

H.883 as Introduced – Education Governance
Section by Section Summary

Sec. 1. Findings and Purpose (pp. 5–11)

Sec. 2. Creation of Prekindergarten–Grade 12 Districts (pp. 11–12): Section 2 states that as of July 1, 2020, supervisory unions will cease to exist and school districts will be realigned into an estimated 45–55 new districts responsible for the prekindergarten–grade 12 education of resident students. The bill refers to these as Expanded Districts.

Sec. 3. Essential Components; Performance Indicators; Accountability (pp. 13–15): Section 3 sets forth the broad principles guiding creation of Expanded Districts.

Subsection (a) requires, *among other things*, that each Expanded District: be designed to recognize each community’s unique character and traditions and consider obstacles caused by geography; operate one or more career technical education centers or enter into agreements with centers on behalf of resident students; have an average daily membership of 1,250 students or result from the realignment of four districts (or obtain a waiver per Sec. 7); be governed by no more than one school board and adopt one districtwide budget; and create school-based community councils.

Subsection (b) requires the Agency of Education to identify performance indicators for some of the less easily quantifiable criteria in subsection (a). The indicators would provide guidance for the creation of Expanded Districts and could be used to measure performance after creation. Due: January 1, 2015.

Subsection (c) encourages districts to explore innovative ways to expand opportunities for students and to seek waivers from State Board Rules when necessary to do so.

Sec. 4. Legal and Fiscal Research Group (pp. 16–18): Sec. 4 creates a Research Group composed of employees of the Agency of Education and the Department of Taxes and other individuals with relevant expertise. The Group is required to analyze and develop an array of legal possibilities to a series of legal and fiscal issues, such as voting and representation on school boards; the common level of appraisal; and unique matters relating to incorporated school districts. Due: January 1, 2015.

Sec. 5. Voluntary Realignment (pp. 18–23): Sec. 5 creates a two-phase voluntary realignment process.

Subsection (c) permits voluntary realignment under the process in 16 V.S.A. chapter 11 for union school district (and RED) formation, which includes approval by both the State Board of Education and the electorate of the districts.

Subsection (b) addresses the proposed plan of realignment to be created by districts wishing to merge voluntarily.

Subdivision (1) confirms existing practice that, if approved, the proposed plan becomes the articles of agreement governing the actions of the Expanded District.

Subdivision (2) clarifies that proposed realignment plans may address both general issues and issues of particular interest to the local communities, such as representation on the Expanded District's school board and the conditions under which the new district would be permitted to close an existing school building. In addition, a realignment plan is required comply with the broad requirements of Sec. 3 and provide for the education of resident prekindergarten–grade 12 children in one of several ways: by operating all grades; by operating some or all grades and paying tuition to one the four so-called “academies;” or in some other manner pursuant to a waiver from the State Board of Education under Sec. 7. Finally, the realignment plan must include a process for the election of an initial school board to transition to operation as a new, realigned Expanded District and must address the transition of employees to the new employer.

Subsection (c) requires the Agency of Education to provide technical assistance to districts during the voluntary realignment process.

Subsection (d) provides that districts may submit a preliminary application to the State Board by July 1, 2016. Districts that submit a preliminary application would be eligible to submit final proposed plans of realignment to the State Board under Subsection (e). Among other criteria, the State Board reviews plans to avoid creation of an Expanded District that would isolate another current district.

Subsection (e) states that voluntary realignment into an Expanded District occurs if the electorate of each realigning district votes in favor of a State Board-approved plan on or before July 1, 2017. An Expanded District created under the voluntary phase will not be altered by the Statewide Plan in Sec. 6.

Sec. 6. Design Team and Statewide Plan (pp. 23–27): Sec. 6 creates the Design Team and establishes the framework for creation of the Statewide Plan.

Subsection (a) creates a Design Team to design the proposal for realigning all districts that don't create Expanded Districts during the voluntary phase.

Subsection (b) establishes that the Design Team has 9 members who are geographically representative, have a broad range of experience and knowledge about Vermont education and

communities, and represent diverse points of view, opinions, and interests. Subsection (c) requires that the Speaker, the Committee on Committee, and the Governor each appoint 3 members and they appoint the chair from among those appointees. In order to ensure the diversity required by the section, the appointing parties work collectively to identify potential candidates.

Subsection (d) sets out the four primary duties of the Design Team: to conduct public engagement activities; to monitor the voluntary realignment process; to design the proposed Statewide Plan; and to submit the proposed Plan to the State Board by November 1, 2017 for adoption under the rulemaking process (to be complete by July 1, 2018).

Subsection (e) establishes four principles under which the Statewide Plan will be developed:

(1) The Plan is guided by the public engagement process and conforms to the basic guidelines established in Sec. 3 and any other guidance the General Assembly may provide.

(2) The Plan includes initial articles of agreement for use by the new districts created by the Plan until the districts adopt their own. Among other things, the initial articles would include an initial method for apportioning representation and the conditions under which school buildings could be closed. The Plan also includes a process by which the initial school board would be elected.

(3) The Plan is required to preserve the ability of any district that currently pays tuition for all students in any grade or grades to continue to do so.

(4) The Plan must ensure that nonlicensed employees don't lose their pension benefits when shifted from one employer to another.

Subsection (f) requires the Agency of Education and Department of Taxes to provide technical assistance to the Design Team.

Subsection (g) requires the Design Team to provide quarterly updates to the General Assembly, the State Board, and the Agency of Education.

Subsection (h) states that meetings of the Design Team are conducted pursuant to the open meetings laws.

Subsection (i) authorizes per diem compensation and reimbursement of expenses to the Design Team members.

Subsection (j) states that the Design Team ceases to exist on July 1, 2010.

Sec. 7. Waivers (pp. 27–28): Sec. 7 requires the State Board to develop criteria and a process by May 1, 2015 under which it may grant waivers under Secs. 3(a)(4) (1,250 adm or 4 districts) and 5(b)(3)(B)(iii) (alternative methods of voluntary realignment for districts that do not operate any or all grades). The State Board may grant waivers only if to do so would comply with other requirements of the act and would not isolate a district.

Sec. 8. REDs (p. 28): Sec. 8 requires that districts currently pursuing RED formation must file a preliminary application and final plan pursuant to Sec. 8

Sec. 9. Transitional Provisions (pp. 29–30): Sec. 9 mirrors language in Acts 153 and 156 to govern the transition of employees from exiting districts to the new, larger employer.

Secs. 10–12. AOE Positions; PreK-12 Special Fund; and Appropriation (pp. 30–32):

Sec. 10 authorizes establishment of 2 new limited services analyst positions in the Agency of Education.

Sec. 11 creates a Special Fund for the following purposes under the act:

(1) to support the work of the Agency of Education to provide technical assistance to districts during the voluntary phase and to the Design Team and State Board during development and adoption of the Statewide Plan;

(2) to support the work of the State Board to review the voluntary plans and review and adopt the Statewide Plan;

(3) to support the work of the Design Team;

(4) to reimburse up to \$20,000 in fees incurred by districts during the voluntary realignment phase (per Act 156); and

(5) to provide up to \$50,000 to each Expanded District after creation for elgal services, IT upgrades, and other transitional costs.

Sec. 12 Appropriates \$4,000,000 to the Special Fund from the 32 V.S.A. § 6075 Special Fund.

Sec. 13. Statewide, Uniform, Integrated Financial Reporting and Accounting System AND Student Longitudinal Data System (pp. 32–33): Sec. 13 requires that the Agency of Ed and all districts have fully implemented both an integrated financial accounting system and the student longitudinal system by July 1, 2020. It requires the Agency to identify obstacles inhibiting district compliance by July 1, 2018 and provide technical support.

Secs. 14–17. SUs; Special Education / Transportation (pp. 33–37): Act 153 of 2010 required that Special Ed and transportation services be provided by supervisory unions on behalf of member districts. Subsequent amendments have moved full implementation to July 1, 2014. Secs. 14–17 remove the requirement (which will be moot under Expanded Districts) and restores the related statutes to their pre-Act 153 status, while preserving the rights of employees who have been moved to the supervisory union in the meantime.

Sec. 18–19. Act 153 / 156 Incentives (pp. 37–38):

Sec. 18 repeals the reimbursement grants and other incentives provided under Act 156 for districts and supervisory unions to discuss ways to work together, to enter into contracts, and to merge governance. It “grandfathers” districts that submit completed applications for reimbursement by the effective date of the act.

Sec. 19 amends the existing grant that reimburses up to \$20,000 in costs for preparing a plan of merger so that the grant is available to districts under the voluntary phase of this act.

Sec. 20. North Bennington (p. 38): On the date the North Bennington School District merges into an Expanded District under this act, this section requires that title to the school building owned by the district and leased by the Village School will transfer to the Village.

Sec. 21. Effective Date (p. 39): on passage