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1 Introduced by Committee on Education

2 Date: **changes indicated in yellow**

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 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 prekindergarten
10 through 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

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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 Working Group. The bill creates a Working
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 district-wide budgets.** The
15 Legal and Fiscal Working Group shall analyze and develop a menu 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.

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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 Working Group; and (II) does

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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 Working 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.

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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.

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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

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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

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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

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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.

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- 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.

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

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1 districts (Expanded Districts) that are responsible for the education of all
2 resident students in **prekindergarten** through 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;

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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) categorize and report expenditures in a manner that promotes
20 transparency and public accountability and that supports a statewide integrated
21 data collection system; and

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1 (F) promote a shared commitment to a strong, flexible, and coherent
2 system.

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

7 (b) Performance indicators; accountability. **[reorganized (b)(1) generally]**

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

11 (A) provide guidance:

12 (i) to school districts pursuing voluntary realignment;

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

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

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

18 (2) On or before January 1, 2015, the Agency shall complete the work
19 required under subdivision **(1)** of this subsection **(b)** and present a detailed
20 explanation of the performance indicators to the House Committees on
21 Education and on Ways and Means and the Senate Committees on Education

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1 and on Finance for review and potential adoption of legislation that would
2 provide guidance during the realignment process and clarification of State
3 policy.

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

15 Sec. 4. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL

16 DISTRICTS; LEGAL AND FISCAL WORKING GROUP; REPORT

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

21 (1) voting and representation on school boards;

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

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

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

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

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

13 (7) employment contracts;

14 (8) municipal ownership of property;

15 (9) procedures for voting on a district-wide budget; and

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

17 (b) The Working Group shall be composed of individuals with relevant
18 fiscal or legal expertise, or both, who are employed by the Agency of
19 Education and the Department of Taxes, as selected by those entities, together
20 with other individuals selected by the Secretary of Education and the
21 Commissioner of Taxes who have substantial and varied experience with or

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1 knowledge of the legal and fiscal issues identified in this section. The
2 Working Group shall consult with the Secretary of State, the Office of the
3 Attorney General, and representatives of municipalities, including school
4 districts, that have unique forms of representative government, including the
5 Town of Brattleboro. The Working Group may consult with the Joint Fiscal
6 Office, the Office of Legislative Council, and with any other individuals or
7 entities with relevant data or expertise. The Working Group may create
8 subcommittees of Group members or of Group members and other individuals
9 to perform and review the work required under this section.

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

12 (d) On or before January 1, 2015, the Working Group shall submit a written
13 report of its analysis of identified issues, together with a menu of potential,
14 practical options to address the issues and a list of potential legislative
15 amendments to the House Committees on Education and on Ways and Means
16 and the Senate Committees on Education and on Finance for review and
17 potential adoption of legislation that would provide guidance during the
18 realignment process and clarification of State policy. The Working Group
19 shall also provide its report to the Agency of Education, the State Board of
20 Education, and the Design Team created in Sec. 6 of this act. After January 1,

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1 2015, the Working Group shall analyze additional issues at the request of one
2 or more of the entities named in this subsection.

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

5 Sec. 5. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL

6 DISTRICTS; VOLUNTARY REALIGNMENT

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

10 (b) Realignment Plan.

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

16 (2) The Realignment Plan shall conform to the requirements of
17 16 V.S.A. § 706b and shall address other general issues and issues of particular
18 interest to the local communities, such as representation on the Expanded
19 District’s school board, the manner in which school budgets are voted, the
20 conditions under which the new district would be permitted to close an existing
21 school building, and school choice.

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

2 (A) incorporate the Essential Components of an Expanded District, as
3 may be clarified by the General Assembly and the Performance Indicators and
4 informed by the work of the Legal and Fiscal Working Group;

5 (B) be responsible for the education of the resident students in
6 prekindergarten through grade 12 in one of the following ways:

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

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

14 (iii) in some manner other than operating some or all grades
15 pursuant to a waiver from the State Board granted under the provisions of Sec.
16 7 of this act, including:

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

20 (II) by paying tuition for resident students in some or all grades
21 to attend a public school operated outside the Expanded District or an

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1 approved independent school and by operating one or more public schools that
2 provide education for any remaining grades;

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

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

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

13 (d) Preliminary application.

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

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

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

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

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

13 (e) Final application.

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

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

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1 (B) that the plan does not exclude an existing district that:
2 (i) would be an appropriate member of the Expanded District; and
3 (ii) is geographically isolated from, or would otherwise be an
4 inappropriate member of, another Expanded District.

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

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

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

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1 Sec. 6. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL
2 DISTRICTS; DESIGN TEAM; STATEWIDE PLAN; ADOPTION
3 BY RULEMAKING

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

10 (b) Number and qualifications of members. The Design Team shall be
11 composed of nine members who are geographically representative, have a
12 broad range of knowledge of and experience in the Vermont education system
13 and in Vermont communities, and represent diverse points of view, opinions,
14 and interests.

15 (c) Appointment.

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

20 (2) In order to ensure the diversity of knowledge, experience, and
21 opinions required by this section, the Speaker, the Committee on Committees,

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1 and the Governor, or their designees, shall work collectively to identify
2 potential candidates for appointment.

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

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

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

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

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

13 (B) inform the Statewide Plan design process;

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

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

19 (e) The Statewide Plan.

20 (1) The Statewide Plan shall be guided by the public engagement
21 process required under subsection (d) of this section, the Essential

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1 Components, the Performance Indicators developed by the Agency, the
2 analysis and options developed by the Legal and Fiscal Working Group, the
3 work of the State Board in developing the waiver criteria and process under
4 Sec. 7 of this act, and any additional guidance enacted by the General
5 Assembly.

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

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

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

15 (i) the election of an initial school board prior to the first day of the
16 Expanded District's existence in order to transition to the new structure by
17 negotiating and entering into contracts, preparing an initial proposed budget,
18 hiring a superintendent, adopting policies, and otherwise planning for
19 implementation of an integrated system;

20 (ii) assumption of debt;

21 (iii) ownership of property;

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1 (iv) and the transition of employees to the new employer,
2 including membership in collective bargaining units.

3 (3) The Statewide Plan shall preserve the ability of a district that, as of the
4 effective date of this act, provides for the education of all resident students in one
5 or more grades by paying tuition on the students' behalf to continue to pay
6 tuition on their behalf and shall not require the district to limit the options
7 available to those students **when it ceases to exist as a discrete entity and**
8 **becomes realigned into an Expanded District. [& removed "choose" per Rep C]**

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

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

14 (g) Updates. Beginning in **January 2015**, the Design Team shall provide
15 quarterly updates to the House Committees on Education and on Ways and
16 Means, the Senate Committees on Education and on Finance, the Agency, and
17 the State Board regarding the status of **public engagement activities**, voluntary
18 realignment, and the development of the Statewide Plan.

19 (h) Meetings.

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

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

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

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

8 Sec. 7. EXPANDED PREKINDERGARTEN–GRADE 12 SCHOOL
9 DISTRICTS; WAIVERS

10 (a) On or before May 1, 2015, the State Board of Education shall develop
11 criteria and a process under which it may grant waivers under Sec. 3(a)(4)
12 (1,250 average daily membership or 4 districts) and Sec. 5(b)(3)(B)(iii)
13 (voluntary realignment of districts that do not operate any or all grades) of this
14 act to districts that wish to realign in an alternative manner.

15 (b) The waiver criteria shall be guided by the Essential Components, the
16 Performance Indicators developed by the Agency, the policy statement in Sec.
17 6(e)(3) of this act, and any additional guidance enacted by the General
18 Assembly and shall be informed by the analysis and options developed by the
19 Legal and Fiscal Working Group.

20 (c) The State Board shall grant a waiver only if doing so would not isolate
21 an existing district that would be an appropriate member of the proposed

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1 alternative district, and which is geographically isolated from, or would
2 otherwise be an inappropriate member of any other potential Expanded
3 District.

4 Sec. 8. REGIONAL EDUCATION DISTRICTS

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

11 Sec. 9. TRANSITIONAL PROVISIONS

12 (a) For purposes of this section, “realigning districts” means the school
13 districts and the supervisory union, supervisory unions, or portions of
14 supervisory unions that compose an Expanded District.

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

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

19 (2) recognize the representatives of the employees of the realigning
20 districts as the recognized representatives of the employees of the Expanded
21 District.

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

5 (d) An employee of a realigning district who was not a probationary
6 employee shall not be considered a probationary employee of the Expanded
7 District.

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

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

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

17 (3) a new employee beginning employment after July 1, 2020 will be
18 covered by the agreement in effect that applies to the largest bargaining unit
19 among the realigning districts in that Expanded District.

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

4 Sec. 10. POSITIONS; AGENCY OF EDUCATION

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

7 Sec. 11. PREKINDERGARTEN–GRADE 12 SCHOOL DISTRICT

8 SPECIAL FUND

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

13 (b) Monies in the fund shall be available to the Agency of Education to be
14 used to support the purposes of Secs. 2 through 10 of this Act, including:

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

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

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

4 (4) to provide \$50,000.00 grants to Expanded District for legal services,
5 technology system upgrades, and other costs of transition.

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

8 Sec. 12. APPROPRIATION

9 The sum of \$2,000,000.00 is transferred in fiscal year 2014 to the
10 Prekindergarten–Grade 12 School District Special Fund from the special fund
11 created by 32 V.S.A. § 6075, in order to support and advance the “control [of]
12 education spending while improving [education] quality” pursuant to § 6075.

13 Sec. 13. **STATEWIDE, INTEGRATED LONGITUDINAL STUDENT**
14 **DATA AND FINANCIAL REPORTING AND ACCOUNTING**
15 **SYSTEMS**

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

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

20 (2) each Expanded District created pursuant to Secs. 2 through 9 of this
21 act shall have the technological ability to provide all requested data to the

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1 systems and access all data to which they are entitled under State and federal
2 privacy laws.

3 (b) On or before July 1, 2018, the Agency shall identify all technological
4 obstacles inhibiting a district’s ability to comply with subsection (a) of this
5 section and shall provide technological support to assist districts to overcome
6 the obstacles.

7 ***** Supervisory Unions; Special Education; Transportation *****

8 Sec. 14. 16 V.S.A. § 261a is amended to read:

9 § 261a. DUTIES OF SUPERVISORY UNION BOARD

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

11 * * *

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

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

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1 administrator, or paraeducator whose job assignment consists of providing
2 special education services directly related to students' individualized education
3 programs or to the administration of those services. Provided, however, that
4 "special education employee" shall include a "special education paraeducator"
5 only if the supervisory union board elects to employ some or all special
6 education paraeducators because it determines that doing so will lead to more
7 effective and efficient delivery of special education services to students. If the
8 supervisory union board does not elect to employ all special education
9 paraeducators, it must use objective, nondiscriminatory criteria and identify
10 specific duties to be performed when determining which categories of special
11 education paraeducators to employ.

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

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

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

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

6 *** * * 2010 Acts and Resolves No. 153; Incentives * * ***

7 Sec. 18. REPEAL **ALL NEW FROM HERE UNTIL END**

8 (a) The following are repealed:

9 (1) 2012 Acts and Resolves No. 156, Sec. 2 (reimbursement of up to
10 \$5,000.00 for fees relating to initial exploration of joint activity by school
11 districts or supervisory unions).

12 (2) 2012 Acts and Resolves No. 156, Sec. 4 (reimbursement of up to
13 \$10,000.00 for fees relating to joint activity other than a merger by school
14 districts or supervisory unions).

15 (3) 2012 Acts and Resolves No. 156, Sec. 5 (reimbursement of up to
16 \$20,000.00 in fees relating to analysis of supervisory unions' potential
17 merger).

18 (4) 2012 Acts and Resolves No. 156, Sec. 6 (\$150,000.00 facilitation
19 grant for successful merger of supervisory unions).

20 (5) 2012 Acts and Resolves No. 156, Sec. 9 (reimbursement of up to
21 \$20,000.00 in fees relating to analysis of school districts' potential merger).

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1 (6) 2012 Acts and Resolves No. 156, Sec. 11 (facilitation grant for
2 successful merger of school districts other than a RED).

3 (7) 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts
4 and Resolves No. 156, Sec. 13 (financial and other incentives for successful
5 formation of a RED).

6 (b) The provisions of subsection (a) of this section shall not apply to a
7 reimbursement payment owed pursuant to a signed agreement between the
8 Agency of Education and a group of districts or supervisory unions dated on or
9 before March 15, 2014.

10 ***** North Bennington School District *****

11 Sec. 19. NORTH BENNINGTON SCHOOL DISTRICT

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

18 ***** Effective Date *****

19 Sec. 20. EFFECTIVE DATE

20 This act shall take effect on passage.