districts provide transpo for, whether vehicles are owned or leased, whether public transpo is used and associated costs, methods by which students get to and leave school, bus driver pay and benefits, and aggregate education transportation costs ; and</li> <li>• recommendations for geographic radius around a school within which transpo is not required, definitions for distant students and safe walking routes, how CESAs may fit into education transportation, how cocurricular and afterschool travel could be included in a district’s transpo services, funding recs for new finance system, legislative updates to the transpo reimbursement statute, and how to ensure students attending CTE centers other than their assigned center have access to transpo to the same extent as if they were attending their assigned CTE center</li> </ul>
Sec. 27c	Student Profile Form	Require AOE to develop, in consultation with school business officials, a student profile form to be used to collect weighting/demographic info
Sec. 27d	Length of School Day; Rulemaking	Requires SBE to adopt updates to the length of school day rules to establish criteria for the length of a school day for each grade, prek-12, consistent with the definition of school on or before March 31, 2027
* * * Small and Sparse Schools * * *		
Sec. 28	REPEAL	Repeals 2025 Acts and Resolves No. 73, Sec. 37 (16 V.S.A. § 4019)
Sec. 29.	16 V.S.A. § 4019. Small schools; sparse schools; support grants	<p>Re-enacts the small/sparse schools grant created in Act 73 but changes the entity responsible for making the small/sparse determination from SBE to AOE; also adds clarifying language to make clear these grants only apply to public schools operated by a school district</p> <p>*Since this section of law had not taken effect yet, we needed to repeal it totally and then just re-enact it to make changes</p>

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* * * Definitions * * *		
Sec. 29a	16 V.S.A. § 11. Classifications and definitions	Amends 16 V.S.A. § 11, the master definition statute for all of Title 16, to define the terms: <ul style="list-style-type: none"><li>• average class size</li><li>• class</li><li>• content area</li><li>• full-time equivalent</li><li>• school</li><li>• school day</li><li>• student</li><li>• teacher of record</li></ul>