

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

11 (b) **The Essential Components.** The Expanded Districts shall be required
12 to 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 (c) **Process.** The process to achieve realignment shall include the
4 following:

5 (1) **Performance indicators; accountability.** In order to guide and
6 assess 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].

10 (2) **The Legal and Fiscal Working Group.** The bill creates a working
11 group to address specific legal and fiscal issues, including issues relating to
12 voting and representation on school boards, operating and nonoperating
13 districts, tax rates, and a uniform data and financial accounting system. The
14 Legal and Fiscal Working Group shall analyze and develop a menu of options
15 to be presented on or before [January 1, 2015] to the General Assembly for
16 review and potential action. The work of this group shall be used to inform
17 decisions to be made by the State Board of Education, the Agency, and the
18 Design Team.

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

1 (A) **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 (B) **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 (C) **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 [October 1, 2015]. The State Board shall review the preliminary
16 applications individually and collectively.

17 (D) **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 (1) 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 Working Group; and (2) does not

1 exclude an existing district that would be an appropriate member of the
2 Expanded District, which is either geographically isolated from, or would
3 otherwise be an inappropriate member of, another proposed or potential
4 Expanded District.

5 (E) **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 (4) **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 Statewide Plan for all remaining districts to be realigned into Expanded
11 Districts. The Design Team shall conduct public engagement activities and
12 solicit information and guidance from current school board members to inform
13 design of the Statewide Plan, which shall also be guided by the Performance
14 Indicators and informed by the work of the Legal and Fiscal Working Group.
15 On or before [November 1, 2017], the Design Team shall submit the proposed
16 Statewide Plan for approval by the State Board, and subsequently by the
17 Legislative Committee on Administrative Rules, through the rulemaking
18 process set forth in 3 V.S.A. chapter 25. Final approval of a Statewide Plan
19 shall occur on or before [July 1, 2018].

20 (d) **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 through grade 12
14 across multiple governing units. The result can limit the educational
15 experience of 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 our ambitious goals.

6 In addition, the isolation of some districts and schools means they do not have
7 access to critical expertise in special education or assessment or instructional
8 improvement that could help local communities make more educationally and
9 cost effective decisions about how to meet the needs of their students. [delete?]

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

18 (10) In some cases, a merger of governance structures may yield savings
19 that local voters can use to invest in other priorities, or in relief for taxpayers.
20 Over the long run, we expect the elimination of redundancies and sharing of

1 resources to bend the cost curve, reducing the unsustainable but persistent
2 growth in expenditures we have seen in the State.

3 (11) We understand that a change in governance alone will not yield
4 better outcomes for students. We believe, however, that a strong supervisory
5 district structure will make it possible for our schools to collaborate, share
6 resources, and work systematically to provide more opportunities to learn and
7 higher quality instruction for our children. We believe that the current
8 structure, with its substantial inequities, multiple small governing units, and
9 conflicting lines of authority, makes it too difficult for our schools to work
10 together coherently to support our ambitious goals for our students.

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

1 (b) Legislative purposes of this act.

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

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

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

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

1 (5) The new governance model involves the creation of criteria to
2 evaluate outcomes of goals at the district level but, in the Vermont tradition of
3 local control, supports flexibility around how schools and districts approach
4 developing those goals and outcomes. This would support local innovation,
5 while preserving the capacity to analyze effectiveness and compare
6 performance.

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

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

1 ***** Expanded Prekindergarten – Grade 12 School Districts *****

2 **Sec. 2. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**
3 **DISTRICTS; CREATION**

4 As of [July 1, 2020], pursuant to the processes and criteria set forth in
5 this act:

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

7 (2) school districts in the State, except interstate school districts, shall be
8 realigned into an estimated 45–55 expanded prekindergarten–grade 12 school
9 districts (Expanded Districts) that are responsible for the education of all
10 resident students in kindergarten through grade 12.

11 **Sec. 3. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**
12 **DISTRICTS; ESSENTIAL COMPONENTS; PERFORMANCE**

13 **INDICATORS; ACCOUNTABILITY**

14 (a) **Essential Components.** Each Expanded District created under this act
15 shall: [HEC: please consider the order in which these should be listed]

16 (1) be designed to recognize historic relationships among communities,
17 existing connections between school districts, and potential obstacles caused
18 by geography, and consider the existing transportation infrastructure and
19 State- and community-based service regions;

20 (2) be responsible for the education of all resident kindergarten – grade
21 12 students through educational opportunities that meet the educational quality

1 standards adopted by the State Board of Education pursuant to 16 V.S.A.

2 § 165;

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

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

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

10 (6) adopt one district-wide budget;

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

13 (8) be designed to: [see (b) below]

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

16 (B) foster stable leadership by developing and supporting both school
17 and district leaders;

18 (C) hire, train, support, and retain excellent administrators, teachers,
19 and staff;

20 (D) [provide for budgetary stability that promotes less volatility for
21 taxpayers];

1 (E) categorize and report expenditures in a manner that promotes
2 transparency and public accountability and that supports a statewide integrated
3 data collection system; and

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

6 (9) create school-based community councils designed to build
7 partnerships among families, staff, and the community and strong community
8 involvement. A school council may, for example, serve as a liaison between
9 the school and the elected local representative or representatives to the school
10 board and perform advisory duties requested by the principal or included in
11 the articles of agreement creating the Expanded District. [delete?] The
12 articles of agreement shall determine membership on the council and the
13 process by which members are selected. For example, each constituency
14 represented on the council (such as parents, the community-at-large, students,
15 teachers) could appoint its own representative or each constituency coul In the
16 Vermont tradition of local control, In the Vermont tradition of local control, d
17 provide a list of names to be selected by a single person or entity. [delete?]

18 **(b) Performance indicators; accountability.**

19 (1) The Agency of Education, in consultation with the State Board, shall
20 develop criteria to measure performance and ensure accountability under the
21 Essential Components itemized in subdivision (a)(8) of this section after

1 transition to an Expanded District. The indicators shall also provide guidance
2 to:

3 (A) school districts pursuing voluntary realignment pursuant to Sec. 5
4 of this act;

5 (B) the State Board when reviewing a proposed voluntary plan of
6 realignment and requests for waivers from the Essential Components pursuant
7 to Secs. 5 and 7 of this act; and

8 (C) the development and adoption of the Statewide Plan pursuant to
9 Sec. 6 of this act.

10 (2) On or before [January 1, 2015], the Agency shall complete the work
11 required under subdivision (1) of this subsection (b) and present a detailed
12 explanation of the performance indicators to the House Committees on
13 Education and on Ways and Means and the Senate Committees on Education
14 and on Finance for review.

15 **Sec. 4. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**

16 **DISTRICTS; LEGAL AND FISCAL WORKING GROUP;**

17 **REPORT**

18 (a) There is established a Legal and Fiscal Working Group that shall
19 facilitate and inform the work required under this act by analyzing and
20 developing options to address legal and fiscal issues, including issues
21 relating to:

- 1 (1) voting and representation on school boards;
- 2 (2) ways to accommodate current districts that operate schools, that
3 operate schools for some grades and pay tuition for the remaining grades, and
4 that operate no schools;
- 5 (3) the Vermont Supreme Court decision in *Brigham v. State*;
- 6 (4) the common level of appraisal, grand lists, and tax rates;
- 7 (5) a statewide, uniform, integrated longitudinal student data and
8 financial accounting and reporting system, and potential integration of the
9 system with data and information delivery systems of other State entities, such
10 as the Agency of Human Services;
- 11 (6) the funding and payment structure for career technical education
12 centers by Expanded Districts that do not operate a center; and
- 13 (7) _____.
- 14 (b) The Working Group shall be composed of individuals with relevant
15 fiscal or legal expertise, or both, who are employed by the Agency of
16 Education and the Department of Taxes, as selected by those entities, together
17 with other individuals selected by the Secretary of Education and the
18 Commissioner of Taxes who have substantial and varied experience with or
19 knowledge of the legal and fiscal issues identified in this section. The
20 Working Group shall consult with the Secretary of State, the Office of the
21 Attorney General, the Joint Fiscal Office, and the Office of Legislative

1 Council, and with any other individuals or entities with relevant data or
2 expertise. The Working Group may create subcommittees of Group members
3 or of Group members and other individuals to perform and review the work
4 required under this section.

5 (c) The Agency of Education shall convene the first meeting of the
6 Working Group to occur on or before [July 1, 2014].

7 (d) On or before [January 1, 2015], the Working Group shall submit a
8 written report of its analysis of identified issues, together with a menu of
9 potential, practical options to address the issues, to the House Committees on
10 Education and on Ways and Means, the Senate Committees on Education and
11 on Finance, the Agency of Education, the State Board of Education, and the
12 Design Team created in Sec. 6 of this act. After that date, the Working Group
13 shall analyze additional issues at the request of one or more of the entities
14 named in this subsection.

15 (e) The Working Group shall cease to exist on [the day on which the final
16 Statewide Plan is adopted pursuant to Sec. 6 of this act].

17 **Sec. 5. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**

18 **DISTRICTS; VOLUNTARY REALIGNMENT**

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

1 **(b) Realignment Plan.** Existing school districts may realign into
2 Expanded Districts by appointing a study committee and preparing of a plan of
3 realignment (Realignment Plan) to be approved by both the State Board and
4 the electorate of the districts. If approved, the Realignment Plan shall become
5 the Expanded District’s articles of agreement. The Realignment Plan shall
6 conform to the requirements of 16 V.S.A. § 706b, shall address the transition
7 of employees to the new employer, including impacts upon membership in the
8 Vermont Municipal Employees’ Retirement System and in collective
9 bargaining units, and shall address other general issues and issues of particular
10 interest to the local communities, such as representation on the Expanded
11 District’s school board, the manner in which school budgets are voted, the
12 conditions under which the new district would be permitted to close an existing
13 school building, and school choice. The Realignment Plan shall:

14 (1) incorporate the Essential Components of an Expanded District
15 identified in Sec. 3 of this act, as may be clarified by the Performance
16 Indicators and informed by the work of the Legal and Fiscal Working Group
17 pursuant to Secs. 3 and 4 respectively; and

18 (2) be responsible for the education of the resident students in
19 kindergarten through grade 12 in one of the following ways:

20 (A) by operating one or more public schools that offer elementary
21 and secondary education;

1 (B) by operating one or more public schools that offer elementary
2 education, by operating or not operating some or all secondary grades, and by
3 entering into an agreement with one or more of the four approved independent
4 schools that have historically served as the public schools for the community in
5 which they are located [that agrees to provide data and information regarding
6 publicly funded students pursuant to 16 V.S.A. § 242(4)(A) as the Secretary
7 determines is necessary for the maintenance of a statewide, uniform, integrated
8 longitudinal student data and financial accounting and reporting system]; or

9 (C) in some other manner pursuant to a waiver from the State Board
10 granted under the provisions of Sec. 7 of this act, including:

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

14 (ii) by paying tuition for some or all resident students in some or
15 all grades to attend a public school operated outside the district or an approved
16 independent school and by operating one or more public schools that provide
17 education for any remaining grades.

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

1 **(d) Preliminary application.**

2 (1) On or before [October 1, 2015], districts that are preparing a
3 Realignment Plan may submit a preliminary application to the Secretary in a
4 format developed by the Agency. The Secretary shall review the preliminary
5 applications and submit them with his or her recommendations to the State
6 Board on or before [December 1, 2015].

7 (2) The State Board, in consultation with the Design Team created in
8 Sec. 6 of this act, shall review each preliminary application on its own merits
9 and in relation to the other preliminary applications.

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

16 (4) If the Board does not give preliminary approval to an application,
17 then it shall provide guidance regarding the issues to be addressed prior to
18 submission of a final Realignment Plan pursuant to subsection (e) of this
19 section. The Board shall make a decision regarding each preliminary
20 application on or before [February 1, 2016].

1 (5) An existing supervisory district that operates one or more schools
2 with a total average daily membership of at least 1,250 students in kindergarten
3 through grade 12, and that does not wish to realign with another district, may
4 submit a preliminary application and have it reviewed pursuant to the
5 provisions of this subsection (d). If approval is granted under this subsection,
6 then the supervisory district shall be considered an Expanded District and shall
7 not be realigned under the Statewide Plan adopted pursuant to Sec. 6 of this
8 act.

9 (e) Final application.

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

15 (A) compliance with the Essential Components of Expanded
16 Districts, as may be clarified by the Performance Indicators and informed by
17 the work of the Legal and Fiscal Working Group; and

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

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

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

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

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

9 (f) **District vote.** If an Expanded District created under this section is
10 approved by the electorate pursuant to the provisions of 16 V.S.A. chapter 11
11 on or before [July 1, 2017], then it shall not be realigned under the Statewide
12 Plan created pursuant to Sec. 6 of this act. If an Expanded District is not
13 approved, then it shall be subject to realignment under the Statewide Plan.

14 **Sec. 6. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**

15 DISTRICTS; **DESIGN TEAM; STATEWIDE PLAN; ADOPTION**

16 **BY RULEMAKING**

17 (a) **Creation of Design Team.** There is created a Design Team to monitor
18 the voluntary realignment of school districts authorized pursuant to Sec. 5 of
19 this act and to design the plan for all remaining districts to be realigned into
20 Expanded Districts by [July 1, 2020] (the Statewide Plan). The Statewide Plan

1 shall be submitted to the State Board for adoption under the rulemaking
2 process set forth in 3 V.S.A. chapter 25.

3 **(b) Number and qualifications of members.** The Design Team shall be
4 composed of nine members who are geographically representative, have a
5 broad range of knowledge of and experience in the Vermont education system
6 and in Vermont communities, and represent diverse points of view, opinions,
7 and interests.

8 **(c) Appointment.**

9 (1) On or before [July 1, 2014], the Speaker of the House, the
10 Committee on Committees, and the Governor shall each choose three
11 members, none of whom shall be members of the House of Representatives or
12 the Senate during the period of appointment.

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

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

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

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

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

6 (A) provide guidance to the State Board and the Agency for use in
7 the voluntary alignment and waiver processes [to support broad inclusion of
8 districts]; and

9 (B) inform the Statewide Plan design process;

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

12 (4) submit the Statewide Plan on or before [November 1, 2017] to the
13 State Board for adoption as rules pursuant to 3 V.S.A. chapter 25, which shall
14 occur on or before [July 1, 2018].

15 **(e) The Statewide Plan.**

16 (1) The Statewide Plan shall be guided by the public engagement
17 process required under subsection **(d)** of this section, the Essential
18 Components, the Performance Indicators developed by the Agency, the
19 analysis and options developed by the Legal and Fiscal Working Group, and
20 the work of the State Board in developing the waiver criteria and process under
21 Sec. **7** of this act.

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

2 (A) may include:

3 (i) [model] articles of agreement that will govern the actions of the
4 Expanded Districts that were not created during the voluntary realignment
5 process, including the method of apportioning the representation on the new
6 school board of the Expanded District and the conditions under which the
7 Expanded District would be authorized to close a school building; or

8 (ii) a process by which the existing districts that will become an
9 Expanded District under the Plan will develop and adopt their own articles of
10 agreement; or

11 (iii) both (i) and (ii) [for require them to do both?]; and

12 (B) shall establish transition procedures and guidance necessary for
13 the creation of the Expanded District, including assumption of debt by the
14 Expanded District, ownership of property, and the transition of employees to
15 the new employer, including impacts upon membership in collective
16 bargaining units.

17 (3) The Statewide Plan shall preserve the ability of a district that, as of
18 the effective date of this act, provides for the education of all resident students
19 in one or more grades by paying tuition on the students' behalf to choose to
20 continue to pay tuition on their behalf and shall not require the district to limit
21 the options available to those students.

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

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

6 [hire staff?]

7 (g) Updates. Beginning in [October 2014], the Design Team shall provide
8 quarterly updates to the House Committees on Education and on Ways and
9 Means, the Senate Committees on Education and on Finance, the Agency, and
10 the State Board regarding the status of voluntary realignment and the
11 development of the Statewide Plan.

12 (h) Meetings.

13 (1) The Chair of the Design Team shall call the first meeting of the
14 Design Team to occur on or before [August 15, 2014].

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

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

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

1 **Sec. 7. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL**

2 DISTRICTS; **WAIVERS**

3 (a) On or before [May 1, 2015], the State Board of Education shall develop
4 criteria and a process under which it may grant waivers under Sec. 3(4) (1,250
5 average daily membership or 4 districts) and Sec. 5(b)(2)(C) (voluntary
6 realignment of districts that do not operate any or all grades) of this act to
7 districts that wish to realign in an alternative manner.

8 (b) The waiver criteria shall be guided by the Essential Components and
9 the Performance Indicators developed by the Agency, and shall be informed by
10 the analysis and options developed by the Legal and Fiscal Working Group.

11 (c) The State Board shall grant a waiver only if doing so:

12 (1) would not isolate an existing district that would be an appropriate
13 member of the proposed alternative district, and which is geographically
14 isolated from, or would otherwise be an inappropriate member of any other
15 potential Expanded District; and

16 (2) [would not inhibit the maintenance of a statewide, uniform,
17 integrated longitudinal student data and financial accounting and reporting
18 system].

1 **Sec. 8. REGIONAL EDUCATION DISTRICTS**

2 Districts that have been exploring transition into a Regional Education
3 District (RED) pursuant to 2010 Acts and Resolves No. 153, as amended by
4 2012 Acts and Resolves No. 156 and that wish to proceed pursuant to the work
5 they have done under that model shall file a preliminary application and final
6 proposed plan pursuant to the voluntary realignment provisions of Sec. 5 of
7 this act.

8 **Sec. 9. TRANSITIONAL PROVISIONS** *[same as in RED legislation]*

9 (a) For purposes of this section, “realigning districts” means the school
10 districts and the supervisory union or supervisory unions that compose an
11 Expanded District. *[but what if a supervisory union is split in two?]*

12 (b) On the first day of its existence, an Expanded District shall:

13 (1) assume the obligations of the existing individual employment
14 contracts between the aligning districts and their employees;

15 (2) assume the collective bargaining agreements between the aligning
16 districts and the respective representative organizations[~~;~~ including any
17 provisions that address the transition to an Expanded District.] until **the**
18 **agreements expire and** the Expanded District reaches its own agreement with
19 teachers and administrators pursuant to 16 V.S.A. § 2005, and with other
20 employees under 21 V.S.A. § 1725(a);

1 (3) recognize the representatives of the employees of the realigning
2 districts as the recognized representative of the employees of the Expanded
3 District;

4 (4) consider as not probationary any employee who, as an employee of a
5 realigning district, was not a probationary employee; and

6 (5) [adhere to the provisions of an agreement among the employees, as
7 represented by their respective recognized representatives,] regarding how
8 issues of seniority, reduction in force, layoff, and recall will be addressed
9 during the perior prior to ratification of the first collective bargaining
10 agreement between the Expanded District and its employees.

11 **Sec. 11. PREKINDERGARTEN – GRADE 12 SCHOOL DISTRICT**

12 **SPECIAL FUND**

13 (a) There is created a special fund pursuant to 32 V.S.A. chapter 7,
14 subchapter 5 comprising sums deposited into this account and interest accruing
15 to the fund. Any remaining balance at the end of the fiscal year shall be
16 carried forward in the fund.

17 (b) Monies in the fund shall be available to the Agency of Education to be
18 used to support the purposes of Secs. **2 through 9** of this Act, including:

19 (1) to support the work of the Agency to provide technical assistance to
20 districts during voluntary realignment pursuant to Sec. **5** of this Act;

1 (2) to support the work of the State Board of Education to review
2 preliminary and final applications under the voluntary realignment process
3 pursuant to Sec. 5 of this Act and to review the Statewide Plan under the
4 rulemaking process pursuant to Sec. 6 of this act;

5 (3) to support the work of the Design Team pursuant to Sec. 6 of this
6 act; and

7 (4) to provide property tax and other transitional assistance to school
8 districts during realignment pursuant to Secs. 2 through 9 of this act.

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

11 **Sec. 11. APPROPRIATION**

12 The sum of \$ _____ is [appropriated/transferred] in fiscal year 2014 to
13 the Agency of Education for the Prekindergarten – Grade 12 School District
14 Special Fund from the special fund created by 32 V.S.A. § 6075, pursuant to
15 the provisions of § 6075(d).

16 *** Audits *** [H.236 & H.815]

17 **Sec. 12.** 16 V.S.A. § 323 is amended to read:

18 § 323. AUDIT BY PUBLIC ACCOUNTANT

19 ~~Annually, the~~ The supervisory union board shall employ one or more public
20 accountants to audit the financial statements of the supervisory union ~~and its~~
21 ~~member districts~~ on an annual basis and of its member districts once in every

1 three years. The audits shall be conducted in accordance with generally
2 accepted government auditing standards, including the issuance of a report of
3 internal controls over financial reporting to be provided to recipients of the
4 financial statements. Any annual report of the supervisory union to member
5 districts shall include notice that the audits have been performed and the time
6 and place where the full report of the public accountant will be available for
7 inspection and for copying at cost.

8 ***** Public Education Innovation Zones *** [H.615]**

9 **NOTE: there are several ways in which H.615 could be integrated into**
10 **this bill, including:**

- 11 • keep language same as in H.615 and let this happen during next 6 years
12 before expanded districts exist
- 13 • amend language so Expanded Districts can seek this in 2020 and after
- 14 • include previous and also refer to it in Voluntary Realignment and
15 Waiver Secs so that it can be a component of the voluntary
16 Realignment Plan's design

17 **Sec. 13.** 16 V.S.A. § 261b is added to read:

18 § 261b. PUBLIC EDUCATION INNOVATION ZONES; REPORT

19 (a) Public education innovation zone. As used in this section, “public
20 education innovation zone” or “innovation zone” means one or more

1 supervisory unions [expanded districts] that implement an innovation plan
2 developed and approved pursuant to this section.

3 (b) Initiation of innovation plan. An innovation plan may be initiated and
4 developed in one of two ways:

5 (1) The boards of two or more supervisory unions [expanded
6 districts] may collaborate to develop a joint innovation plan and submit the
7 plan to the Secretary pursuant to subsection (e) of this section.

8 (2) A superintendent, in consultation with principals, teachers, and
9 community members, may develop an innovation plan for the supervisory
10 union [expanded district] and submit it to the board of the supervisory union
11 [expanded district]. The board shall review the innovation plan and shall
12 either approve or disapprove the plan within 60 days of its receipt. If the board
13 disapproves the plan, then it shall issue a written explanation detailing the basis
14 of its decision. The superintendent may submit an amended plan to the board
15 at any time. If the board approves the plan in its original or an amended
16 version, then the board shall submit the plan to the Secretary pursuant to
17 subsection (e) of this section.

18 (c) Areas of innovation. An innovation plan may address any area or areas
19 of education governance, policy, or funding, including:

20 (1) curriculum, standards, and assessments;

21 (2) instructional practices and principles;

- 1 (3) services provided to discrete populations of students, including
- 2 students eligible for special education, gifted and talented students, students
- 3 with limited English proficiency, and students at risk of academic failure or
- 4 expulsion;
- 5 (4) early education and school readiness;
- 6 (5) preparation and counseling of students for postsecondary education,
- 7 training, and employment;
- 8 (6) use of technology and data systems to improve instruction and
- 9 expand learning opportunities;
- 10 (7) grouping of students by factors other than age;
- 11 (8) structure and length of the school day or year;
- 12 (9) public school choice;
- 13 (10) partnerships with approved independent schools eligible to receive
- 14 public funding;
- 15 (11) recruitment, employment, training, and professional development
- 16 of teachers, administrators, or other staff within the innovation zone;
- 17 (12) performance expectations and evaluation procedures for all staff;
- 18 (13) compensation, including retirement and other benefits;
- 19 (14) **school district and supervisory union** governance and the
- 20 responsibilities of individuals in key leadership positions; and
- 21 (15) use of financial or other resources.

1 (d) Components of innovation plan. An innovation plan submitted to the
2 Secretary pursuant to subsection (e) of this section shall include:

3 (1) a statement of the innovation zone’s mission and the ways in which
4 designation as an innovation zone will advance the mission;

5 (2) a description of the proposed innovation or innovations;

6 (3) identification of the educational outcomes that will be measured and
7 the improvements that are expected to result from implementation of the
8 innovations;

9 (4) a list of the programs, practices, and policies that would be affected
10 by the proposed innovations and the ways in which the innovations will affect
11 them;

12 (5) a description of any statutory or other requirements that would
13 inhibit implementation of the innovation plan and from which the proposed
14 innovation zone requests a waiver;

15 (6) identification of businesses, industries, postsecondary institutions,
16 nonprofit organizations, and other entities with which the proposed innovation
17 zone plans to develop partnerships;

18 (7) an estimate of the financial savings and any increased efficiencies or
19 economies of scale anticipated to result from the innovations;

20 (8) identification of proposed strategies to secure and maintain resources
21 necessary to implement and sustain the innovations;

1 (9) provision for the continuation and assumption of collective
2 bargaining agreements until their expiration; and

3 (10) the reasons that the proposed achievement zone can more
4 successfully implement the innovations and achieve the desired results than an
5 individual school district or supervisory union. *[may not be pertinent*
6 *depending on when these requests are permitted]*

7 (e) Review and approval of Secretary.

8 (1) The supervisory union [expanded district] board or boards shall
9 submit an innovation plan developed and approved pursuant to subsection (b)
10 of this section to the Secretary.

11 (2) The Secretary shall review the innovation plan and shall either
12 approve or disapprove the plan within 60 days of its receipt. The Secretary
13 shall approve the plan unless the Secretary concludes that the plan, including
14 any requested waivers, is likely to result in decreased educational outcomes or
15 opportunities or is not fiscally feasible. If the Secretary disapproves the plan,
16 then he or she shall issue a written explanation detailing the basis of the
17 decision.

18 (3) If the Secretary disapproves a submitted plan, the supervisory union
19 [expanded district] board or boards may submit an amended plan to the
20 Secretary at any time and may request additional waivers or changes to the
21 waivers previously requested. The Secretary shall then approve or disapprove

1 the amended plan pursuant to the provisions of subdivision (2) of this
2 subsection and, if disapproved, the **supervisory union** **[expanded district]**
3 board may submit an amended plan.

4 (f) Waivers. Upon approval of an innovation plan pursuant to subsection
5 (e) of this section, the Secretary shall grant the innovation zone a waiver from
6 compliance with any related State statute or State Board rule; provided,
7 however, that the Secretary shall not waive requirements relating to:

8 (1) employee participation in the State Teachers' Retirement System of
9 Vermont or the Vermont Municipal Employees' Retirement System;

10 (2) the statewide assessment system adopted by the State Board
11 pursuant to chapter 3 of this title to measure educational outcomes and related
12 State Board rules; or

13 (3) existing legal obligations owed to employees arising under State or
14 federal law, collective bargaining agreements, individual employment
15 contracts, or otherwise, including recognition of the recognized representatives
16 of the employees and assumption and continued observance of all existing
17 collective bargaining agreements.

18 (g) Performance review. Within three years after the Secretary approves an
19 innovation plan, and every three years thereafter, the **supervisory union**
20 **[expanded district]** board or boards shall review the performance of the
21 innovation zone and determine whether the innovation zone is achieving or

1 making adequate progress toward achieving the educational and operational
2 results identified in the innovation plan. The **supervisory union [expanded**
3 **district]** board or boards may revise the innovation plan to improve academic
4 performance or operational efficiencies and submit the revised plan to the
5 secretary for review and approval under subsection (e) of this section.

6 (h) Funding. An innovation zone may seek and accept publicly and
7 privately supported grants and donations to support development and
8 implementation of an innovation plan, provided that the funding is approved
9 by the **supervisory union [expanded district]** board or boards prior to receipt.

10 (i) Annual report. On or before January 15 annually, the Secretary shall
11 submit to the Governor and shall post on the Agency website a report on
12 innovation zones that shall include:

13 (1) the number of **supervisory unions [expanded districts]** designated
14 as innovation zones during the previous academic year;

15 (2) the innovations implemented in each innovation zone;

16 (3) a summary of the educational outcomes of students enrolled in public
17 schools within the innovation zone and a comparison of them with outcomes
18 from before implementation of the innovations; and

19 (4) recommendations for any legislative changes.

1 (1) Each district ~~that operates a school offering one or more grades~~
2 shall adopt a plan annually that both adheres to the minimum State and federal
3 requirements identified by the Agency pursuant to subsection (e) of this section
4 and supports the community’s unique vision, priorities, and standards.

5 (2) A ~~district’s~~ school board, administration, and staff shall create the
6 plan through a public process that solicits the opinions of students, parents,
7 guardians, and other community members and is approved annually by the
8 electorate. ~~The plan for each district within a supervisory union shall~~
9 ~~include identical components relating to minimum requirements for~~
10 ~~supervisory unions that are developed in a similar, supervisory union~~
11 ~~wide public engagement process.~~

12 (3) Although each plan requires final, annual approval by the electorate
13 pursuant to subsection (d) of this section, different constituencies are
14 responsible for the creation and preliminary approval of the plan’s components
15 as follows:

16 (A) The school board is primarily responsible for the creation and
17 preliminary approval of all components related to the mandatory minimum
18 State and federal requirements identified by the Agency pursuant to subsection
19 (e) of this section. The board submits these components to the Agency, which
20 reviews them to ensure compliance with the minimum requirements. The

1 board publishes the components as part of the annual report required by
2 subsection (c) of this section.

3 (B) The **district's** administration and staff are primarily responsible
4 for the creation and preliminary approval of components addressing internal
5 plans and metrics, including those designed to measure compliance with the
6 mandatory minimum State and federal requirements. The administration and
7 staff submit these components to the school board for review and approval.
8 To the extent permitted by State and federal privacy protections, the board
9 publishes these components as part of the annual report required by
10 subsection (c) of this section.

11 (C) The community, pursuant to the public engagement process
12 required in subdivision (2) of this subsection (b), is primarily responsible for
13 the creation and preliminary approval of all other components of the Plan
14 relating to the community's unique vision, priorities, and standards.

15 (c) Annual report to the electorate. Together with its proposed annual
16 budget, the school board shall prepare and publicly distribute a report that
17 includes:

18 (1) the components of the **district's** current plan, to the extent that they
19 can be made public under State and federal privacy protections;

20 (2) data measuring the **district's** success in achieving each component,
21 to the extent that they can be made public under State and federal privacy

1 protections, recognizing that some data cannot be published and some may be
2 published only in the aggregate; and

3 (3) any proposed amendments to the current plan.

4 (d) Annual review and approval by the electorate. On the day on which the
5 electorate votes on the **district's** proposed budget, it shall also vote whether to
6 accept the plan, together with any amendments, for the next fiscal year. If the
7 electorate fails to approve the plan on or before June 30 of any year, then the
8 model plan published by the Agency pursuant to subsection (e) of this section
9 shall be the **district's** plan for the fiscal year beginning July 1.

10 (e) Model accountability plan. The Agency shall:

11 (1) identify all State and federal requirements with which **school**
12 **districts and supervisory unions** must comply;

13 (2) identify the criteria necessary to meet and demonstrate compliance
14 with each requirement, including identification of minimum standards and data
15 to be collected;

16 (3) create and publish on the Agency's website a model accountability
17 plan for **school districts** that includes the minimum requirements of both
18 **school districts and supervisory unions**; and

19 (4) update the information in subdivisions (1) through (3) as necessary.

20 (f) Data collection and clearinghouse.

1 (1) The Agency shall identify the metrics used to measure compliance
2 with the mandatory minimum State and federal requirements and the districts
3 shall collect and submit related data to the Agency.

4 (2) The Agency shall identify the data that may be publicly available
5 and the data that, because of State and federal privacy protections, are
6 available solely for internal use within the Agency or a **district's** schools, or
7 both.

8 (3) The Agency shall ensure that the data it collects and has the
9 authority to make available to the **districts** has integrity and that **districts** are
10 able to access the data in a meaningful way.

11 (4) The Agency shall ensure that all **districts** have a thorough, common
12 understanding of State and federal privacy protections as they relate to data
13 collected and available to the districts through the Agency's common chart of
14 accounts and student longitudinal data system. Each **district** shall adopt and
15 update as necessary a policy that establishes both privacy and public records
16 protections that are at least as stringent as those required by State and
17 federal law.

1 **Sec. 15. COMMON CHART OF ACCOUNTS; STUDENT**

2 **LONGITUDINAL DATA SYSTEM; FULL IMPLEMENTATION**

3 (a) On or before July 1, 2016: *[change dates depending on how integrated]*

4 (1) the Agency of Education shall have fully implemented its systems to
5 maintain a common chart of accounts and student longitudinal data; and

6 (2) all **school districts** shall have the technological ability to provide all
7 requested data to the systems and access all data to which they are entitled
8 under State and federal privacy laws.

9 (b) The Agency shall identify all technological obstacles inhibiting a
10 **district**'s ability to comply with subsection (a) of this section and shall provide
11 assistance in the form of technological support and grants from the funds
12 appropriated in Sec. **16** of this act.

13 ~~(c) The Agency shall identify districts with atypical financial arrangements~~
14 ~~for shared costs where it may be problematic to use the universal chart of~~
15 ~~accounts to evaluate investment versus educational outcomes and may~~
16 ~~authorize districts to adopt a community accountability plan in a different way~~
17 ~~or with different components than required by Sec. 1, 16 V.S.A. § 564, of~~
18 ~~this act.~~ *[delete this?]*

1 **Sec. 16. APPROPRIATION**

2 The sum of \$100,000.00 is appropriated to the Agency of Education from
3 the General Fund in fiscal year 2015 for grants to school districts in support of
4 the technology advancements pursuant to Sec. 15 of this act.

5 **Sec. 17. IMPLEMENTATION** *[change dates depending on how integrated]*

6 (a) The Agency of Education shall fully comply with the requirements of
7 Sec. 14, 16 V.S.A. § 564(b) (model accountability plan), on or before
8 July 1, 2015.

9 (b) School districts shall adopt a community accountability plan pursuant
10 to the requirements of Sec. 14, 16 V.S.A. § 564 on or before July 1, 2016,
11 which shall apply to the 2016-2017 academic year and after.

12 *** * * Innovation in Education; Technology; Task Force; Grant Program;**

13 **Appropriation * * * [H.826]**

14 **Sec. 18. VERMONT INNOVATION IN EDUCATION TASK FORCE;**

15 **REPORT**

16 (a) Creation. There is created a Vermont Innovation in Education Task
17 Force to examine barriers to the effective use of technology in Vermont's
18 schools and to support access to that technology through, among other things,
19 the dissemination of best practices and awarding of matching funds under the
20 Vermont Innovation in Education Grant Program created in Sec. 19 of this act.

1 (b) Membership. The Task Force shall be composed of the following nine
2 members:

3 (1) the President Pro Tempore of the Senate or designee;

4 (2) the Speaker of the House or designee;

5 (3) the Chair of the House Committee on Education or a member of that
6 committee appointed by the Chair;

7 (4) the Chair of the Senate Committee on Education or a member of that
8 committee appointed by the Chair;

9 (5) one member appointed by the Governor;

10 (6) The Secretary of Education or designee;

11 (7) a representative of the postsecondary education community
12 appointed by the Governor;

13 (8) a representative of the Vermont Superintendents Association
14 appointed by the Association; and

15 (9) a representative of the business and industry community appointed
16 by the Vermont Business Roundtable.

17 (c) Powers and duties. The Task Force shall:

18 (1) examine barriers to the effective use of technology in Vermont's
19 schools and solutions to overcome them, including:

20 (A) methods to ensure that both current teachers and students
21 enrolled in teacher preparation programs are able to use technology effectively;

1 (B) strategies to create and procure engaging and cost-effective
2 digital content to inspire Vermont students;

3 (C) strategies to ensure that all students benefit from access to
4 technology, especially students who face learning challenges;

5 (D) methods to increase operating efficiencies and enhance learning
6 opportunities, especially in rural areas, through the use of technology; and

7 (E) best practices to assist **districts** to prepare students to enter the
8 workforce or pursue postsecondary education or training without the need for
9 remediation;

10 (2) develop criteria and a process for awarding **grants** pursuant to Sec.
11 **19** of this act, including the ways in which it will solicit and evaluate grant
12 applications; and

13 (3) **evaluate and award grants** pursuant to Sec. **19** of this act.

14 (d) Assistance. The Task Force shall have the administrative, technical,
15 and legal assistance of the Agency of Education. For purposes of preparing
16 recommended legislation, the Task Force shall have the assistance of the
17 Office of Legislative Council.

18 (e) Reports.

19 (1) On or before **October 1, 2014**, the Task Force shall publish on the
20 Agency of Education’s website and submit to the Governor and the House and
21 Senate Committees on Education a written report detailing:

1 (A) the results of its examination under subdivision (c)(1) of this
2 section;

3 (B) the criteria and processes it established for awarding grants under
4 Sec. 19 of this act; and

5 (C) any recommendations for legislative action.

6 (2) On or before January 31 in 2015, 2016, and 2017, the Task Force
7 shall submit to the Governor and the House and Senate Committees on
8 Education a written report detailing the amounts, recipients, and purposes of
9 grants awarded under Sec. 19 of this act.

10 (f) Meetings.

11 (1) The Secretary of Education shall call the first meeting of the Task
12 Force to occur on or before June 1, 2014.

13 (2) The Secretary of Education shall be the chair.

14 (3) Action shall be taken on grant applications only if there is both a
15 quorum and a majority vote of all members of the Task Force.

16 (4) The Task Force shall cease to exist on July 1, 2017.

17 (g) Reimbursement.

18 (1) For attendance at meetings during adjournment of the General
19 Assembly, legislative members of the Task Force shall be entitled to per diem
20 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

1 (2) Other members of the Task Force who are not employees of the State
2 of Vermont and who are not otherwise compensated or reimbursed for their
3 attendance shall be entitled to both per diem compensation and reimbursement
4 of expenses pursuant to 32 V.S.A. § 1010 from funds appropriated to the
5 Agency of Education.

6 Sec. 19. VERMONT INNOVATION IN EDUCATION GRANT PROGRAM;
7 REPORT

8 (a) Creation. There is established the Vermont Innovation in Education
9 Grant Program for the purpose of awarding matching funds to assist **school**
10 **districts**, especially those located in rural areas, to use technology to increase
11 operating efficiencies and enhance learning opportunities.

12 (b) Process and criteria. Pursuant to the requirements and deadlines
13 established in Sec. **18** of this act, the Vermont Innovation in Education Task
14 Force shall develop criteria and a process for awarding grants under this
15 section, including the ways in which it will solicit and evaluate grant
16 applications and ensure post-award compliance. At a minimum, a successful
17 applicant shall demonstrate that it has plans to ensure:

18 (1) the long-term financial sustainability of any technological advances
19 supported by the grant;

20 (2) professional development opportunities that enable educators to
21 access the full capacity of new devices and digital content;

1 (3) the creation and procurement of engaging and cost-effective digital
2 content;

3 (4) student access to and benefit from access to technology, especially
4 for students who face learning challenges;

5 (5) support from and partnerships with local businesses, entities that
6 provide postsecondary education and training, and other school districts; and

7 (6) parental involvement with the program to encourage students to
8 access resources beyond the school day and develop skills necessary to
9 evaluate online content.

10 (c) Application. On or before November 15, 2014, a school district or
11 group of school districts may submit an application for funding under the
12 Program pursuant to the criteria and processes established by the Task Force.

13 (d) Grant awards. On or before December 31, 2014, the Task Force shall
14 select districts to receive grant funds under the Program. Upon certification
15 by a recipient that it has immediate access to 70 percent of project costs from
16 sources other than the Program, the Task Force shall award the recipient an
17 amount not to exceed 30 percent of project costs. At the request of an
18 applicant, the Task Force is authorized to make periodic partial award
19 payments at any time on or before June 30, 2017.

1 Sec. 20. APPROPRIATION

2 The sum of \$750,000.00 is appropriated to the Agency of Education from
3 the General Fund in fiscal year 2015 for grants to school districts under the
4 Vermont Innovation in Education Grant Program created in Sec. 19 of this act.

5 *** **Supervisory Unions; Special Education; Transportation** ***

6 **OPTION #1:** *Do nothing – implementation required by July 1, 2014*

7 **OPTION # 2:** *Extend implementation date*

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

11 (b) Secs. 9 through 12 of this act shall take effect on passage and shall be
12 fully implemented on July 1, 2013, subject to the provisions of existing
13 contracts; provided, however, that the special education provisions of Sec. 9,
14 16 V.S.A. § 261a(a)(6), and the transportation provisions of Sec. 9, 16 V.S.A.
15 § 261a(a)(8)(E), shall be fully implemented on July 1, 2014 **20__**.

16 **OPTION #3:** *Repeal requirement because moving to Expanded Districts*

17 *[repeal/amend all of these in future when all statutes repealed/amended for*

18 *Extended Districts]*

19 **Sec. 21.** 16 V.S.A. § 261a is amended to read:

20 § 261a. DUTIES OF SUPERVISORY UNION BOARD

21 (a) Duties. The board of each supervisory union shall:

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(6) provide, or if agreed upon by unanimous vote of the supervisory union board, coordinate the provision of special education services on behalf of its member districts and, except as provided in section 144b of this title, compensatory and remedial services, and provide or coordinate the provision of other educational services as directed by the State Board or local boards; ~~provided, however, if a supervisory union determines that services would be provided more efficiently and effectively in whole or in part at the district level, then it may ask the Secretary to grant it a waiver from this provision;~~

(7) employ a person or persons qualified to provide financial and student data management services for the supervisory union and the member districts;

(8) provide the following services for the benefit of member districts in a manner that promotes the efficient use of financial and human resources, which shall be provided pursuant to joint agreements under section 267 of this title whenever feasible; provided, however, if a supervisory union determines that services would be provided more efficiently and effectively in another manner, then it may ask the Secretary to grant it a waiver from this subdivision:

* * *

1 (E) at the option of the supervisory union [board], provide
2 transportation or arrange for the provision of transportation, or both in any
3 districts in which it is offered within the supervisory union;

4 * * *

5 **Sec. 22.** 2010 Acts and Resolves No. 153, Sec. 23(b), as amended by 2011
6 Acts and Resolves No. 30, Sec. 1; 2011 Acts and Resolves No. 58, Sec. 34;
7 and 2012 Acts and Resolves No. 156, Sec. 20, is further amended to read:

8 (b) Secs. 9 through 12 of this act shall take effect on passage and shall be
9 fully implemented on July 1, 2013, subject to the provisions of existing
10 contracts; ~~provided, however, that the special education provisions of Sec. 9,~~
11 ~~16 V.S.A. § 261a(a)(6), and the transportation provisions of Sec. 9, 16 V.S.A.~~
12 ~~§ 261a(a)(8)(E), shall be fully implemented on July 1, 2014.~~ **[does this work?]**

13 **Sec. 23.** 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts
14 and Resolves No. 30, Sec. 2; 2011 Acts and Resolves No. 58, Sec. 18; 2013
15 Acts and Resolves No. 56, Sec. 23; and 2014 Acts and Resolves No. 92, Sec.
16 303, is further amended to read:

17 Sec. 18. TRANSITION

18 (a) ~~Each~~ A supervisory union shall provide for any transition of
19 employment of special education and transportation employees by member
20 districts to employment by the supervisory union, ~~pursuant to Sec. 9 of this act,~~
21 ~~16 V.S.A. § 261a(a)(6) and (8)(E), by:~~

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(b) For purposes of this section ~~and Sec. 9 of this act~~, “special education employee” shall include a special education teacher, a special education administrator, and a special education paraeducator, which means a teacher, administrator, or paraeducator whose job assignment consists of providing special education services directly related to students’ individualized education programs or to the administration of those services. Provided, however, that “special education employee” shall include a “special education paraeducator” only if the supervisory union board elects to employ some or all special education paraeducators because it determines that doing so will lead to more effective and efficient delivery of special education services to students. If the supervisory union board does not elect to employ all special education paraeducators, it must use objective, nondiscriminatory criteria and identify specific duties to be performed when determining which categories of special education paraeducators to employ.

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

~~(d) If a supervisory union has not entered into a collective bargaining agreement with the representative of its prospective special education employees by August 15, 2015, it shall provide the Secretary of Education~~

1 ~~with a report identifying the reasons for not meeting the deadline and an~~
2 ~~estimated date by which it expects to ratify the agreement. [Repealed.]~~

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

4 (a) For purposes of this section, the term "transferred employee" means an
5 employee under this chapter who transitioned from employment solely by a
6 school district to employment, wholly or in part, by a supervisory union
7 pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) ~~as amended on June 3, 2010.~~

8 ***[2012 Acts and resolves No. 156, Sec. 26 (transition) and other pension-***
9 ***related legislation don't need to be amended because they apply if voluntary***
10 ***transfer to SUs]***

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15 Sec. **■**. EFFECTIVE DATE

16 This act shall take effect on **passage**.