

1 Introduced by Committee on Education

2 Date:

3 Subject: Education; supervisory unions; school districts

4 Statement of purpose of bill as introduced: This bill proposes to require the  
5 following:

6 (1) Realignment. As of July 1, 2020, supervisory unions shall  
7 cease to exist and current school districts shall be realigned into expanded  
8 prekindergarten–grade 12 school districts (Expanded Districts) that  
9 are responsible for the education of all resident students in  
10 prekindergarten–grade 12.

11 (2) The Essential Components. The Expanded Districts shall be required to  
12 meet broad elements specifically identified in the bill (the Essential  
13 Components). The Essential Components conform generally to the  
14 requirements for the formation of Regional Education Districts (REDs)  
15 authorized in 2010 Acts and Resolves No. 153, Sec. 3. They require that the  
16 Expanded Districts be governed by a single board and operate on a single  
17 budget, and that each Expanded District be designed to recognize historic  
18 relationships among communities, existing connections between school  
19 districts, and potential obstacles caused by geography. Although the Essential  
20 Components serve as the guiding principles of the realignment process, the bill  
21 authorizes possible variations during both the voluntary realignment process

1 and the adoption of a final Statewide Plan regarding the size of Expanded  
2 Districts and the operation or nonoperation of schools.

3 (3) Process. The process to achieve realignment shall include the  
4 following:

5 (A) Performance indicators; accountability. In order to guide and assess  
6 the design of proposed Expanded Districts and the Statewide Plan and to  
7 ensure subsequent accountability, the Agency of Education shall be required to  
8 develop performance indicators for the Essential Components and make them  
9 available to the General Assembly by January 1, 2015 for review and potential  
10 legislative action.

11 (B) The Legal and Fiscal **Research** Group. The bill creates a **Research**  
12 Group to research specific legal and fiscal issues, including issues relating to  
13 voting and representation on school boards, operating and nonoperating  
14 districts, tax rates, and procedures for voting on districtwide budgets. The  
15 Legal and Fiscal **Research** Group shall analyze and develop **an array** of options  
16 to be presented on or before January 1, 2015 to the General Assembly for  
17 review and potential legislative action. The work of this Group shall be used  
18 to inform voluntary realignment by districts and decisions to be made by the  
19 State Board of Education, the Agency, and the Design Team.

20 (C) Voluntary realignment. Existing school districts shall be provided  
21 an opportunity to realign voluntarily into an Expanded District.

1 (i) General process. Through plans and a process that conforms  
2 generally to those for union school district and RED formation, districts shall  
3 be permitted to develop voluntary realignment plans and submit them for final  
4 approval by the State Board and the electorate of the districts.

5 (ii) Proposed plans. Existing districts shall be permitted to develop  
6 proposed realignment plans to address both general issues and issues of  
7 particular interest to the local communities, such as representation on the  
8 Expanded District’s school board and the conditions under which the new  
9 district would be permitted to close an existing school building. If approved,  
10 the proposed plan becomes the articles of agreement governing the actions of  
11 the Expanded District.

12 (iii) Preliminary Applications. Districts interested in voluntary  
13 realignment, including those that have been pursuing options under RED  
14 legislation, shall submit preliminary applications to the State Board on or  
15 before July 1, 2016. The State Board shall review the preliminary applications  
16 individually and, to the extent possible, collectively.

17 (iv) Final proposed plan. Districts that submitted a preliminary  
18 application shall be eligible to submit final proposed plans of realignment to  
19 the State Board. The Board shall approve a plan that (I) complies with the  
20 Essential Components, as may be clarified by the Performance Indicators and  
21 informed by the work of the Legal and Fiscal Research Group; and (II) does

1 not exclude an existing district that would be an appropriate member of the  
2 Expanded District and that is either geographically isolated from, or would  
3 otherwise be an inappropriate member of, another proposed or potential  
4 Expanded District.

5 (V) Approval by the electorate. Voluntary realignment into an  
6 Expanded District shall be achieved if the electorate of the districts votes in  
7 favor of a State Board-approved plan on or before July 1, 2017.

8 (D) Design Team and the Statewide Plan. The bill creates a Design  
9 Team to monitor the voluntary realignment of school districts and to design a  
10 proposed Statewide Plan for all remaining districts to be realigned into  
11 Expanded Districts. The Design Team shall conduct public engagement  
12 activities and solicit information and guidance from current school board  
13 members to inform design of the Statewide Plan, which shall also be guided by  
14 the Performance Indicators and informed by the work of the Legal and Fiscal  
15 **Research** Group. On or before November 1, 2017, the Design Team shall  
16 submit the proposed Statewide Plan for approval by the State Board, and  
17 subsequently by the Legislative Committee on Administrative Rules, through  
18 the rulemaking process set forth in 3 V.S.A. chapter 25. Final approval of a  
19 Statewide Plan shall occur on or before July 1, 2018.

20 (4) Implementation. All Expanded Districts shall come into existence and  
21 begin operation no later than July 1, 2020.

1 An act relating to expanded prekindergarten–grade 12 school districts

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

3 \* \* \* Issues and Purpose \* \* \*

4 Sec. 1. STATEMENT OF ISSUES AND LEGISLATIVE PURPOSE

5 (a) The General Assembly finds:

6 (1) In *Brigham v. State*, the Vermont Supreme Court stated: “In  
7 Vermont the right to education is so integral to our constitutional form of  
8 government, and its guarantees of political and civil rights, that any statutory  
9 framework that infringes upon the equal enjoyment of that right bears a  
10 commensurate heavy burden of justification.” 692 A.2d 384, 390 (1997). In  
11 reaching the judgment that led to Vermont’s current finance system, the Court  
12 ruled that “the conclusion becomes inescapable that the [then-current] system  
13 [had] fallen short of providing every school-age child in Vermont an equal  
14 educational opportunity.” Id. at 386.

15 (2) The current education finance system, adopted by the State in  
16 response to the *Brigham* decision, has considerably reduced the variability in  
17 what our communities spend on education. Nevertheless, across the State, our  
18 communities are characterized by sharp inequities in the breadth, depth, and  
19 quality of opportunities to learn. This leaves children in some of our  
20 communities ill-equipped to thrive in careers or to take advantage of  
21 postsecondary opportunities to which they would otherwise have access.

1           (3) At the same time, technology and globalization and other societal  
2           demands are changing what our students need to know and be able to do in  
3           order to contribute to building a strong economic and civic future for the State.  
4           Notably, our students need to acquire what are generally called “21st century  
5           skills,” which include the ability to innovate, adapt, handle nonroutine  
6           problems, reason from evidence, synthesize and analyze complex data, work  
7           confidently with technology, collaborate in teams, and communicate  
8           effectively through a variety of media. Just as importantly, because many of  
9           the low skill jobs that paid a livable wage are being replaced by technology or  
10           sent overseas, we have to ensure that all students acquire the capabilities they  
11           need to hold or create meaningful work, so that growing inequality does not  
12           cripple the economic vitality of our State. The remaining low skill jobs will  
13           likely be poorly compensated and inadequate to comfortably support a family.

14           (4) These changes place tremendous demands on our schools.  
15           Responding to these challenges will require substantial changes in how and  
16           what teachers teach, how schools are organized, and what opportunities they  
17           provide. In particular, these changes challenge our teachers to rethink the  
18           work of teaching to support 21st century skills and challenge our schools to  
19           organize in ways that ensure accountability around high expectations for all  
20           students, while at the same time enabling sufficient resources and support to  
21           allow flexibility and personalization in how we challenge students to meet

1 those high expectations. A growing body of research suggests that systematic  
2 improvement of learning requires a systems level approach that provides  
3 teachers with the professional support and high quality information they need  
4 to customize learning effectively.

5 (5) Many areas of the State face a profound leadership challenge. On  
6 average, 30 percent of principals leave their positions every year in Vermont.  
7 This year, more than 25 percent of the State’s superintendents will also leave  
8 their positions. This leadership instability makes it difficult to sustain  
9 continuous improvements in learning or to put in place coherent,  
10 comprehensive strategies for providing teachers with feedback and support as  
11 they develop their practice to meet the challenges of the 21st century.

12 (6) Research supports systematic, continuous approaches to improving  
13 learning. It is difficult to build coherence in prekindergarten–grade 12 across  
14 multiple governing units. The result can limit the educational experience of  
15 many students.

16 (7) Effective, high-quality special education services are essential to  
17 allow many students to access their learning. Some evidence suggests there  
18 currently is variability in the educational- and cost-effectiveness of special  
19 education services provided in Vermont. Reports from the field indicate that  
20 the current governance structure may make it difficult to achieve regional  
21 solutions to certain special education-related challenges, including a heavy

1 reliance on 1:1 aides and limited access to the full range of the increasingly  
2 specialized expertise of special educators, especially in small districts.

3 (8) In many districts across the State, tight financial circumstances at the  
4 local level mean the current challenge of boards is to decide which programs to  
5 cut, not which opportunities will enable students to meet State and local  
6 community goals.

7 (9) Because federal mandates and State obligations impose the same  
8 responsibilities on every district, regardless of size, we see increasing  
9 proportions of our educational leaders' time—particularly in our smallest  
10 districts—consumed by administrative tasks. These tasks are often related to  
11 issues such as fiscal audits and federal reporting, rather than focused on the  
12 critical work of improving learning. These functions could just as easily be  
13 accomplished at a higher level, freeing up capacity for building leaders and  
14 teachers to focus on more productive work.

15 (10) In some cases, a merger of governance structures may yield savings  
16 that local voters can use to invest in other priorities, or in relief for taxpayers.  
17 Over the long run, we expect the elimination of redundancies and sharing of  
18 resources to bend the cost curve, reducing the unsustainable but persistent  
19 growth in expenditures we have seen in the State.

20 (11) We understand that a change in governance alone will not yield  
21 better outcomes for students. We believe, however, that a strong supervisory



1 district structure will make it possible for our schools to collaborate, share  
2 resources, and work systematically to provide more opportunities to learn and  
3 higher quality instruction for our children. We believe that the current  
4 structure, with its substantial inequities, multiple small governing units, and  
5 conflicting lines of authority, makes it too difficult for our schools to work  
6 together coherently to support our ambitious goals for our students.

7 (12) This current effort is not an effort to standardize learning across all  
8 schools. We recognize and cherish the value of our strong local voice and  
9 local commitment to our children and our communities. We seek instead to  
10 define a governance structure that will support strict accountability for learning  
11 with respect to our ambitious goals for Vermont learners, as outlined in the  
12 Vermont Education Quality Standards and various statutes, as well as provide  
13 local flexibility around strategies for sharing and targeting resources that  
14 reflect local strengths and innovative approaches for achieving our shared  
15 goals.

16 (b) Legislative purposes of this act.

17 (1) This legislation replaces our current governance structure, which  
18 relies primarily on singular governing units presiding over very small schools  
19 and loosely affiliated through a supervisory union, with a unified union school  
20 district model that includes multiple towns in one shared governance structure.

1           (2) This new model will streamline operations and facilitate  
2           comparisons of operations across districts, so that board members and district  
3           leaders can analyze their operations, make adjustments, and draw on the  
4           experience of other districts in order to ensure the most educationally- and  
5           cost-effective decisions possible.

6           (3) Governance reform will bend the curve on expenditure increases  
7           over the long term, because board members and district leaders will have better  
8           data on which to base their decisions.

9           (4) The new governance model will enable local educational leaders to  
10          focus on improving learning in a customized, locally appropriate way, while  
11          spreading administrative functions over larger numbers of units to achieve  
12          efficiencies in those functions that can be standardized or which are improved  
13          when administered at scale. This will enable principals to become  
14          building-based leaders of instruction, and superintendents of these larger  
15          districts to become systems-level district leaders and managers.

16          (5) The new governance model involves the creation of criteria to  
17          evaluate outcomes of State goals at the district level but, in the Vermont  
18          tradition of local control, supports flexibility around how schools and districts  
19          develop community goals and outcomes. This would support local innovation,  
20          while preserving the capacity to analyze effectiveness and compare  
21          performance.

1           (6) This new model will facilitate better support and technical assistance  
2           from the State to the districts around special education, in the interest of  
3           providing more educationally effective, and ultimately more cost-effective,  
4           strategies for supporting the learning of students with disabilities.

5           (7) Larger districts, because they include multiple schools and  
6           serve a greater number of students, have the potential to expand opportunities  
7           for school choice to all public schools and eligible independent schools within  
8           the district. The ability to include these options and manage grade  
9           configuration could foster an array of possibilities regarding the mission and  
10           makeup of schools, including grade-specific schools, magnet schools, and  
11           schools that provide for more diverse cultural, socioeconomic, and educational  
12           diversity.

13           \* \* \* Expanded Prekindergarten–Grade 12 School Districts \* \* \*

14           Sec. 2. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL  
15           DISTRICTS; CREATION

16           As of July 1, 2020, pursuant to the processes and criteria set forth in  
17           this act:

18           (1) all existing supervisory unions shall cease to exist; and

19           (2) school districts in the State, except interstate school districts, shall be  
20           realigned into an estimated 45–55 expanded prekindergarten–grade 12 school

1 districts (Expanded Districts) that are responsible for the education of all  
2 resident students in prekindergarten–grade 12.

3 Sec. 3. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL

4 DISTRICTS; ESSENTIAL COMPONENTS; PERFORMANCE

5 INDICATORS; ACCOUNTABILITY

6 (a) Essential Components. Each Expanded District created under this act  
7 shall:

8 (1) be designed to recognize each community’s unique character, the  
9 tradition of community participation in the adoption of school budgets, historic  
10 relationships among communities, existing connections between school  
11 districts, and potential obstacles caused by geography, and to consider the  
12 existing transportation infrastructure and State- and community-based service  
13 regions;

14 (2) be responsible for the education of all resident  
15 prekindergarten–grade 12 students through educational opportunities that meet  
16 the educational quality standards adopted by the State Board of Education  
17 pursuant to 16 V.S.A. § 165;

18 (3) operate one or more career technical education (CTE) centers or  
19 enter into an agreement for resident students to attend one or more CTE centers  
20 not operated by the district, or both;

1           (4) have an average daily membership of at least 1,250 students or result  
2           from the realignment of at least four existing districts, or both, unless the  
3           district obtains a waiver from the State Board pursuant to Sec. 7 of this act;

4           (5) be governed by no more than one elected school board;

5           (6) adopt one district-wide budget;

6           (7) negotiate district-wide collective bargaining agreements and employ  
7           all licensed and nonlicensed personnel as employees of the Expanded District;

8           (8) be the local education agency as that term is defined in 20 U.S.C.  
9           § 7801(26);

10          (9) be designed to:

11           (A) maximize the effective, flexible, and efficient use of fiscal,  
12           human, and facility resources to support student achievement and success;

13           (B) foster stable leadership by developing and supporting both school  
14           and district leaders;

15           (C) hire, train, support, and retain excellent administrators, teachers,  
16           and staff;

17           (D) promote budgetary stability leading to less volatility for  
18           taxpayers;

19           (E) account for and report financial information in accordance with  
20           Generally Accepted Accounting Principles and in a manner that promotes

1 transparency and public accountability and supports a statewide integrated data  
2 collection system; and

3 (F) promote a shared commitment to a strong, flexible, and coherent  
4 system.

5 (10) create school-based community councils designed to build  
6 partnerships among families, staff, and the community and strong community  
7 involvement. The articles of agreement shall determine membership on the  
8 council and the process by which members are selected.

9 (b) Performance indicators; accountability.

10 (1) The Agency of Education, in consultation with the State Board, shall  
11 develop criteria by which to measure the Essential Components itemized in  
12 subdivision (a)(9) of this section in order to:

13 (A) provide guidance:

14 (i) to school districts pursuing voluntary realignment;

15 (ii) to the State Board when reviewing a proposed voluntary plan  
16 of realignment and requests for waivers from the Essential Components; and

17 (iii) in the development and adoption of the Statewide Plan; and

18 (B) measure performance and ensure accountability after districts  
19 transition to an Expanded District.

20 (2) On or before January 1, 2015, the Agency shall complete the work  
21 required under subdivision (1) of this subsection (b) and present a detailed

1 explanation of the performance indicators to the House Committees on  
2 Education and on Ways and Means and the Senate Committees on Education  
3 and on Finance for review and potential adoption of legislation that would  
4 provide guidance during the realignment process and clarification of State  
5 policy.

6 (c) Innovation; waivers. During and after the creation of Expanded  
7 Districts, communities are encouraged to explore innovative ways to expand  
8 opportunities for students and to seek waivers of State Board rules or other  
9 legal requirements that inhibit implementation. Innovations may address any  
10 area of education policy, including instructional practices and principles; the  
11 use of technology and data systems to improve instruction and expand learning  
12 opportunities; services provided to discrete populations of students, including  
13 gifted and talented students, students with limited English proficiency, and  
14 students at risk of academic failure or expulsion; early education and school  
15 readiness; and preparation and counseling of students for postsecondary  
16 education, training, and employment.

17 Sec. 4. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL

18 DISTRICTS; LEGAL AND FISCAL RESEARCH GROUP; REPORT

19 (a) There is established a Legal and Fiscal Research Group that shall  
20 facilitate and inform the work required under this act by researching.

1 analyzing, and developing an array of options of what is legally possible to  
2 address legal and fiscal issues, including issues relating to:

3 (1) voting and representation on school boards;

4 (2) the accommodation of current districts that operate schools, that  
5 operate schools for some grades and pay tuition for the remaining grades, and  
6 that operate no schools;

7 (3) the Vermont Supreme Court decision in *Brigham v. State*;

8 (4) the common level of appraisal, grand lists, and tax rates;

9 (5) a statewide, uniform, integrated longitudinal student data and  
10 financial accounting and reporting system, and potential integration of the  
11 system with data and information delivery systems of other State entities, such  
12 as the Agency of Human Services;

13 (6) the funding and payment structure for career technical education  
14 (CTE) centers by Expanded Districts that do not operate a center and the  
15 governance structure of CTE districts;

16 (7) employment contracts;

17 (8) municipal ownership of property;

18 (9) procedures for voting on a districtwide budget; and

19 (10) unique matters relating to incorporated school districts.

20 (b) The Research Group shall be composed of individuals with relevant  
21 fiscal or legal expertise, or both, who are employed by the Agency of



1 Education and the Department of Taxes, as selected by those entities, together  
2 with other individuals selected by the Secretary of Education and the  
3 Commissioner of Taxes who have substantial and varied experience with or  
4 knowledge of the legal and fiscal issues identified in this section. The  
5 Research Group shall consult with the Secretary of State, the Office of the  
6 Attorney General, and representatives of school districts and other  
7 municipalities, including those with unique forms of government such as a  
8 representative Town Meeting. The Research Group may consult with the Joint  
9 Fiscal Office, the Office of Legislative Council, and with any other individuals  
10 or entities with relevant data or expertise. The Research Group may create  
11 subcommittees of Group members or of Group members and other individuals  
12 to perform and review the work required under this section.

13 (c) The Agency of Education shall convene the first meeting of the  
14 Research Group to occur on or before July 1, 2014.

15 (d) On or before January 1, 2015, the Research Group shall submit a  
16 written report of its analysis of identified issues, together with a menu of  
17 potential, practical options to address the issues and a list of potential  
18 legislative amendments to the House Committees on Education, on  
19 Government Operations, and on Ways and Means and the Senate Committees  
20 on Education, on Finance, and on Government Operations for review and  
21 potential adoption of legislation that would provide guidance during the

1 realignment process and clarification of State policy. The Research Group  
2 shall also provide its report to the Agency of Education, the State Board of  
3 Education, and the Design Team created in Sec. 6 of this act. After January 1,  
4 2015, the Research Group shall analyze additional issues at the request of one  
5 or more of the entities named in this subsection.

6 (e) The Research Group shall cease to exist on the day on which the final  
7 Statewide Plan is adopted pursuant to Sec. 6 of this act.

8 Sec. 5. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL  
9 DISTRICTS; VOLUNTARY REALIGNMENT

10 (a) Process. Existing school districts may realign into Expanded Districts  
11 pursuant to the provisions of 16 V.S.A. chapter 11 governing the formation of  
12 unified union school districts, as amended by this act.

13 (b) Realignment Plan.

14 (1) Existing school districts may realign into Expanded Districts by  
15 appointing a study committee and preparing of a plan of realignment  
16 (Realignment Plan) to be approved by both the State Board and the electorate  
17 of the districts. If approved, the Realignment Plan shall become the Expanded  
18 District’s articles of agreement.

19 (2) The Realignment Plan shall conform to the requirements of  
20 16 V.S.A. § 706b and shall address other general issues and issues of particular  
21 interest to the local communities, such as representation on the Expanded

1 District's school board, the manner in which school budgets are voted, the  
2 conditions under which the new district would be permitted to close an existing  
3 school building, and school choice.

4 (3) In addition, the Realignment Plan shall:

5 (A) incorporate the Essential Components of an Expanded District, as  
6 may be clarified by the General Assembly and the Performance Indicators and  
7 informed by the work of the Legal and Fiscal Research Group;

8 (B) be responsible for the education of the resident students in  
9 prekindergarten–grade 12 in one of the following ways:

10 (i) by operating one or more public schools that offer elementary  
11 and secondary education;

12 (ii) by operating one or more public schools that offer elementary  
13 education, by operating or not operating some or all secondary grades, and by  
14 paying tuition to one or more of the four approved independent schools that  
15 have historically served as the public schools for the community in which they  
16 are located; or

17 (iii) in some manner other than by operating some or all grades  
18 pursuant to subdivision (i) or (ii), in order to recognize the unique  
19 characteristics of the various regions of the State and to allow local  
20 communities to create Expanded Districts that meet their unique situations and

1 preferences, pursuant to a waiver from the State Board granted under the  
2 provisions of Sec. 7 of this act, including:

3 (I) by paying tuition for all resident students in some or all  
4 grades to attend a public school located in another state and by operating one  
5 or more public schools that provide education for any remaining grades; or

6 (II) by paying tuition for resident students in some or all grades  
7 to attend a public school operated outside the Expanded District or an  
8 approved independent school and by operating one or more public schools that  
9 provide education for any remaining grades;

10 (C) provide for the election of an initial school board prior to the first  
11 day of the Expanded District's existence in order to transition to the new  
12 structure by negotiating and entering into contracts, preparing an initial  
13 proposed budget, hiring a superintendent, adopting policies, and otherwise  
14 planning for the District's implementation; and

15 (D) address the transition of employees to the new employer,  
16 including impacts upon membership in the Vermont Municipal Employees'  
17 Retirement System and in collective bargaining units.

18 (c) Technical assistance. The Agency shall provide technical support to  
19 assist districts to develop a proposed Realignment Plan.

20 (d) Preliminary application.

1           (1) On or before July 1,2016, districts that are preparing a Realignment  
2           Plan may submit a preliminary application to the Secretary in a format  
3           developed by the Agency. The Secretary shall review each preliminary  
4           application and submit it with his or her recommendations to the State Board  
5           within 60 days of receipt.

6           (2) The State Board, in consultation with the Design Team, shall review  
7           each preliminary application on its own merits and, to the extent possible, in  
8           relation to the other districts' preliminary applications.

9           (3) The State Board shall provide preliminary approval to an application  
10          if it preliminarily complies with the Essential Components and with 16 V.S.A.  
11          § 706c, and it does not exclude an existing district that would be an appropriate  
12          member of the Expanded District and that is geographically isolated from, or  
13          would otherwise be an inappropriate member of, another proposed or potential  
14          Expanded District.

15          (4) If the Board does not give preliminary approval to an application,  
16          then it shall provide guidance regarding the issues to be addressed prior to  
17          submission of a final Realignment Plan pursuant to subsection (e) of this  
18          section.

19          (5) The Board shall make a decision regarding each preliminary  
20          application within 60 days of receiving it from the Secretary.

21          (e) Final application.

1           (1) Districts that have submitted a preliminary application may submit a  
2           proposed final Realignment Plan for review by the Secretary and State Board  
3           pursuant to 16 V.S.A. § 706c. In addition to the other considerations required  
4           by that section, the State Board, in consultation with the Design Team, shall  
5           review the proposed Realignment Plan to ensure:

6                   (A) compliance with the Essential Components of Expanded  
7           Districts, as may be clarified by the Performance Indicators and informed by  
8           the work of the Legal and Fiscal Research Group; and

9                   (B) that the plan does not exclude an existing district that:

10                   (i) would be an appropriate member of the Expanded District; and

11                   (ii) is geographically isolated from, or would otherwise be an  
12           inappropriate member of, another Expanded District.

13           (2) If the State Board determines that the proposed Realignment Plan  
14           does not comply with subdivision (1) of this subsection (e), then the Board  
15           shall not approve it and the districts shall be realigned according to the  
16           Statewide Plan adopted pursuant to Sec. 6 of this act.

17           (3) If the State Board determines that the proposed Realignment Plan  
18           complies with subdivision (1) of this subsection (e), then the study committee  
19           shall present the proposed Realignment Plan for a vote of the electorate  
20           pursuant to the provisions of 16 V.S.A. chapter 11.

1        (f) District vote. If an Expanded District created under this section is  
2        approved by the electorate pursuant to the provisions of 16 V.S.A. chapter 11  
3        on or before July 1, 2017, then it shall not be realigned under the Statewide  
4        Plan created pursuant to Sec. 6 of this act. If an Expanded District is not  
5        approved, then the current districts shall be subject to realignment under the  
6        Statewide Plan.

7        Sec. 6. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL

8                DISTRICTS; DESIGN TEAM; STATEWIDE PLAN; ADOPTION  
9                BY RULEMAKING

10        (a) Creation of Design Team. There is created a Design Team to monitor  
11        the voluntary realignment of school districts authorized pursuant to Sec. 5 of  
12        this act and to design the proposed plan for all remaining districts to be  
13        realigned by July 1, 2020 into Expanded Districts (the Statewide Plan). The  
14        Design Team shall submit the proposed Statewide Plan to the State Board for  
15        adoption under the rulemaking process set forth in 3 V.S.A. chapter 25.

16        (b) Number and qualifications of members. The Design Team shall be  
17        composed of nine members who are geographically representative, have a  
18        broad range of knowledge of and experience in the Vermont education system  
19        and in Vermont communities, and represent diverse points of view, opinions,  
20        and interests.

21        (c) Appointment.

1           (1) On or before July 1, 2014, the Speaker of the House, the Committee  
2           on Committees, and the Governor shall each choose three members, none of  
3           whom shall be members of the House of Representatives or the Senate during  
4           the period of appointment.

5           (2) In order to ensure the diversity of knowledge, experience, and  
6           opinions required by this section, the Speaker, the Committee on Committees,  
7           and the Governor, or their designees, shall work collectively to identify  
8           potential candidates for appointment.

9           (3) The Speaker, the Committee on Committees, and the Governor shall  
10          jointly appoint one of the nine members to serve as Chair of the Design Team.

11          (d) Powers and duties. The Design Team shall:

12           (1) engage the public in all areas of the State and solicit information and  
13           guidance from current school board members in order to inform the Statewide  
14           Plan design process;

15           (2) monitor and maintain a public document that charts the progress of  
16           the voluntary realignment of school districts in order to:

17           (A) provide guidance to the State Board and the Agency for use in  
18           the voluntary alignment and waiver processes; and

19           (B) inform the Statewide Plan design process;

20           (3) design the proposed Statewide Plan by which the districts that did  
21           not voluntarily realign shall be assigned to Expanded Districts; and



1           (4) submit the proposed Statewide Plan on or before November 1, 2017  
2           to the State Board for adoption as rules pursuant to 3 V.S.A. chapter 25, which  
3           shall be final on or before July 1, 2018.

4           (e) The Statewide Plan.

5           (1) The Statewide Plan shall be guided by the public engagement  
6           process required under subsection (d) of this section, the Essential  
7           Components, the Performance Indicators developed by the Agency, the  
8           analysis and options developed by the Legal and Fiscal Research Group, the  
9           work of the State Board in developing the waiver criteria and process under  
10           Sec. 7 of this act, and any additional guidance enacted by the General  
11           Assembly.

12           (2) Among other things, the Statewide Plan:

13           (A) shall include initial articles of agreement that will govern the  
14           actions of the Expanded Districts that were not created during the voluntary  
15           realignment process until such time as each district adopts its own amended  
16           articles, which shall include the method of apportioning the representation on  
17           the new school board of the Expanded District and the conditions under which  
18           the Expanded District would be authorized to close a school building;

19           (B) shall establish transition procedures and guidance necessary for  
20           the creation of each Expanded District, including provisions for:

1                   (i) the election of an initial school board prior to the first day of  
2                   the Expanded District's existence in order to transition to the new structure by  
3                   negotiating and entering into contracts, preparing an initial proposed budget,  
4                   hiring a superintendent, adopting policies, and otherwise planning for the  
5                   District's implementation;

6                   (ii) assumption of debt;

7                   (iii) ownership of property; and

8                   (iv) the transition of employees to the new employer, including  
9                   membership in collective bargaining units.

10                  (3) The Statewide Plan shall preserve the ability of a district that, as of the  
11                  effective date of this act, provides for the education of all resident students in one  
12                  or more grades by paying tuition on the students' behalf to continue to pay  
13                  tuition on their behalf and shall not require the district to limit the options  
14                  available to those students when it ceases to exist as a discrete entity and  
15                  becomes realigned into an Expanded District.

16                  (4) The Statewide Plan shall ensure that no school employee subject to  
17                  employment transition under the Plan will experience a detrimental change in  
18                  status within the Vermont Municipal Employees' Retirement System.

19                  (f) Assistance. The Design Team shall have the administrative, technical,  
20                  and legal assistance of the Agency of Education and the Department of Taxes.

1        (g) Updates. Beginning in January 2015, the Design Team shall provide  
2        quarterly updates to the House Committees on Education and on Ways and  
3        Means, the Senate Committees on Education and on Finance, the Agency, and  
4        the State Board regarding the status of public engagement activities, voluntary  
5        realignment, and the development of the Statewide Plan.

6        (h) Meetings.

7            (1) The Chair of the Design Team shall call the first meeting of the  
8        Design Team to occur on or before August 15, 2014.

9            (2) The Design Team shall conduct its meetings pursuant to 1 V.S.A.  
10        chapter 5, subchapter 2.

11        (i) Compensation and reimbursement. Members of the Design Team who  
12        are not employees of the State and who are not otherwise compensated or  
13        reimbursed for their participation shall be entitled to per diem compensation  
14        and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

15        (j) Existence. The Design Team shall cease to exist on July 1, 2020.

16        Sec. 7. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL  
17        DISTRICTS; WAIVERS

18        (a) On or before May 1, 2015, the State Board of Education shall develop  
19        criteria and a process under which it may grant waivers under Sec. 3(a)(4)  
20        (1,250 average daily membership or four districts) and Sec. 5(b)(3)(B)(iii)

1 (voluntary realignment of districts that do not operate any or all grades) of this  
2 act to districts that wish to realign in an alternative manner.

3 (b) The waiver criteria shall be guided by the Essential Components, the  
4 Performance Indicators developed by the Agency of Education, the policy  
5 statement in Sec. 6(e)(3) of this act, and any additional guidance enacted by the  
6 General Assembly and shall be informed by the analysis and options developed  
7 by the Legal and Fiscal Research Group.

8 (c) The State Board shall grant a waiver only if doing so would not isolate  
9 an existing district that would be an appropriate member of the proposed  
10 alternative district, and which is geographically isolated from, or would  
11 otherwise be an inappropriate member of any other potential Expanded  
12 District.

### 13 Sec. 8. REGIONAL EDUCATION DISTRICTS

14 Districts that have been exploring transition into a Regional Education  
15 District (RED) pursuant to 2010 Acts and Resolves No. 153, as amended by  
16 2012 Acts and Resolves No. 156 and that wish to proceed pursuant to the work  
17 they have done under that model shall file a preliminary application and final  
18 proposed plan pursuant to the voluntary realignment provisions of Sec. 5 of  
19 this act.

1       Sec. 9. TRANSITIONAL PROVISIONS

2           (a) As used in this section, “realigning districts” means the school districts  
3           and the supervisory union, supervisory unions, or portions of supervisory  
4           unions that compose an Expanded District.

5           (b) Upon the election, prior to the first day of the Expanded District’s  
6           existence, of the initial transitional school board, the board shall:

7                   (1) appoint a negotiations council for the purpose of negotiating with  
8                   future employees’ representatives; and

9                   (2) recognize the representatives of the employees of the realigning  
10                  districts as the recognized representatives of the employees of the Expanded  
11                  District.

12           (c) Negotiations shall commence within 90 days after formation of the  
13           initial transitional school board and shall be conducted pursuant to the  
14           provisions of 16 V.S.A. chapter 57 for teachers and administrators and  
15           pursuant to 21 V.S.A. chapter 22 for other employees.

16           (d) An employee of a realigning district who was not a probationary  
17           employee shall not be considered a probationary employee of the Expanded  
18           District.

19           (e) If a new agreement is not ratified by both parties prior to July 1, 2020,  
20           or the first day of the Expanded District’s existence if earlier than July 1, 2020:

1           (1) the parties shall comply with the existing agreements in place in  
2           each of the realigning districts until a new agreement is reached;

3           (2) the parties shall adhere to the provisions of an agreement among the  
4           employees, as represented by their respective recognized representatives,  
5           regarding how provisions under the existing contracts regarding issues of  
6           seniority, reduction in force, layoff, and recall will be reconciled during the  
7           period prior to ratification of a new agreement; and

8           (3) a new employee beginning employment after July 1, 2020, or the  
9           first day of the Expanded District's existence if earlier than July 1, 2020, shall  
10           be covered by the agreement in effect that applies to the largest bargaining unit  
11           among the realigning districts in that Expanded District.

12           (f) On the first day of its existence, the Expanded District shall assume the  
13           obligations of existing individual employment contracts between the realigning  
14           districts and their employees.

15           Sec. 10. POSITIONS; AGENCY OF EDUCATION

16           The General Assembly authorizes the establishment of two new limited  
17           services analyst positions in the Agency of Education in fiscal year 2015.

18           Sec. 11. PREKINDERGARTEN–GRADE 12 SCHOOL DISTRICT

19                   SPECIAL FUND

20           (a) There is created a special fund pursuant to 32 V.S.A. chapter 7,  
21           subchapter 5, comprising sums deposited into this account and interest

1 accruing to the fund. Any remaining balance at the end of the fiscal year shall  
2 be carried forward in the Fund.

3 (b) Monies in the Fund shall be available to the Agency of Education to be  
4 used to support the purposes of Secs. 2 through 10 of this act, including:

5 (1) to support the work of the Agency to provide technical assistance to  
6 districts during the voluntary realignment process and to the Design Team and  
7 State Board during the creation and adoption of the Statewide Plan;

8 (2) to support the work of the State Board of Education to review  
9 preliminary and final applications under the voluntary realignment process and  
10 to review the proposed Statewide Plan under the rulemaking process;

11 (3) to support the work of the Design Team to monitor the voluntary  
12 realignment process, to conduct public engagement activities, and to develop  
13 the proposed Statewide Plan;

14 (4) to reimburse up to \$20,000.00 in fees incurred by groups of districts  
15 during the voluntary realignment process pursuant to 2012 Acts and Resolves  
16 No. 156, Sec. 9 as amended by Sec. 19 of this act; and

17 (5) to provide \$50,000.00 in grants to Expanded Districts for legal  
18 services, technology system upgrades, and other costs of transition, subject to  
19 legislative adjustments that may be made upon reviewing the sufficiency of  
20 this financial support.

1        (c) The fund shall be known as the Prekindergarten–Grade 12 School  
2        District Special Fund.

3        Sec. 12. APPROPRIATION

4        The sum of \$4,000,000.00 is transferred in fiscal year 2014 to the  
5        Prekindergarten–Grade 12 School District Special Fund from the special fund  
6        created by 32 V.S.A. § 6075, in order to support and advance the “control [of]  
7        education spending while improving [education] quality” pursuant to  
8        section 6075.

9        Sec. 13. STATEWIDE, INTEGRATED LONGITUDINAL STUDENT

10                DATA AND FINANCIAL REPORTING AND ACCOUNTING  
11                SYSTEMS

12        (a) On or before July 1, 2020:

13                (1) the Agency of Education shall have fully implemented statewide,  
14        integrated systems to maintain financial reporting and accounting and  
15        longitudinal student data (the systems); and

16                (2) each Expanded District created pursuant to Secs. 2 through 9 of this  
17        act shall have the technological ability to provide all requested data to the  
18        systems and access all data to which they are entitled under State and federal  
19        privacy laws.





1 title whenever feasible; provided, however, if a supervisory union determines  
2 that services would be provided more efficiently and effectively in another  
3 manner, then it may ask the Secretary to grant it a waiver from this  
4 subdivision:

5 \* \* \*

6 (E) ~~provide transportation or arrange for the provision of~~  
7 ~~transportation, or both in any districts in which it is offered within the~~  
8 ~~supervisory union; [Repealed.]~~

9 \* \* \*

10 (11) on or before June 30 of each year, adopt a budget for the ensuing  
11 school year; ~~and~~

12 (12) adopt supervisory union-wide truancy policies consistent with the  
13 model protocols developed by the commissioner; and

14 ~~(13)–(17) [Repealed.]~~ (13) at the option of the supervisory union board,  
15 provide transportation or arrange for the provision of transportation, or both, in  
16 any districts in which it is offered within the supervisory union.

17 ~~(14)–(17) [Repealed.]~~

18 Sec. 15. 2010 Acts and Resolves No. 153, Sec. 23(b), as amended by 2011  
19 Acts and Resolves No. 30, Sec. 1; 2011 Acts and Resolves No. 58, Sec. 34;  
20 and 2012 Acts and Resolves No. 156, Sec. 20, is further amended to read:

1 (b) Secs. 9 through 12 of this act shall take effect on passage and shall be  
2 fully implemented on July 1, 2013, subject to the provisions of existing  
3 contracts; ~~provided, however, that the special education provisions of Sec. 9,~~  
4 ~~16 V.S.A. § 261a(a)(6), and the transportation provisions of Sec. 9, 16 V.S.A.~~  
5 ~~§ 261a(a)(8)(E), shall be fully implemented on July 1, 2014.~~

6 Sec. 16. 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts  
7 and Resolves No. 30, Sec. 2; 2011 Acts and Resolves No. 58, Sec. 18; 2013  
8 Acts and Resolves No. 56, Sec. 23; and 2014 Acts and Resolves No. 92, Sec.  
9 303, is further amended to read:

10 Sec. 18. TRANSITION

11 (a) ~~Each~~ A supervisory union shall provide for any transition of  
12 employment of special education and transportation employees by member  
13 districts to employment by the supervisory union, ~~pursuant to Sec. 9 of this act,~~  
14 ~~16 V.S.A. § 261a(a)(6) and (8)(E);~~ by:

15 \* \* \*

16 (b) ~~For purposes of this section and Sec. 9 of this act~~ As used in this  
17 section, “special education employee” shall include a special education  
18 teacher, a special education administrator, and a special education  
19 paraeducator, which means a teacher, administrator, or paraeducator whose job  
20 assignment consists of providing special education services directly related to  
21 students’ individualized education programs or to the administration of those

1 services. Provided, however, that “special education employee” shall include a  
2 “special education paraeducator” only if the supervisory union board elects to  
3 employ some or all special education paraeducators because it determines that  
4 doing so will lead to more effective and efficient delivery of special education  
5 services to students. If the supervisory union board does not elect to employ  
6 all special education paraeducators, it must use objective, nondiscriminatory  
7 criteria and identify specific duties to be performed when determining which  
8 categories of special education paraeducators to employ.

9 (c) Education-related parties to negotiations under either Title 16 or 21  
10 shall incorporate in their current or next negotiations matters addressing the  
11 terms and conditions of special education employees.

12 ~~(d) If a supervisory union has not entered into a collective bargaining~~  
13 ~~agreement with the representative of its prospective special education~~  
14 ~~employees by August 15, 2015, it shall provide the Secretary of Education~~  
15 ~~with a report identifying the reasons for not meeting the deadline and an~~  
16 ~~estimated date by which it expects to ratify the agreement. [Repealed.]~~

17 Sec. 17. 24 V.S.A. § 5053a(a) is amended to read:

18 (a) ~~For purposes of~~ As used in this section, the term “transferred employee”  
19 means an employee under this chapter who transitioned from employment  
20 solely by a school district to employment, wholly or in part, by a supervisory

1 union pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) ~~as amended on June 3,~~  
2 ~~2010.~~

3 \* \* \* 2010 Acts and Resolves No. 153; Incentives \* \* \*

4 Sec. 18. REPEAL

5 (a) The following are repealed:

6 (1) 2012 Acts and Resolves No. 156, Sec. 2 (reimbursement of up to  
7 \$5,000.00 for fees relating to initial exploration of joint activity by school  
8 districts or supervisory unions).

9 (2) 2012 Acts and Resolves No. 156, Sec. 4 (reimbursement of up to  
10 \$10,000.00 for fees relating to joint activity other than a merger by school  
11 districts or supervisory unions).

12 (3) 2012 Acts and Resolves No. 156, Sec. 5 (reimbursement of up to  
13 \$20,000.00 in fees relating to analysis of supervisory unions' potential  
14 merger).

15 (4) 2012 Acts and Resolves No. 156, Sec. 6 (\$150,000.00 facilitation  
16 grant for successful merger of supervisory unions).

17 (5) 2012 Acts and Resolves No. 156, Sec. 11 (facilitation grant for  
18 successful merger of school districts other than a RED).

19 (6) 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts  
20 and Resolves No. 156, Sec. 13 (financial and other incentives for successful  
21 formation of a RED).

1           **(b) The provisions of subdivisions (a)(1) and (2) of this section shall not**  
2           **apply to reimbursement of costs incurred by a group of districts that submits a**  
3           **completed application to the Agency of Education on or before the effective**  
4           **date of this act.**

5           **Sec. 19. 2012 Acts and Resolves No. 156, Sec. 9(a) is amended to read:**

6           (a) From the ~~education fund, the commissioner of education~~  
7           Prekindergarten–Grade 12 School District Special Fund, the Secretary of  
8           Education shall reimburse up to \$20,000.00 of fees paid by a study committee  
9           established under 16 V.S.A. § 706 for legal and other consulting services  
10          necessary to analyze ~~the advisability of creating a union school district or a~~  
11          ~~unified union school district~~ creation of an Expanded District and to prepare  
12          the ~~report required by~~ Realignment Plan pursuant to 16 V.S.A. § 706b and this  
13          act.

14                                   \* \* \* North Bennington School District \* \* \*

15          Sec. 20. NORTH BENNINGTON SCHOOL DISTRICT

16           Notwithstanding any other provision of law to the contrary, on the day on  
17           which the North Bennington School District ceases to exist as a discrete entity  
18           and becomes realigned into an Expanded School District pursuant to the  
19           provisions of this act, title to the building that is currently owned by the North  
20           Bennington School District and occupied by the Village School of North  
21           Bennington shall transfer to the Village of North Bennington.

