

1 Sec. ____ 16 V.S.A. § 166a is added to read:

2 § 166a. INDEPENDENT SCHOOL SERVING SAME POPULATION

3 (a) Privatization. Notwithstanding the authority of a school district to cease
4 operating an elementary or secondary school and to begin paying tuition on
5 behalf of its resident students pursuant to subdivision 563(11), subdivision
6 821(a)(1), subsection 821(d), and subdivision 822(a)(1) of this title, a school
7 district may cease operation of a school with the intention, for the purpose, or
8 with the result of having the school building or buildings reopen as an
9 approved independent school serving essentially the same population of
10 students (privatization), and an independent school may operate in the building
11 or buildings, serve essentially the same population, and receive publicly
12 funded tuition payments from the district (the privatized school), only by
13 meeting the criteria set forth in this section.

14 (b) Study committee; report.

15 (1) When the board of a school district wishes to study the advisability
16 of privatization or to request the voters to decide whether to privatize a school,
17 or if five percent of the voters eligible to vote at the last annual or special
18 school district meeting petition the board to do so, the board shall appoint a
19 study committee. The study committee shall have at least [##] members, at
20 least [##] of whom shall be members of the community who do not currently
21 serve as members of the board. The members of the study committee shall

1 elect a chair who shall notify the Secretary of the study committee's
2 appointment. The study committee shall be a public body pursuant to 1 V.S.A.
3 § 310(3).

4 (2) The study committee shall issue a report determining either that
5 privatization is inadvisable or that the question should be presented to the
6 voters.

7 (A) If the study committee determines that privatization is
8 inadvisable, then the clerk of the district shall notify the Secretary of the
9 determination within [##] of days of receiving the report. The study committee
10 shall cease to exist on the day notification is made.

11 (B) If the study committee concludes that the voters should consider
12 the question, then the report shall include:

13 (i) the grades to be operated by the proposed privatized school;

14 (ii) a business plan showing all anticipated expenses and revenues
15 for the proposed privatized school's first year of operation, including details of
16 any school district or town expenses or revenues and how they satisfy section
17 4029 of this title;

18 (iii) the itemized real and personal property that the proposed
19 privatized school will purchase or lease from the school district and their
20 assessed fair market value;

1 (iv) the plan for establishing an annual tuition rate for the
2 proposed privatized school and ensuring that it does not exceed the average
3 announced tuition of Vermont union schools offering similar grades;

4 (v) the plan by which the proposed privatized school shall:

5 (I) provide special education services in a manner comparable
6 to a public school, within the legal processes and time periods required of a
7 local education agency and with the involvement of the local education
8 agency;

9 (II) meet requirements of section 2902 of this title and
10 29 U.S.C § 794, Section 504 of the Rehabilitation Act, so that the school will
11 provide a comprehensive support system in a manner comparable to a public
12 school;

13 (III) provide free and reduced-price meals to enrolled students
14 pursuant to section 1264 of this title;

15 (IV) employ licensed teachers and administrators and recognize
16 the representative of the former employees of the district as the representative
17 of the employees of the proposed privatized school under chapter 57 of this
18 title; and

19 (V) offer a quality educational program consistent with
20 Vermont educational quality standards pursuant to section 165 of this title; and

21 (vi) any other issues the study committee deems pertinent.

1 (c) State Board review and approval. Prior to presenting the question to the
2 voters:

3 (1) The study committee shall submit the report to the Secretary, who
4 shall submit the report with his or her recommendations to the State Board.

5 (2) If the proposed privatized school is not already an approved
6 independent school pursuant to section 166 of this title, then the persons
7 intending to establish and operate the privatized school shall submit an
8 application to the State Board pursuant to that section.

9 (3) The proposed privatized school shall provide assurance to the State
10 Board that the school shall:

11 (i) make its operating budget available annually for public review
12 prior to the day on which the voters are asked to approve the district's
13 proposed budget;

14 (ii) conduct the meetings of its governing body pursuant to
15 1 V.S.A. chapter 5, subchapter 2; and

16 (iii) enroll every student residing in the municipality in which the
17 school is located who applies for admission.

18 (4) After review of the report and an opportunity for hearing, the Board
19 shall approve the proposed privatization plan if it determines that:

20 (A) the proposed privatized school is an approved independent
21 school pursuant to section 166; and

1 (B) the proposed privatization plan will serve critical State interests,
2 will reduce the district’s education spending per equalized pupil, and includes
3 provisions to ensure adherence to the requirements of subdivisions (b)(2)(B)
4 and (c)(3) of this section.

5 (5) After the State Board approves a privatization plan under this
6 section, the privatized school shall provide assurance annually to the State
7 Board that the school is continuing to comply with the requirements of
8 subdivisions (b)(2)(B) and (c)(3) of this section. If at any time the privatized
9 school fails to comply with those requirements, then the school shall be
10 ineligible to receive publicly funded tuition payments.

11 (d) Vote.

12 (1) If the Board approves a district’s proposed privatization plan, then
13 the Agency shall develop the language for the warning to be presented to the
14 voters of the district at a regular or special meeting.

15 (2) Within 45 days after the vote or 15 days after an unsuccessful vote to
16 reconsider or rescind the original vote under 17 V.S.A. § 2661, whichever is
17 later, the clerk of the district shall certify the results of the vote to the Secretary
18 of Education. The study committee shall cease to exist on the day certification
19 is made. If a majority of the votes cast is in favor of privatization, then the
20 privatization shall occur on the date specified in the warning.

- 1 Sec. __. EFFECTIVE DATE
- 2 This act shall take effect on passage.