

1 H.753

2 Introduced by Committee on Education

3 Date:

4 Subject: Education; supervisory unions; superintendents; school districts;
5 school boards; contracts; merger; incentives

6 Statement of purpose: This bill proposes to delete the requirement that each
7 supervisory union board vote by October 2012 whether to perform a
8 comprehensive analysis of merger; redesign the system of incentives provided
9 to school districts and supervisory unions that enter into agreements to provide
10 services jointly or to consolidate governance structures; clarify existing
11 statutory language regarding the process to change provisions in the final
12 report creating a union school district; and create a working group to plan the
13 2015 implementation of employment of all special education staff by
14 supervisory unions.

15 An act relating to encouraging school districts and supervisory unions to
16 provide services cooperatively or to consolidate governance structures

17 It is hereby enacted by the General Assembly of the State of Vermont:

18 * * * Regional Education Districts; Comprehensive Analysis Vote * * *

19 Sec. 1. Sec. 2 of No. 153 of the Acts of the 2009 Adj. Sess. (2010) is amended
20 to read:

1 Sec. 4. REIMBURSEMENT OF FEES FOR CONSULTING SERVICES;
2 JOINT ACTIVITY OTHER THAN MERGER; SUPERVISORY
3 UNIONS; SCHOOL DISTRICTS; SUNSET

4 (a) From the education fund, the commissioner of education shall
5 reimburse up to \$10,000.00 of fees paid by two or more supervisory unions or
6 two or more school districts for:

7 (1) legal and other consulting services necessary to analyze in detail the
8 advisability of providing services or performing duties jointly that will result in
9 a measurable increase in opportunities for students and a decrease in costs; or

10 (2) transitional costs necessary to enter into and implement agreements
11 to provide those services or perform those duties jointly; or

12 (3) both subdivisions (1) and (2) of this subsection.

13 (b) Each group of supervisory unions or school districts shall forward
14 invoices to the commissioner on a quarterly basis. The commissioner shall
15 reimburse one-half of the total amount reflected in each set of invoices and the
16 remaining one-half upon submission to the commissioner of a written
17 statement of the entities' analysis and conclusions, provided that no payment
18 shall cause the total amount paid to exceed the \$10,000.00 limit.

19 (c) A group of supervisory unions or school districts that receives
20 reimbursement under this section shall not be eligible to receive additional
21 reimbursement under Sec. 5 or 8 of this act for the same proposal.

22 (d) This section is repealed on July 1, 2017.

1 * * * Reimbursement and Incentives; Merger of Supervisory Unions * * *

2 Sec. 5. REIMBURSEMENT OF FEES FOR CONSULTING SERVICES;
3 MERGER; SUPERVISORY UNIONS; SUNSET

4 (a) From the education fund, the commissioner of education shall
5 reimburse up to \$20,000.00 of fees paid by two or more supervisory unions for
6 legal and other consulting services necessary to analyze the advisability of the
7 merger into a fewer number of supervisory unions and to prepare a petition to
8 the state board of education requesting adjustment of supervisory union
9 boundaries.

10 (b) Each group of supervisory unions shall forward invoices to the
11 commissioner on a quarterly basis. The commissioner shall reimburse one-half
12 of the total amount reflected in each set of invoices and the remaining one-half
13 upon submission of either a petition to the state board requesting that the
14 boundaries be redrawn or a written statement of the entities' analysis
15 supporting preservation of the current boundaries, provided that no payment
16 shall cause the total amount paid to exceed the \$20,000.00 limit.

17 (c) Any transition facilitation grant funds paid pursuant to Sec. 6 of this act
18 shall be reduced by the total amount of reimbursement provided under this
19 section.

20 (d) This section is repealed on July 1, 2017.

1 Sec. 6. TRANSITION FACILITATION GRANT; MERGER;
2 SUPERVISORY UNIONS; SUNSET

3 (a) After state board of education approval of the petition of two or more
4 supervisory unions to merge into a fewer number of supervisory unions, the
5 commissioner of education shall pay to the new supervisory union board or the
6 new group of boards a transition facilitation grant from the education fund of
7 \$150,000.00, less reimbursement funds received under Sec. 5 of this act.

8 (b) This section is repealed on July 1, 2017.

9 Sec. 7. APPLICABILITY; RUTLAND-WINDSOR AND WINDSOR
10 SOUTHWEST SUPERVISORY UNIONS

11 If on or before July 1, 2012 the state board of education approves the
12 petition of the Rutland-Windsor and Windsor Southwest Supervisory Unions
13 to merge into a single, new supervisory union on or before July 1, 2013, then
14 the new supervisory union shall be eligible to receive:

15 (1) the transition facilitation grant available under Sec. 6 of this act; and

16 (2) a one-time grant of \$100,000.00 from the education fund for the
17 purposes of reducing taxes in the affected towns during fiscal year 2014.

18 * * * Reimbursement and Incentives; Merger of School Districts * * *

19 Sec. 8. REIMBURSEMENT OF FEES FOR CONSULTING SERVICES;
20 MERGER; SCHOOL DISTRICTS; SUNSET

21 (a) From the education fund, the commissioner of education shall
22 reimburse up to \$20,000.00 of fees paid by a study committee established

1 under 16 V.S.A. § 706 for legal and other consulting services necessary to
2 analyze the advisability of creating a union school district or a unified union
3 school district and to prepare the report required by 16 V.S.A. § 706b.

4 (b) The study committee shall forward invoices to the commissioner on a
5 quarterly basis. The commissioner shall reimburse one-half of the total
6 amount reflected in each set of invoices and the remaining one-half upon
7 submission of the final report pursuant to 16 V.S.A. § 706c, provided that no
8 payment shall cause the total amount paid to exceed the \$20,000.00 limit.

9 (c) Any transition facilitation grant funds paid to the union school board
10 pursuant to Sec. 10 of this act shall be reduced by the total amount of
11 reimbursement provided under this section.

12 (d) A regional education district (“RED”) receiving incentives pursuant to
13 Sec. 4 of No. 153 of the Acts of the 2009 Adj. Sess. (2010) as amended by this
14 act is not eligible to receive reimbursement under this section.

15 (e) This section is repealed on July 1, 2017.

16 Sec. 9. REPEAL

17 Sec. 168a of No. 122 of the Acts of the 2003 Adj. Sess. (2004), as amended
18 by Sec. 23 of No. 66 of the Acts of 2007 and further amended by Sec. 5 of
19 No. 153 of the Acts of the 2009 Adj. Sess. (2010) (\$150,000.00 or five-percent
20 transition aid to merging school districts), is repealed.

1 Sec. 10. TRANSITION FACILITATION GRANT; MERGER;
2 SCHOOL DISTRICTS; SUNSET

3 (a) After voter approval of the establishment of a union, unified union, or
4 interstate school district, the commissioner of education shall pay to the district
5 a transition facilitation grant from the education fund equal to the lesser of:

6 (1) five percent of the base education amount established in 16 V.S.A.
7 § 4001(13) multiplied by the combined enrollment of the merging districts on
8 October 1 of the year in which the successful vote is taken; or

9 (2) \$150,000.00.

10 (b) A grant awarded under this section shall be reduced by the total amount
11 of reimbursement paid under Sec. 8 of this act.

12 (c) A RED receiving incentives pursuant to Sec. 4 of No. 153 of the Acts of
13 the 2009 Adj. Sess. (2010) as amended by this act is not eligible to receive
14 reimbursement under this section.

15 (d) This section is repealed on July 1, 2017.

16 * * * Incentives; Regional Education Districts * * *

17 Sec. 11. Sec. 4 of No. 153 of the Acts of the 2009 Adj. Sess. (2010) is
18 amended to read:

19 Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

20 (a) Equalized homestead property tax rates or RED incentive grant. A
21 RED's plan of merger shall provide whether, upon merger, the RED shall
22 receive an equalization of its homestead property tax rates during the first four

1 years following merger or an incentive grant during the first year following
2 merger.

3 (1)(A) Equalized homestead property tax rates. Subject to the
4 provisions of subdivision ~~(2)(C)~~ of this subsection subdivision (1) and
5 notwithstanding any other provision of law, the RED's equalized homestead
6 property tax rate shall be:

7 (i) decreased by \$0.08 in the first year after the effective date of
8 merger;

9 (ii) decreased by \$0.06 in the second year after the effective date
10 of merger;

11 (iii) decreased by \$0.04 in the third year after the effective date of
12 merger; and

13 (iv) decreased by \$0.02 in the fourth year after the effective date
14 of merger.

15 (B) The household income percentage shall be calculated
16 accordingly.

17 ~~(2)(C)~~ During the years in which a RED's equalized homestead
18 property tax rate is decreased pursuant to this subsection, the rate for each
19 town within the RED shall not increase or decrease by more than five percent
20 in a single year. The household income percentage shall be calculated
21 accordingly.

1 ~~Sec. 5 of this act~~ subsection (g) of this section shall be reduced by the total
2 amount of ~~funds provided~~ reimbursement paid under this subsection (e).

3 * * *

4 (g) ~~Recent merger. If the Addison Northwest Unified Union School~~
5 ~~District becomes a body corporate and politic on or before July 1, 2010, then~~
6 ~~the merged district shall be entitled to receive any of the benefits set forth in~~
7 ~~this section that it elects and is otherwise eligible to receive if, on or before~~
8 ~~July 1, 2011:~~

9 (1) ~~it notifies the commissioner of its election; and~~

10 (2) ~~it provides the commissioner with a cost benefit analysis as required~~
11 ~~by Sec. 3(h) of this act. Transition facilitation grant.~~

12 (1) After voter approval of the plan of merger, the commissioner of
13 education shall pay the RED a transition facilitation grant from the education
14 fund equal to the lesser of:

15 (A) five percent of the base education amount established in
16 16 V.S.A. § 4001(13) multiplied by the combined enrollment of the merging
17 districts on October 1 of the year in which the successful vote is taken; or

18 (B) \$150,000.00.

19 (2) A transition facilitation grant awarded under this subsection (g) shall
20 be reduced by the total amount of reimbursement paid under subsection (e) of
21 this section.

22 (h) This section is repealed on July 1, 2017.

1 (b) This section is repealed on July 1, 2017.

2 * * * Union School Districts Including REDs; Process * * *

3 Sec. 15. 16 V.S.A. § 706c is amended to read:

4 § 706c. CONSIDERATION BY LOCAL SCHOOL DISTRICT BOARDS

5 AND APPROVAL BY STATE BOARD OF EDUCATION

6 (a) If a study committee prepares a report under section 706b of this
7 chapter, the committee shall transmit the report to the school boards of each
8 school district that the report identifies as necessary or advisable to the
9 establishment of the proposed union school district for the review and
10 comment of each school board.

11 (b) The study committee shall transmit the report to the commissioner who
12 shall submit the report with his or her recommendations to the state board of
13 education. That board after notice to the study committee and after giving the
14 committee an opportunity to be heard shall consider the report and the
15 commissioner's recommendations, and decide whether the formation of such
16 union school district will be for the best interest of the state, the students, and
17 the school districts proposed to be members of the union. The board may
18 request the commissioner and the study committee to make further
19 investigation and may consider any other information deemed by it to be
20 pertinent. If, after due consideration and any further meetings as it may deem
21 necessary, the board finds that the formation of the proposed union school
22 district is in the best interests of the state, the students, and the school districts,

1 it shall approve the report submitted by the committee, together with any
2 amendments, as a final report of the study committee, and shall give notice of
3 its action to the committee. The chair of the study committee shall file a copy
4 of the final report with the town clerk of each proposed member district at least
5 20 days prior to the vote to establish the union.

6 Sec. 16. 16 V.S.A. § 706n is amended to read:

7 § 706n. AMENDMENTS TO AGREEMENTS REACHED BY

8 ESTABLISHMENT VOTE, ORGANIZATION MEETING, OR

9 FINAL REPORT

10 (a) ~~Any~~ A specific condition or agreement set forth as a distinct subsection
11 under Article 1 of the warning required by section 706f of this chapter and
12 adopted by the member districts pursuant to section 706f of this chapter at the
13 vote held to establish the union school district, or any amendment subsequently
14 adopted pursuant to the terms of this section, may be amended only at a special
15 or annual union district meeting; provided that the prior approval of the state
16 board of education shall be secured if the proposed amendment concerns
17 reducing the number of grades that the union is to operate. The warning for
18 the meeting shall contain each proposed amendment as a separate article. The
19 vote on each proposed amendment shall be by Australian ballot. Ballots shall
20 be counted in each member district, and the clerks of each member district
21 shall transmit the results of the vote in that district to the union school district
22 clerk. ~~Results~~ Although the results shall be reported to the public by member

1 district; ~~however, no, an~~ amendment is effective ~~unless~~ if approved by a
2 majority of ~~those~~ the electorate of the union district voting at that meeting.

3 (b) Any decision at the organization meeting may be amended by a
4 majority of those present and voting at a union district meeting duly warned for
5 that purpose.

6 (c) Any provision of the final report ~~which was not contained in a separate~~
7 ~~article~~ that was included in the warning required pursuant to section 706f of
8 this chapter for the vote to form the union by reference to or incorporation of
9 the entire report but that was not set forth as a distinct subsection under
10 Article 1 of the warning may be amended by a simple majority vote of the
11 union board of school directors, or by any other majority of the board as is
12 specified for a particular matter in the report.

13 * * * Regional Education Districts; Plan of Merger; School Closing * * *
14 Sec. 17. Sec. 3(d) of No. 153 of the Acts of the 2009 Adj. Sess. (2010) is
15 amended to read:

16 (d) Operation of schools.

17 (1) A RED shall not close any school within its boundaries during the
18 first four years after the effective date of merger unless the electorate of the
19 town in which the school is located consents to closure.

20 (2) The participating districts' plan of merger may include a provision,
21 which shall be set forth in full as a distinct subsection under Article 1 of the
22 ballot required by 16 V.S.A. § 706f, that one or more schools within its

1 boundaries shall not be closed for an additional six or fewer years after the first
2 four years unless the combined electorate of the merged district consents to its
3 closure.

4 (3) The participating districts' plan of merger ~~may~~ shall include
5 processes governing the manner in which the RED may close schools ~~after the~~
6 ~~fourth year, including:~~

7 (A) preparation of a cost-benefit analysis of both the student
8 opportunities and financial efficiencies within the RED related to closure
9 versus continued operation.

10 (B) presentation of a plan for educating the students currently
11 enrolled in the school that will be closed; and

12 (C) convening of at least two public hearings concerning the closure.

13 * * * Special Education; Transition to Employment

14 by Supervisory Unions * * *

15 Sec. 18. Sec. 23(b) of No. 153 of the Acts of the 2009 Adj Sess. (2010), as
16 amended by Sec. 1 of No. 30 of the Acts of 2011, is further amended to read:

17 (b) Secs. 9 through 12 of this act shall take effect on passage and shall be
18 fully implemented on July 1, 2013, subject to the provisions of existing
19 contracts; provided, however, that the special education provisions of Sec. 9,
20 16 V.S.A. § 261a(a)(6), shall be fully implemented on July 1, 2015.

