

CHARITY R. CLARK
ATTORNEY GENERAL

TEL: (802) 828-3171

www.ago.vermont.gov



STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

JUL 18 2024

VIA U.S. MAIL

July 16, 2024

Town of Plainfield Select Board
149 Main Street
PO Box 217
Plainfield, Vermont 05667

Dear Members of the Plainfield Select Board:

The Attorney General's Office ("AGO") received your letter dated June 13, 2024, regarding the announced closure of Goddard College. The AGO knows the positive impact Goddard College has had on so many in the community over the years and appreciates that the announced closure affects many students, alumni, current and former faculty, employees, and other members of the community.

The AGO is statutorily tasked with reviewing proposed transactions when a Vermont public benefit corporation, like Goddard College, proposes to sell all or substantially all of its assets. While the AGO's review is ongoing and it has not made any final determinations, in response to your letter we wanted to provide you with a brief overview of the AGO's role and the status of its review.

When reviewing such transactions, the AGO's role is limited to determining whether (i) the Board lacked the "power to act" in the manner in question (11B V.S.A. § 3.03); (ii) the Board complied with the statutorily and by-law-imposed standards of conduct; (iii) the proposed use of unrestricted funds is consistent with its stated purpose; and (iv) restricted funds (i.e., donations or other gifted assets with explicit restrictions imposed by donors) are being used consistent with applicable restrictions. Accordingly, some of the issues you raised in your letter, such as the impact a potential purchase may have on the water and sewage usage,

the tax status of the property, any potential commercial development, and impact of future housing, fall outside the scope of the AGO's review.¹

To allow the AGO to conduct a meaningful review, at least twenty days before a public benefit corporation "disposes of all, or substantially all, of its property," it is required to provide the AGO with notice of a proposed transaction. 11B V.S.A. § 12.02(g). Since we received your letter, on June 27, 2024, Goddard College provided the AGO with notice of its intent to dispose of all or substantially all of its assets. That notice includes a discussion of the reasons for the closure, outlines a proposed transaction by which Goddard College would sell substantially all its assets, and describes how the Board intends to use the proceeds from the contemplated sale.

The AGO is currently reviewing information it has received regarding the proposed transaction and school closure, and awaiting some additional requested documentation from Goddard College. We have agreed with Goddard College's counsel that the twenty-day period will not begin to run until it has produced the necessary information.

The AGO is taking its review responsibilities seriously, is engaged in a comprehensive review, and will issue a written position once we have completed our work.

Sincerely,



Justin Kolber
Chief, Environmental and Public Protection
Division
109 State Street
Montpelier, VT 05609

¹ Nevertheless, any purchaser will have to comply with all applicable laws, including with respect to water and sewage issues, taxes, and any applicable development regulations.