

1 TO THE HONORABLE SENATE:

2 The Committee on Education to which was referred House Bill No. 876
3 entitled “An act relating to making miscellaneous amendments and technical
4 corrections to education laws” respectfully reports that it has considered the
5 same and recommends that the Senate propose to the House that the bill be
6 amended as follows:

7 First: In Sec. 8, 16 V.S.A. § 176, in subdivision (d)(1) and in Sec. 9,
8 16 V.S.A. § 176a, in subdivision (e)(1), by striking out the word “Programs”
9 and inserting in lieu thereof the following: Nondegree-granting and non-credit
10 granting programs

11 Second: By striking out Sec. 10 (16 V.S.A. § 1075; residency) in its
12 entirety and inserting in lieu thereof a new section to be Sec. 10 to read:
13 Sec. 10. [Deleted.]

14 Third: In Sec. 19, 16 V.S.A. § 1542(a), in subdivision (5), after the word
15 “employees” by inserting the words employees and of

16 Fourth: In Sec. 23, in 16 V.S.A. § 1551, by striking out subsection (b) in its
17 entirety and inserting in lieu thereof the following: * * *

18 Fifth: By striking out Sec. 29 (16 V.S.A. § 2282(b); tuition) in its entirety
19 and inserting in lieu thereof a new Sec. 29 to read:

1 Sec. 29. 16 V.S.A. § 2282(b) is amended to read:

2 (b) ~~Except for those attending the college of medicine, the amount of~~
3 ~~tuition for eligible Vermont residents for attendance during each academic year~~
4 ~~shall be not more than 40 percent of the tuition charged to nonresident~~
5 ~~students. Tuition for eligible Vermont residents for shorter terms shall be no~~
6 ~~more per credit hour than that charged eligible Vermont residents during the~~
7 ~~academic year~~ A Vermont resident who is enrolled in the University as a
8 full-time undergraduate student shall not pay tuition in an amount that exceeds
9 40 percent of the tuition charged to a nonresident student.

10 Sixth: In Sec. 30, 16 V.S.A. § 2902, subsection (a), by striking out the final
11 sentence and inserting in lieu thereof a new final sentence to read: The tiered
12 system of supports shall, at a minimum, include an educational support team,
13 instructional and behavioral interventions, and accommodations that are
14 available as needed for any student who requires support beyond what can be
15 provided in the general education classroom.

16 Seventh: By striking out Sec. 34 (expanded learning opportunities; study)
17 in its entirety and inserting in lieu thereof a new Sec. 34 to read:

18 Sec. 34. WORKING GROUP ON EQUITY AND ACCESS IN

19 EXPANDED LEARNING TIME; REPORT

20 (a) Creation. The Prekindergarten-16 Council shall create a working group
21 from among its membership to review and evaluate issues of equity in and

1 access to Vermont’s expanded learning programs, including afterschool and
2 summer programs. The Working Group shall obtain testimony from existing
3 providers of extended learning programs, including the Governor’s Institutes of
4 Vermont and the Vermont Youth Conservation Corps. In particular, the
5 Working Group shall identify:

6 (1) ways to increase connections between schools and afterschool and
7 summer learning programs;

8 (2) ways to coordinate school-run programs and programs sponsored by
9 community-based and statewide organizations;

10 (3) areas of the State with limited or inequitable access to expanded
11 learning programs, models successfully serving populations in those areas, and
12 barriers to operating programs in those areas;

13 (4) the key elements of afterschool and summer learning programs that
14 should be encouraged by State policy decisions in order to:

15 (A) ensure that programs are of the highest quality;

16 (B) contribute to more effective school-year approaches to educating
17 underserved learners in Vermont and provide program content that reflects
18 Vermont’s educational and workforce development priorities;

19 (C) determine how a more comprehensive statewide strategy to
20 promote high-quality afterschool and summer learning programs could be
21 implemented over time;

1 (D) consider how changes to the school calendar may affect time
2 available for learning; and

3 (E) identify how best to coordinate and augment existing funding
4 streams for afterschool and summer learning programs and ensure that
5 programs are cost-effective, effective in reaching and producing outcomes
6 for targeted populations, and nonduplicative.

7 (b) Report. On or before December 31, 2014, the Working Group shall
8 report to the House and Senate Committees on Education with its findings and
9 any recommendations for legislative action.

10 Eighth: By striking out Sec. 36 (16 V.S.A. § 323; audits) in its entirety and
11 inserting in lieu thereof a new Sec. 36 to read:

12 Sec. 36. [Deleted.]

13 Ninth: By inserting new sections to be Secs. 37 through and related
14 reader assistance headings to read:

15 * * * Dual Enrollment Program; Privately Funded Students in Approved

16 Independent Schools * * *

17 Sec. 37. 16 V.S.A. § 944 is amended to read:

18 § 944. DUAL ENROLLMENT PROGRAM

19 * * *

20 (b) Students.

1 (1) A Vermont resident who has completed grade 10 but has not
2 received a high school diploma is eligible to participate in the Program if:

3 (A) the student:

4 (i) is enrolled in:

5 (I) a Vermont public school, including a Vermont career
6 technical center;

7 (II) a public school in another state or an approved independent
8 school that is designated as the public secondary school for the student's
9 district of residence; or

10 (III) ~~an approved~~ a nonsectarian- or sectarian-approved
11 independent school in Vermont ~~to which the student's district of residence~~
12 ~~pays publicly funded tuition on behalf of the student;~~

13 (ii) is assigned to a public school through the High School
14 Completion Program; or

15 (iii) is a home study student;

16 * * *

17 (f) Tuition and funding.

18 * * *

19 (4) Notwithstanding any other provision of this subsection (f), a district
20 of residence shall not be responsible for payments under this subsection on
21 behalf of a student enrolled in an approved independent school for whom

1 tuition is privately paid; rather, if the approved independent school chooses to
2 participate in the Dual Enrollment Program on behalf its privately tuitioned
3 students, then the independent school shall pay the school district's portion of a
4 student's dual enrollment tuition as calculated under this subsection.

5 * * *

6 * * * Technology; Innovation in Education Task Force * * *

7 Sec. 38. VERMONT INNOVATION IN EDUCATION TASK FORCE;
8 REPORT

9 (a) There is created a Vermont Innovation in Education Task Force to
10 examine barriers to the effective use of technology in Vermont's schools and to
11 support access to that technology through, among other things, the
12 dissemination of best practices and the potential creation of a grant program.

13 (b) The Task Force shall be composed of the following members:

14 (1) an individual employed as a director of technology in a Vermont
15 public school appointed by the Secretary of Education;

16 (2) two at-large members appointed by the Secretary;

17 (3) an individual employed as a teacher in a Vermont public school
18 appointed by the Vermont-NEA;

19 (4) an individual employed as a principal in a Vermont public school
20 appointed by the Vermont Principals' Association;

1 (5) an individual employed as a superintendent in a Vermont public
2 school appointed by the Vermont Superintendents Association; and

3 (6) an individual employed as a library media specialist in a Vermont
4 public school appointed by the Vermont School Library Association.

5 (c) The Task Force shall:

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

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

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

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

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

16 (E) best practices to assist districts to prepare students to enter the
17 workforce or pursue postsecondary education or training without the need for
18 remediation; and

19 (2) consider elements necessary for the creation of a grant program to
20 support the effective use of technology in Vermont's schools, including

1 identification of potential funding sources and the criteria on which awards
2 could be based.

3 (d) The Task Force shall have the administrative, technical, and legal
4 assistance of the Agency of Education.

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

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

9 (2) the results of its considerations regarding creation of a grant
10 program; and

11 (3) any recommendations for legislative action.

12 (f) The Secretary of Education shall call the first meeting of the Task Force
13 to occur on or before June 1, 2014, at which meeting the members shall select
14 their own chair.

15 (g) The Task Force shall cease to exist on July 1, 2015.

16 * * * Privatization of Public Schools * * * (S.91)

17 Sec. 39. PRIVATIZATION OF PUBLIC SCHOOLS; MORATORIUM;

18 REPEAL

19 (a) Privatization of public school. Notwithstanding the authority of a
20 school district to cease operating an elementary or secondary school and to
21 begin paying tuition on behalf of its resident students, a school district shall not

1 cease operation of a school with the intention, for the purpose, or with the
2 result of having the school building or buildings reopen as an approved
3 independent school serving essentially the same population of students.

4 (b) State Board approval. The State Board of Education shall not approve
5 an independent school under 16 V.S.A. § 166 if, on or after the effective date
6 of this act, a school district votes to cease operating a school that at the time of
7 the vote serves essentially the same population of students as the independent
8 school proposes to serve and is located in the building or buildings in which
9 the independent school proposes to operate.

10 (c) Publicly funded tuition. An approved independent school shall not be
11 eligible to receive publicly funded tuition dollars if, on or after the effective
12 date of this act, a school district votes to cease operating a school that at the
13 time of the vote serves essentially the same population of students as the
14 independent school proposes to serve and is located in the building or
15 buildings in which the independent school proposes to operate.

16 (d) Repeal. This section is repealed on July 1, 2016.

17 Sec. 40. SECRETARY OF EDUCATION; PRIVATIZATION STUDY;

18 REPORT

19 (a) The Secretary of Education shall research:

20 (1) the constitutional and other legal consequences of a school district's
21 decision to cease operating a school with the intention, for the purpose, or with

1 the result of having the school building or buildings reopen as an approved
2 independent school serving essentially the same population of students
3 (privatization); and

4 (2) the constitutional and other legal consequences if the General
5 Assembly chose to prohibit privatization of public schools.

6 (b) Among other issues, the Secretary shall examine the Vermont and
7 U.S. Constitutions, federal civil rights law, and the Vermont Supreme Court's
8 decision in Brigham v. State and shall consider issues of delegation of
9 authority and the proper use of State funds.

10 (c) On or before January 15, 2015, the Secretary shall report the results of
11 the research required by this section to the Senate and House Committees on
12 Education and on Judiciary, together with any recommendations for legislative
13 amendments.

14 * * * Student Enrollment in School of Former Residency (S.175) * * *

15 Sec. 41. 16 V.S.A. § 1093 is amended to read:

16 § 1093. NONRESIDENT STUDENTS

17 (a) A school board may receive into the schools under its charge
18 nonresident students under such terms and restrictions as it deems best and
19 money received for the instruction of the students shall be paid into the school
20 fund of the district.

1 (b) Notwithstanding subsection (a) of this section, if a student has legal
2 residence in a Vermont school district and is enrolled in and attending a school
3 maintained and operated by that district, and if at any time after completion of
4 the annual census period defined in subdivision 4001(1)(A) of this title the
5 student moves to a different Vermont school district with the intention of
6 remaining there indefinitely as contemplated in subsection 1075(a) of this title,
7 then, after a meeting at which the student, the student’s parent or legal
8 guardian if the student is a minor, and representatives of both school districts
9 discuss the educational advantages and disadvantages of the student remaining
10 in the original district, the student or the student’s parent or guardian may
11 choose to remain enrolled in the school maintained by the original district for
12 the remainder of the school year by notifying both school districts of the
13 decision to do so.

14 (c) Nothing in this section shall be construed to eliminate State or federal
15 requirements for a district to enroll eligible students residing outside the
16 district under the McKinney–Vento Homeless Assistance Act, 42 U.S.C.
17 § 11301 et seq., as may be amended.

18 * * * Principals; Nonrenewal of Contracts * * * (S.304) – **AMEND?**

19 Sec. 42. 16 V.S.A. § 243 is amended to read:

20 § 243. APPOINTMENT; SUPERVISION; RENEWAL; DISMISSAL

21 (a) Appointment; supervision.

1 (1) The school board of each school district operating a school, after
2 recommendation by the superintendent, may designate a person as principal for
3 each public school within the district, except that a principal may be selected to
4 serve more than one school. In the case of a career technical education center,
5 only the school board ~~which~~ that operates the center may designate a person as
6 director. ~~For purposes of~~ As used in this section, the word “principal” shall
7 include a principal and the director of career technical education, and the term
8 “public school” shall include a career technical education center.

9 (2) The superintendent shall supervise each principal within the
10 supervisory union in the performance of duties and the implementation of
11 school-based initiatives. The superintendent shall evaluate a principal during
12 the year in which the principal’s contract shall expire and may evaluate the
13 principal at other times during the contract term. Together with the evaluation
14 provided to the principal in the year in which the contract shall expire, the
15 superintendent shall indicate in writing whether he or she intends to
16 recommend to the school board that the contract be renewed or not renewed. If
17 the superintendent intends to recommend nonrenewal, then the written
18 notification shall also indicate on which of the three categories set forth in
19 subdivision (c)(2) of this section the recommendation is based.

20 (b) Length of contract. ~~The~~ A principal shall be employed by written
21 contract for a term of not less than one year nor more than three years. Based

1 upon the superintendent's most recent written evaluation of the principal, a
2 superintendent shall recommend to the school board whether or not to renew
3 the initial and any subsequent contract with a principal.

4 (c) Renewal and nonrenewal.

5 (1) ~~A principal who has been continuously employed for more than two~~
6 ~~years in the same position~~ has the right either to have his or her contract
7 renewed, or to receive written notice of nonrenewal ~~at least 90 days before the~~
8 ~~existing contract expires;~~

9 (A) on or before February 1, if the principal has been continuously
10 employed for more than two years in the same position;

11 (B) on or before April 1, if the principal has been continuously
12 employed for two years or less in the same position; and

13 (C) at least 90 days before the existing contract expires, if the final
14 day of the existing contract is other than June 30.

15 (2) Nonrenewal may be based upon elimination of the position,
16 unresolved performance deficiencies, or other reasons affecting the educational
17 mission of the district. The written notice shall recite the grounds for
18 nonrenewal. If nonrenewal is based on ~~performance deficiencies, the written~~
19 ~~notice shall be accompanied by an evaluation performed by the superintendent.~~
20 At its discretion, any reason other than the elimination of the position then, at
21 its discretion, the school board may allow a period of remediation of

1 ~~performance deficiencies~~ prior to issuance of the ~~written notice~~ its final
2 decision on nonrenewal.

3 (3) After receiving ~~such~~ a notice of nonrenewal, the principal may
4 request in writing, and shall be granted, a meeting with the school board. Such
5 request shall be delivered within ~~15~~ 10 calendar days of delivery of notice of
6 nonrenewal, and the meeting shall be held within 15 calendar days of delivery
7 of the request for a meeting. At the meeting, the school board shall explain its
8 position, and the principal shall be allowed to respond. The principal and any
9 member of the board may present written information or oral information
10 through statements of others, and the principal and the board may be
11 represented by counsel. The meeting shall be in executive session unless both
12 parties agree in writing that it be open to the public. After the meeting, the
13 school board shall decide whether or not to offer the principal an opportunity
14 to renew his or her contract. The school board shall issue its decision in
15 writing within five days. The decision of the school board shall be final.

16 * * *

17 (e) Inclusion in contract. Every principal's contract shall be deemed to
18 contain the provisions of this section. Any contract provision to the contrary is
19 without effect. Each written contract shall include a reference to chapter 5,
20 subchapter 3 of this title; provided, however, that failure to do so shall not give
21 rise to a private right of action.

1 (f) Notification by principal. On or before May 1 of the year in which a
2 principal's contract expires, the principal shall notify the school board in
3 writing if he or she intends not to enter into a new contract with the district.

4 * * * Physical Education and Nutrition Task Force * * *

5 Sec. 43. PHYSICAL EDUCATION AND NUTRITION TASK FORCE;
6 REPORT

7 (a) There is created a Vermont Physical Education and Nutrition Task
8 Force to examine and recommend ways for schools to improve wellness,
9 physical education, activity, and nutrition in Vermont schools.

10 (b) The Task Force shall be composed of the following members:

11 (1) a member appointed by the Secretary of Education;

12 (2) a member appointed by the Commissioner of Health.

13 (3) an individual employed as a teacher in a Vermont public school
14 appointed by the Vermont National Education Association;

15 (4) an individual employed as a physical education teacher in a Vermont
16 public school appointed by the Vermont Association for Health, Physical
17 Education, Recreation and Dance;

18 (5) an individual employed as a food service director in a Vermont
19 public school appointed by the School Nutrition Association of Vermont;

20 (6) an individual employed as a principal in a Vermont public school
21 appointed by the Vermont Principals' Association;

1 (7) an individual employed as a superintendent in a Vermont public
2 school appointed by the Vermont Superintendents Association;

3 (8) an individual employed as a school nurse in a Vermont public school
4 appointed by the Vermont State School Nurses Association;

5 (9) a representative of the American Heart Association; and

6 (10) a representative of the American Cancer Society.

7 (c) The Task Force shall:

8 (1) examine barriers to good nutrition and to adequate time for physical
9 education, breakfast, and lunch and explore possible solutions to overcome the
10 barriers, including review of:

11 (A) wellness councils and policies;

12 (B) minimum time limits for meals;

13 (C) the availability of snacks and beverages;

14 (D) the provision of physical education, including minimum
15 instructional time;

16 (E) other opportunities for physical activity; and

17 (F) employee wellness; and

18 (2) recommend and share best practices for Vermont schools.

19 (d) The Task Force shall have the administrative, technical, and legal
20 assistance of the Agency of Education.

1 (e) On or before October 1, 2014, the Task Force shall publish on the
2 Agency of Education’s website and submit to the Governor and the House and
3 Senate Committees on Education a written report detailing the results of its
4 examination and any recommendations for legislative action.

5 (f) The Secretary of Education shall call the first meeting of the Task Force
6 to occur on or before June 1, 2014, at which meeting the members shall select
7 their own chair.

8 (g) The Task Force shall cease to exist on July 1, 2015

9 *** **Governance** ***

10 *** Intent; Enhanced Opportunity and Efficiency ***

11 Sec. 44. INTENT; ENHANCED OPPORTUNITY AND EFFICIENCY

12 2010 Acts and Resolves No. 153 put Vermont on a path toward voluntary
13 mergers of education governing units – mergers designed both to increase
14 21st-century educational opportunities and to achieve necessary economies of
15 scale in an age of declining enrollments. It is the General Assembly’s
16 intention to maintain the careful balance previously struck between local
17 control and management efficiency, while significantly strengthening the
18 impact of current statute. To that end, Secs. ____ of this act seek to
19 substantially increase the incentives of Act 153 and 2012 Acts and Resolves
20 No. 156. In addition, it requires of supervisory unions a new and greater
21 coordination with regard to the purely business aspects of education. It

1 empowers the Secretary of Education to form Supervisory Union Service
2 Regions, regional units that will contract for goods and procure
3 services jointly. Sections that clarify and amend the responsibilities of
4 supervisory unions and school districts will assist the State as larger governing
5 units emerge by supporting operational efficiencies, more equitable
6 deployment of resources, and the sharing of best practices. *[revise after*
7 *Committee decides which Secs. to retain]*

8 * * * Supervisory Union and School District Responsibilities * * *

9 **Sec. 45.** 16 V.S.A. § 268 is added to read:

10 § 268. DUTIES OF A SUPERVISORY UNION BOARD

11 A supervisory union board shall:

- 12 (1) adopt supervisory union-wide policies, including truancy policies
13 that are consistent with model protocols developed by the Secretary;
14 (2) adopt a supervisory union-wide curriculum that meets the
15 requirements adopted by the State Board under subdivision 165(a)(3)(B) of
16 this title, by either developing the curriculum or directing the superintendent to
17 assist the member districts to develop it jointly;
18 (3) on or before June 30 of each year, adopt a supervisory union budget
19 for the ensuing school year;
20 (4) employ a superintendent pursuant to the provisions of section 270 of
21 this title and evaluate and oversee the performance of the superintendent;

1 (5) employ all licensed and nonlicensed employees of the supervisory
2 union pursuant to the provisions of section 271 of this title, including a person
3 or persons qualified to provide financial and student data management services
4 for the supervisory union and the member districts;

5 (6) negotiate with the licensed employees of the supervisory union and
6 school districts, pursuant to chapter 57 of this title, and with other school
7 personnel, pursuant to 21 V.S.A. chapter 22, at the supervisory union level;
8 provided that:

9 (A) contract terms may vary by district; and

10 (B) contracts may include terms facilitating arrangements between or
11 among districts to share the services of teachers, administrators, and other
12 school personnel; and

13 (7) pursuant to criteria established by the State Board, establish and
14 direct the superintendent to implement a plan for receiving and disbursing
15 federal and State funds distributed by the Agency, including funds awarded
16 under P.L. 89-10, the Elementary and Secondary Education Act of 1965, as
17 amended.

18 **Sec. 46.** 16 V.S.A. § 269 is added to read:

19 § 269. DUTIES OF A SUPERVISORY UNION

20 (a) A supervisory union shall have sole responsibility to:

1 (1) provide professional development programs or arrange for the
2 provision of them, or both, for teachers, administrators, and staff within the
3 supervisory union, which may include programs offered solely to one school or
4 other component of the entire supervisory union to meet the specific needs or
5 interests of that component; a supervisory union has the discretion to provide
6 financial assistance outside the negotiated agreements for teachers’
7 professional development activities;

8 (2) provide special education services on behalf of the member districts
9 and, except as provided in section 144b of this title, compensatory and
10 remedial services, and provide or coordinate the provision of other educational
11 services as directed by the State Board or local boards;

12 (3) provide all financial and student data management services on behalf
13 of the member districts and serve as the districts’ business office and human
14 resources office;

15 (4) provide transportation or contract for the provision of transportation,
16 or both in any districts in which it is offered within the supervisory union;

17 (5) procure and distribute all goods and operational services used by the
18 member districts, including office and classroom supplies and equipment,
19 textbooks, and cleaning materials and services; and

20 (6) manage all construction projects within the supervisory union.

1 **(b) A supervisory union shall submit to the board of each member school**
2 **district, on or before January 15 of each year, a summary report of financial**
3 **operations of the supervisory union for the preceding school year, an estimate**
4 **of its financial operations for the current school year, and a preliminary budget**
5 **for the supervisory union for the ensuing school year. This requirement shall**
6 **not apply to a supervisory district. For each school year, the report shall show**
7 **the actual or estimated amount expended by the supervisory union for special**
8 **education services, including:**

9 **(1) a breakdown of that figure showing the amount paid by each school**
10 **district within the supervisory union; and**

11 **(2) a summary of the services provided by the supervisory union's use**
12 **of the expended funds;**

13 **(c) A supervisory union may provide other appropriate services if requested**
14 **by a member district, including grant writing and fundraising.**

15 **Sec. 47.** 16 V.S.A. § 241 is redesignated to read:

16 **§ ~~241~~ 270.** APPOINTMENT OF SUPERINTENDENT

17 **Sec. 48.** 16 V.S.A. § 242 is redesignated and amended to read:

18 **§ ~~242~~ 271.** DUTIES OF SUPERINTENDENTS

19 The superintendent shall be the chief executive officer for the supervisory
20 union board and for each school board within the supervisory union, and shall:

21 * * *

1 (6) arrange for the provision of the professional training required in
2 subsection 561(b) of this title; ~~and~~

3 (7)(A) ensure implementation of the supervisory union-wide curriculum
4 adopted by the supervisory union board;

5 (B) assist each school in the supervisory union to follow the
6 curriculum; and

7 (C) if students residing in the supervisory union receive their
8 education outside the supervisory union, periodically review the compatibility
9 of the supervisory union's curriculum with those other schools;

10 (8) perform all the duties required of a supervisory union in section 269
11 of this title or oversee the performance of those duties by employees of the
12 supervisory union;

13 (9) ensure that the school districts and supervisory union are in
14 compliance with State and federal laws; and

15 (10) provide for the general supervision of the public schools in the
16 supervisory union ~~or district~~.

17 **Sec. 49.** 16 V.S.A. § 242a is redesignated to read:

18 § ~~242a~~ 272. INTERNAL FINANCIAL CONTROLS

1 **Sec. 50.** 16 V.S.A. § 563 is amended to read:

2 § 563. POWERS OF SCHOOL BOARDS; ~~FORM OF VOTE IF BUDGET~~
3 ~~EXCEEDS BENCHMARK AND DISTRICT SPENDING IS ABOVE~~
4 ~~AVERAGE~~

5 The school board of a school district, in addition to other duties and
6 authority specifically assigned by law:

7 * * *

8 (2) May take any action, ~~which~~ except actions explicitly reserved to the
9 supervisory union pursuant to chapter 7 of this title, that is required for the
10 **sound** administration of the school district. The Secretary, with the advice of
11 the Attorney General, upon application of a school board, shall decide whether
12 any action contemplated or taken by a school board under this subdivision is
13 required for the **sound** administration of the district and is proper under this
14 subdivision. The Secretary's decision shall be final.

15 (3) Shall own and have the possession, **care, control, and management**
16 of the property of the school district, subject to the authority vested in the
17 electorate or any school district official.

18 (4) ~~[Repealed.]~~

19 (5) Shall keep the school buildings and grounds **in good repair, suitably**
20 **equipped,** insured, **and in safe and sanitary condition** at all times.

1 (5) ~~The school board shall~~ Shall regulate or prohibit firearms or other
2 dangerous or deadly weapons on school premises. At a minimum, a school
3 board shall adopt and implement a policy at least consistent with section 1166
4 of this title and 13 V.S.A. § 4004, relating to a student who brings a firearm to
5 or possesses a firearm at school.

6 (6) Shall have discretion to furnish instruction to pupils who have
7 completed a secondary education and to administer early educational
8 programs.

9 (7) May relocate or discontinue use of a schoolhouse or facility, subject
10 to the provisions of sections 821 and 822 of this title.

11 (8) Shall Subject to the duties and authority of the supervisory union
12 pursuant to subdivision 263(a)(3) of this title, shall establish and maintain a
13 system for receipt, deposit, disbursement, accounting, control, and reporting
14 procedures that meets the criteria established by the State Board pursuant to
15 subdivision 164(15) of this title and that ensures that all payments are lawful
16 and in accordance with a budget adopted or amended by the school board. ~~The~~
17 school board may authorize a subcommittee, the superintendent of schools, or
18 a designated employee of the school board to The superintendent shall examine
19 claims against the district for school expenses and draw orders for such as shall
20 be allowed by it payable to the party entitled thereto. Such orders shall state
21 definitely the purpose for which they are drawn and shall serve as full authority

1 to the treasurer to make such payments. It shall be lawful for a school board to
2 submit to its treasurer a certified copy of those portions of the board minutes,
3 properly signed by the clerk and chair, or a majority of the board, showing to
4 whom, and for what purpose each payment is to be made by the treasurer, and
5 such certified copy shall serve as full authority to the treasurer to make the
6 payments as thus approved.

7 * * *

8 (14) Shall provide, at the expense of the district, subject to the approval
9 of the superintendent, all text books, learning materials, equipment and
10 supplies. [Repealed.]

11 * * *

12 **Sec. 51.** 16 V.S.A. § 426(c) is amended to read:

13 (c) The treasurer shall pay out of such money, orders drawn by or upon the
14 authority of the board of school directors superintendent. If ~~he or she~~ the
15 treasurer does not pay any such order on demand the holder thereof may
16 recover the amount from the town school district with interest from the time of
17 such demand. ~~Moneys~~ Monies so received by the town school district may be
18 invested and reinvested by the treasurer, with the approval of the board of
19 school directors.

1 **Sec. 52.** TRANSITIONAL PROVISIONS [*all new to this draft; taken from*
2 *Act 153 Sec 18 as amended by Act 58 Sec. 18 and Act 56 Sec. 23]*

3 Each supervisory union shall provide for the transition of employment of
4 any [category / class] of employees (the “employees”) by member districts to
5 employment by the supervisory union pursuant to Secs. 45 through 51 of this
6 act by:

7 (1) Providing that the supervisory union assumes all obligations of each
8 existing collective bargaining agreement in effect between the member districts
9 and the employees until the agreement’s expiration, subject to employee
10 compliance with performance standards and any lawful reduction in force,
11 layoff, nonrenewal, or dismissal.

12 (2) Providing, in the absence of an existing recognized representative of
13 its employees, for the immediate and voluntary recognition by the supervisory
14 union of the recognized representatives of the employees of the member
15 districts as the recognized representatives of the employees of the supervisory
16 union.

17 (3) Ensuring that an employee of a member district who is not a
18 probationary employee shall not be considered a probationary employee upon
19 transition to the supervisory union.

20 (4) Negotiating a collective bargaining agreement with the recognized
21 representatives of the employees of the member districts. The supervisory

1 union shall become the employer of these employees on the date specified in
2 the ratified agreement.

3 **Sec. 53.** REPEAL

4 16 V.S.A. § 261a is repealed on [REDACTED]. *[deal with sub (b)]*
5 *[add to EFFECTIVE DATE Section]* Secs. 45–53 of this act shall take effect
6 on July 1, 2014 and shall apply beginning in academic year 2015–2016.

7 * * * Collaboration Among Supervisory Unions * * *

8 *[all references in Secs. 54–14 assume enactment of Secs. 4–11]*

9 **Sec. 54.** SUPERVISORY UNION SERVICE REGIONS

10 On or before January 1, 2015, the Secretary of Education, in consultation
11 with the supervisory union boards and superintendents of the State, shall
12 establish supervisory union service regions, each of which shall be a group of
13 supervisory unions that jointly provide the services as required by 16 V.S.A.
14 § 269(d).

15 **Sec. 55.** 16 V.S.A. § 269(d) and (3) are added to read:

16 (d) The supervisory unions in each supervisory union service region, as
17 established by the Secretary, shall jointly provide the services required under
18 the following subdivisions of subsection (a) of this section:

19 (1) subdivision (1) (professional development);

20 (2) subdivision (4) (transportation); and

1 (3) subdivision (5) (goods and operational services), exclusive of school
2 food services.

3 (e) A regional education created pursuant to 2010 Acts and Resolves
4 No. 153 as amended by 2012 Acts and Resolves No. 156 shall not be subject to
5 the requirements of subsection (b) of this section.

6 Sec. 56. 16 V.S.A. § 267(a) is amended to read:

7 (a) ~~Supervisory~~ In addition to the joint agreements required in subsection
8 269(d) of this title, supervisory unions, or administrative units not within a
9 supervisory union, in order to provide services cooperatively, may at any
10 annual or special meeting of the supervisory unions, by a majority vote of the
11 directors present and eligible to vote, enter into a joint agreement to provide
12 joint programs, services, facilities, and professional and other staff that are
13 necessary to carry out the desired programs and services.

14 [add to EFFECTIVE DATE Section] Secs. 12–14 shall take effect on July 1,
15 2014 and shall apply beginning in academic year 2015–2016.

16 * * * Voluntary Mergers * * *

17 Sec. 57. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012
18 Acts and Resolves No. 156, Sec. 1, is further amended to read:

19 (a) Program created. There is created a school district merger incentive
20 program under which the incentives outlined in Sec. 4 of this act shall be
21 available to each new unified union school district created pursuant to Sec. 3 of

1 this act and to each new district created under Sec. 3 of this act by the merger
2 of districts that provide education by paying tuition; and to the Vermont
3 members of any new interstate school district if the Vermont members jointly
4 satisfy the size criterion of Sec. 3(a)(1) of this act and the new, merged district
5 meets all other requirements of Sec. 3 of this act. Incentives shall be available,
6 however, only if the ~~effective date of merger is~~ electorate approves the merger
7 on or before July 1, 2017.

8 **Sec. 58.** 2010 Acts and Resolves No. 153, Sec. 3 is amended to read:

9 Sec. 3. VOLUNTARY SCHOOL DISTRICT MERGER INCENTIVE

10 PROGRAM

11 (a) Size.

12 (1) School districts, which may include one or more union school
13 districts, may merge to form a union school district pursuant to 16 V.S.A.
14 ~~chapter 11 of Title 16~~ (a “Regional Education District” or “RED”) that shall
15 have an average daily membership of at least ~~1,250~~ 1,000 or result from the
16 merger of at least four districts, or both.

17 (2) School districts interested in merger may request the ~~state board of~~
18 ~~education~~ State Board of Education to grant them a waiver from the
19 requirements of subdivision (1) of this subsection, which shall be granted if the
20 districts can demonstrate that the requirements would not be cost-effective,

1 would decrease educational opportunities, or would diminish student
2 achievement, or any combination of these.

3 * * *

4 **Sec. 59.** 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts
5 and Resolves No. 156, Sec. 13, is further amended to read:

6 Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

7 * * *

8 (g) Transition facilitation grant.

9 (1) After voter approval of the plan of merger, the ~~commissioner of~~
10 ~~education~~ Secretary of Education shall pay the RED a transition facilitation
11 grant from the education fund equal to the lesser of:

12 (A) five percent of the base education amount established in
13 16 V.S.A. § 4001(13) multiplied by the greater of either the combined
14 enrollment or the average daily membership of the merging districts on
15 October 1 of the year in which the successful vote is taken; or

16 (B) ~~\$150,000.00~~ \$300,000.00.

17 (2) A transition facilitation grant awarded under this subsection (g) shall
18 be reduced by the total amount of reimbursement paid under subsection (e) of
19 this section.

20 (3) Notwithstanding any other provision of this subsection, a transition
21 facilitation grant paid to a modified unified union school district created

1 pursuant to 2012 Acts and Resolves No. 156, Sec. 17 shall not exceed
2 \$150,000.00.

3 (h) ~~This section is repealed on July 1, 2017. [Repealed.]~~

4 **Sec. 60.** VOLUNTARY SCHOOL DISTRICT MERGER BETWEEN
5 JULY 1, 2017 AND JUNE 30, 2019; INCENTIVES

6 (a) July 1, 2017 through June 30, 2019. A regional education district
7 (RED) approved by the electorate pursuant to the provisions of 16 V.S.A.
8 chapter 11 between July 1, 2017 and June 30, 2019 shall be eligible for the
9 incentives provided in this section, provided that the RED complies with all
10 other provisions of 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by
11 2012 Acts and Resolves No. 156, Sec. 1, and as further amended by Sec. 57 of
12 this act and of 2010 Acts and Resolves No. 153, Sec. 3.

13 *[so, as currently drafted, the extended benefits would only be available if the*
14 *districts form a “true RED” and not one of the 3 exceptions]*

15 *[the incentives below in yellow are 1/2 of the incentives provided to a RED*
16 *with a successful vote before July 1, 2017]*

17 (b) Equalized homestead property tax rates or RED incentive grant. A
18 RED’s plan of merger shall provide whether, upon merger, the RED shall
19 receive an equalization of its homestead property tax rates during the first four
20 years following merger pursuant to subdivision (1) of this subsection or an

1 incentive grant during the first year following merger pursuant to
2 subdivision (2).

3 (1)(A) Equalized homestead property tax rates. Subject to the
4 provisions of subdivision (C) of this subdivision (1) and notwithstanding any
5 other provision of law, the RED's equalized homestead property tax rate
6 shall be:

7 (i) decreased by \$0.04 in the first year after the effective date of
8 merger;

9 (ii) decreased by \$0.03 in the second year after the effective date
10 of merger;

11 (iii) decreased by \$0.02 in the third year after the effective date of
12 merger; and

13 (iv) decreased by \$0.01 in the fourth year after the effective date
14 of merger.

15 (B) The household income percentage shall be calculated
16 accordingly.

17 (C) During the years in which a RED's equalized homestead property
18 tax rate is decreased pursuant to this subsection, the rate for each town within
19 the RED shall not increase or decrease by more than two and one-half percent
20 in a single year. The household income percentage shall be calculated
21 accordingly.

1 (2) RED incentive grant. During the first year after the effective date of
2 merger, the Secretary of Education shall pay to the RED board a RED
3 incentive grant from the education fund equal to \$200.00 per pupil based on
4 the combined enrollment of the participating districts on October 1 of the year
5 in which the successful vote was taken. The grant shall be in addition to funds
6 received under 16 V.S.A. § 4028.

7 (3) Common level of appraisal. Regardless of whether a RED chooses
8 to receive an equalization of its homestead property tax rates or a RED
9 incentive grant, on and after the effective date of merger, the common level of
10 appraisal shall be calculated independently for each town within the RED for
11 purposes of determining the homestead property tax rate for each town.

12 (c) Sale of school buildings.

13 (1) if a RED closes a school building and sells the school building, or an
14 energy saving measure within it as contemplated in 16 V.S.A. § 3448f(g), then
15 neither the RED nor any other entity shall be required to refund a percentage of
16 the sale price to the state pursuant to 16 V.S.A. chapter 123; and

17 (2) if a participating district retains ownership of and closes a school
18 building as part of the electorate-approved plan for merger and the
19 participating district sells the school building or energy saving measure
20 associated with the building, then neither the district nor any other entity shall

1 be required to refund a percentage of the sale price to the State pursuant to
2 16 V.S.A. chapter 123.

3 (d) Merger support grant; small school support grant. If the merging
4 districts of a RED included at least one “eligible school district,” as defined in
5 16 V.S.A. § 4015, that had received a small school support grant under
6 section 4015 in the fiscal year two years prior to the first fiscal year of merger,
7 then the RED shall be eligible to receive a merger support grant in each of its
8 first five fiscal years in an amount equal to one-half of the small school support
9 grant received by the eligible school district in the fiscal year two years prior to
10 the first fiscal year of merger. If more than one merging district was an
11 eligible school district, then the merger support grant shall be in an amount
12 equal to the total of one-half of each small school support grant they received
13 in the fiscal year two years prior to the first fiscal year of merger.

14 (e) Consulting services reimbursement grant. From the Education Fund,
15 the Secretary shall pay up to \$10,000.00 to the merger study committee
16 established under 16 V.S.A. § 706 to reimburse the participating districts for
17 legal and other consulting fees necessary for the analysis and report required
18 by 16 V.S.A. § 706b. The study committee shall forward invoices to the
19 Secretary on a quarterly basis. The Secretary shall reimburse one-half of the
20 total amount reflected in each set of invoices and the remaining one-half upon
21 completion of the final report, provided that no payment shall cause the total

1 amount paid to exceed the \$10,000.00 limit. In addition, any transition
2 facilitation grant funds paid to the RED pursuant to subsection (g) of this
3 section shall be reduced by the total amount of reimbursement paid under this
4 subsection.

5 (f) Multiyear budgets.

6 (1) In addition to the option of proposing a single-year budget on an
7 annual basis pursuant to the provisions of 16 V.S.A. chapter 11 and
8 notwithstanding any other provision of law, a RED formed pursuant to this
9 section shall have the option to propose one or both of the following:

10 (A) A multiyear budget for the first two fiscal years of its existence
11 that will be included as part of the plan that must be approved by the electorate
12 in order to create the RED.

13 (B) A multiyear budget for the third and fourth fiscal years of its
14 existence that is presented to the electorate for approval at the RED's annual
15 meeting convened in its second fiscal year.

16 (2) The plan presented to the electorate to authorize creation of the RED
17 may contain a provision authorizing the RED, beginning in the fifth fiscal year
18 of its existence to present multiyear proposed budgets to the electorate once in
19 every two or three years.

1 (g) Transition facilitation grant.

2 (1) After voter approval of the plan of merger, the Secretary shall pay
3 the RED a transition facilitation grant from the education fund equal to the
4 lesser of:

5 (A) two and one-half percent of the base education amount
6 established in 16 V.S.A. § 4001(13) multiplied by the greater of either the
7 combined enrollment or the average daily membership of the merging districts
8 on October 1 of the year in which the successful vote is taken; or

9 (B) \$75,000.00 [or \$150,000.00??].

10 (2) A transition facilitation grant awarded under this subsection shall be
11 reduced by the total amount of reimbursement paid under subsection (e) of this
12 section.

13 **Sec. 61.** MERGER SUPPORT GRANT; SMALL SCHOOL SUPPORT
14 GRANT

15 The provisions of 2014 Acts and Resolves No. _____ (H.889) that limit
16 payment of small school support grants under 16 V.S.A. § 4015 to schools that
17 are eligible due to geographic necessity shall not prevent payment of the grants
18 as merger support grants pursuant to 2010 Acts and Resolves No. 153,
19 Sec. 4(d) and subsection 20(d) of this act; provided, however, that the merger
20 support grants shall be used solely to support programs and activities in the
21 small school or schools after transitioning to the new governance structure.

1 **Sec. 62.** EXPEDITED PROCESS; RED FORMATION [*this is a complicated*
2 *concept – any thoughts about whether this is clear and accurate?*]

3 **(a)** Notwithstanding 16 V.S.A. chapter 11 or any other provision of law to
4 the contrary:

5 (1) if:

6 (A) on or before the effective date of this act the electorate of two or
7 more districts voted whether to change their governance structure pursuant to
8 2010 Acts and Resolves No. 153, Secs. 2–4, as amended by 2012 Acts and
9 Resolves No. 156; and

10 (B) one or more of the districts did not vote in favor of the plan of
11 merger (the Plan) presented at the most recent meeting warned to vote on the
12 Plan (the Meeting); and

13 (C) after the effective date of this act and before July 1, 2017, each of
14 the “necessary” districts that did not vote in favor of the Plan at the Meeting
15 votes in favor of the Plan at a meeting **or meetings** warned for that purpose;

16 (2) then:

17 (A) the affirmative votes of the districts that voted in favor of the
18 Plan at the Meeting shall continue without the need to vote again; and

19 (B) the change to the districts’ governance structure shall occur
20 pursuant to terms set forth in the Plan.

1 **(b) Nothing in this section shall preclude a district that voted in favor of the**
2 **Plan at the Meeting from voting on the issue at the same time as the vote held**
3 **pursuant to subdivision (a)(1)(C) of this section. *[need to include a process?***
4 ***time frame; petition; etc.]***

5 **Sec. 63. FINANCIAL PENALTY; FAILURE TO PURSUE VOLUNTARY**
6 **REALIGNMENT *[DELETE?]***

7 Pursuant to criteria established by the State Board of Education under
8 3 V.S.A. chapter 25, if the Secretary of Education determines that as of
9 **[DATE]**, 2017 a district has not **[made a serious effort]** to move toward
10 realignment of its governance structure pursuant to the statement of intent set
11 forth in Sec. 1 of this act, then the numerator of the district’s fiscal year
12 **[YEAR]** district spending adjustment calculated under 32 V.S.A. § 5401(13)
13 shall be increased by an amount equal to one percent of the district’s total
14 education spending, as defined in 16 V.S.A. § 4001(6).

15 **Sec. 64. PROTECTION FOR TUITIONING DISTRICTS AND**
16 **OPERATING DISTRICTS; STATEMENT OF INTENT**
17 ***[DELETE?]***

18 Nothing in this act shall be construed to restrict or repeal, or to authorize the
19 restriction or repeal of, the ability of a school district that, as of the effective
20 date of this act, provides for the education of all resident students in one or
21 more grades:

1 (1) by paying tuition on the students' behalf, to continue to provide
2 education by paying tuition on behalf of all students in the grade or grades; or

3 (2) by operating a school offering the grade or grades, to continue to
4 provide education for all students in the grade or grades by operating a school
5 and not by paying tuition.

6 **Sec. 65.** RED FORMATION PROCESS; AGENCY OF EDUCATION;

7 STATE BOARD OF EDUCATION *[amended generally since 1.1]*

8 (a) The Agency of Education shall:

9 (1) provide technical support to districts exploring or engaged in the
10 RED formation process at their request;

11 (2) revise and add to the existing template developed for use in the RED
12 process to provide meaningful guidance to districts and flexible, alternative
13 models for their use;

14 (3) develop a technical assistance handbook to support RED
15 formation; and

16 (4) update these materials as necessary until expiration of the RED
17 incentive program.

18 (b) The State Board of Education shall monitor the RED formation process
19 to ensure that [what?] .

1 * * * Special Fund; Appropriations; Positions * * *

2 Sec. 66. PREKINDERGARTEN–GRADE 12 DISTRICT SPECIAL FUND

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

7 (b) Monies in the Fund shall be available to the Agency of Education to be
8 used to support the purposes of this act as follows:

9 (1) to support the work of the Agency to provide technical assistance to
10 districts exploring voluntary realignment under the RED process;

11 (2) to support the work of the State Board of Education exploring
12 voluntary realignment under the RED process;

13 (3) pursuant to 2012 Acts and Resolves No. 156, Sec. 9, to reimburse up
14 to \$20,000.00 in fees incurred by groups of districts exploring voluntary
15 realignment; and

16 (4) to pay transition facilitation grants of up to \$300,000.00 to districts
17 pursuant to 2010 Acts and Resolves No. 153, Sec. 4(g), as amended by 2012
18 Acts and Resolves No. 156, Sec. 13, and further amended by Sec. 59 of
19 this act.

20 (c) The fund shall be known as the Prekindergarten–Grade 12 District
21 Special Fund.

1 (d) This section and the Fund it creates are repealed on July 1, 2024.

2 **Sec. 67.** POSITIONS; AGENCY OF EDUCATION

3 The General Assembly authorizes the establishment of 2 new limited
4 service positions in the Agency of Education in fiscal year 2015 as follows:
5 2 analyst positions to provide technical assistance to school districts
6 as they explore voluntary realignment under the RED process.

7 **Sec. 68.** TRANSFERS

8 (a) The sum of \$175,500.00 is transferred in fiscal year 2014 from the
9 Supplemental Property Tax Relief Fund created by 32 V.S.A. § 6075 to the
10 Prekindergarten–Grade 12 District Special Fund for use in fiscal years 2015
11 and 2016.

12 (b) The sum of \$329,000.00 in unexpended monies appropriated to support
13 the purposes of 2010 Acts and Resolves No. 153 and 2012 Acts and Resolves
14 No. 156 is transferred in fiscal year 2014 and may be carried forward to fiscal
15 year 2015 for the purpose of funding the positions and activities authorized
16 under Secs. 66 and 67 of this act.

17 **Sec. 69.** PREKINDERGARTEN–GRADE 12 DISTRICT

18 APPROPRIATIONS

19 The following sums are appropriated from the Prekindergarten–Grade 12
20 District Special Fund to the Agency of Education in fiscal year 2015:

21 (1) the sum of \$152,000.00 for personal services;

- 1 (2) the sum of \$18,500.00 for operational expenses; and
- 2 (3) the sum of \$329,000.00 for grant funding for districts.

3 **Sec. 70.** EDUCATION ANALYST; UNIFORM CHART OF ACCOUNTS;
4 BUSINESS MANAGER HANDBOOK AND TRAINING;
5 SOFTWARE SPECIFICATIONS

6 Secs. 66–69 of this act are intended to be in addition to, and to work in
7 concert with, those sections of 2014 Acts and Resolves No. _____ (H.889)
8 (education tax) regarding an education analyst who shall create tools and
9 indicators for State and local education decision makers and a contract for
10 development and completion of a uniform chart of accounts; an updated,
11 comprehensive accounting manual, with related business rules, for school
12 district business managers; related training programs; and specifications for
13 school financial software.

14 * * * Effective Dates * * *

15 **Sec. 71.** EFFECTIVE DATE

16 (a) This section and Secs. 1–_____ shall take effect on passage; provided,
17 however, that Sec. 29 (tuition for graduate and distance education programs)
18 shall not apply to students who are enrolled as of that date in the University of
19 Vermont in:

- 20 (1) a distance education course or program; or
- 21 (2) a graduate program other than in the College of Medicine.

1

(b)

2

(c)

3

4

(Committee vote: _____)

5

6

Senator _____

7

FOR THE COMMITTEE