

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 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 * * *

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 * * *

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 (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 form supervisory union service regions, regional units that will contract for
2 goods and procure services jointly. Sections that clarify and amend the
3 responsibilities of supervisory unions and school districts will assist the State
4 as larger governing units emerge by supporting operational efficiencies, more
5 equitable deployment of resources, and the sharing of best practices.

6 * * * Supervisory Union and School District Responsibilities * * *

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

8 § 268. DUTIES OF A SUPERVISORY UNION BOARD

9 A supervisory union board shall:

10 (1) adopt supervisory union-wide policies, including truancy policies
11 that are consistent with model protocols developed by the Secretary;

12 (2) adopt a supervisory union-wide curriculum that meets the
13 requirements adopted by the State Board under subdivision 165(a)(3)(B) of
14 this title, by either developing the curriculum or directing the superintendent to
15 assist the member districts to develop it jointly;

16 (3) on or before June 30 of each year, adopt a supervisory union budget
17 for the ensuing school year;

18 (4) employ a superintendent pursuant to the provisions of section 270 of
19 this title and evaluate and oversee the performance of the superintendent;

20 (5) employ all licensed and nonlicensed employees of the supervisory
21 union pursuant to the provisions of section 271 of this title, including a person

1 or persons qualified to provide financial and student data management services
2 for the supervisory union and the member districts;

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

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

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

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

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

17 § 269. DUTIES OF A SUPERVISORY UNION

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

19 (1) provide professional development programs or arrange for the
20 provision of them, or both, for teachers, administrators, and staff within the
21 supervisory union, which may include programs offered solely to one school or

1 other component of the entire supervisory union to meet the specific needs or
2 interests of that component; a supervisory union has the discretion to provide
3 financial assistance outside the negotiated agreements for teachers’
4 professional development activities;

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

9 (3) provide financial and student data management services on behalf of
10 the member districts and perform the districts’ business and human resources
11 functions;

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

14 (5) procure and distribute goods and operational services used by the
15 member districts, including office and classroom supplies and equipment,
16 textbooks, and cleaning materials; and

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

18 (b) A supervisory union shall submit to the board of each member school
19 district, on or before January 15 of each year, a summary report of financial
20 operations of the supervisory union for the preceding school year, an estimate
21 of its financial operations for the current school year, and a preliminary budget

1 for the supervisory union for the ensuing school year. This requirement shall
2 not apply to a supervisory district. For each school year, the report shall show
3 the actual or estimated amount expended by the supervisory union for special
4 education services, including:

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

7 (2) a summary of the services provided by the supervisory union's use
8 of the expended funds;

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

11 (d) Notwithstanding the requirement in subsection (a) of this section that
12 a supervisory union is solely responsible for the duties set forth in that
13 subsection, if a supervisory union determines that services in
14 subdivision (a)(2), (4), (5), or (6) would be provided more efficiently and
15 effectively in whole or in part at the district level or in some other manner,
16 then it may ask the Secretary to grant it a waiver from the requirement.

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

18 § ~~241~~ 270. APPOINTMENT OF SUPERINTENDENT

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

20 § ~~242~~ 271. DUTIES OF SUPERINTENDENTS

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 examine claims against the
19 district for school expenses and draw orders for such as shall be allowed by it
20 payable to the party entitled thereto. Such orders shall state definitely the
21 purpose for which they are drawn and shall serve as full authority to the

1 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. REPEAL

13 16 V.S.A. § 261a is repealed.

14 * * * Collaboration Among Supervisory Unions * * *

15 Sec. 52. SUPERVISORY UNION SERVICE REGIONS

16 On or before July 1, 2015, the State Board of Education, in consultation
17 with the Secretary of Education and with the supervisory union boards and
18 superintendents of the State, shall establish supervisory union service regions,
19 each of which shall be a group of supervisory unions that jointly provide the
20 services as required by 16 V.S.A. § 269(d).

1 Sec. 53. 16 V.S.A. § 269(e) and (f) are added to read:

2 (e) The supervisory unions in each supervisory union service region, as
3 established by the Secretary, shall jointly provide the services required under
4 the following subdivisions of subsection (a) of this section:

5 (1) subdivision (1) (professional development);

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

7 (3) subdivision (5) (goods and operational services), exclusive of school
8 food services.

9 (f) The requirements of subsection (e) of this section shall not apply to:

10 (1) a supervisory union that received a waiver pursuant to subsection (d)
11 of this section;

12 (2) a regional education district created pursuant to 2010 Acts and
13 Resolves No. 153 as amended by 2012 Acts and Resolves No. 156; or

14 (3) or if the Secretary concludes that doing so will be more costly or less
15 effective.

16 Sec. 54. 16 V.S.A. § 267(a) is amended to read:

17 (a) ~~Supervisory~~ In addition to the joint agreements required in subsection
18 269(d) of this title, supervisory unions, or administrative units not within a
19 supervisory union, in order to provide services cooperatively, may at any
20 annual or special meeting of the supervisory unions, by a majority vote of the
21 directors present and eligible to vote, enter into a joint agreement to provide

1 joint programs, services, facilities, and professional and other staff that are
2 necessary to carry out the desired programs and services.

3 * * * Supervisory Unions; Merger; Governance * * *

4 **Sec. 54a. SUPERVISORY UNIONS; MERGER PLANS**

5 (a) On or before April 1, 2015, each supervisory union, including a
6 supervisory district, shall explore the possibility of merger with at least one
7 other neighboring supervisory union and shall present to the Secretary of
8 Education either a detailed plan by which it shall implement the merger or a
9 detailed explanation of the reasons that it believes that merger would inhibit
10 the effective and efficient use of financial and human resources or diminish
11 educational quality and opportunities in the district; provided, however, that
12 this section shall not apply to a supervisory union in which the school districts
13 have appointed a study committee pursuant to 16 V.S.A. chapter 11 in order to
14 explore potential realignment into a regional education district pursuant to
15 2010 Acts and Resolves No. 153 as amended by 2012 Acts and Resolves No.
16 156.

17 * * * Voluntary Mergers * * *

18 Sec. 55. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012
19 Acts and Resolves No. 156, Sec. 1, is further amended to read:

20 (a) Program created. There is created a school district merger incentive
21 program under which the incentives outlined in Sec. 4 of this act shall be

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

9 Sec. 56. 2010 Acts and Resolves No. 153, Sec. 3 is amended to read:

10 Sec. 3. VOLUNTARY SCHOOL DISTRICT MERGER INCENTIVE
11 PROGRAM

12 (a) Size.

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

18 (2) School districts interested in merger may request the ~~state board of~~
19 ~~education~~ State Board of Education to grant them a waiver from the
20 requirements of subdivision (1) of this subsection, which shall be granted if the
21 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. 57. 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~~ \$500,000.00.

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. 58. 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. 55 of
12 this act and of 2010 Acts and Resolves No. 153, Sec. 3.

13 (b) Equalized homestead property tax rates or RED incentive grant. A
14 RED's plan of merger shall provide whether, upon merger, the RED shall
15 receive an equalization of its homestead property tax rates during the first four
16 years following merger pursuant to subdivision (1) of this subsection or an
17 incentive grant during the first year following merger pursuant to
18 subdivision (2).

19 (1)(A) Equalized homestead property tax rates. Subject to the
20 provisions of subdivision (C) of this subdivision (1) and notwithstanding any

1 other provision of law, the RED's equalized homestead property tax rate

2 shall be:

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

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

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

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

11 (B) The household income percentage shall be calculated
12 accordingly.

13 (C) During the years in which a RED's equalized homestead property
14 tax rate is decreased pursuant to this subsection, the rate for each town within
15 the RED shall not increase or decrease by more than five percent in a single
16 year. The household income percentage shall be calculated accordingly.

17 (2) RED incentive grant. During the first year after the effective date of
18 merger, the Secretary of Education shall pay to the RED board a RED
19 incentive grant from the education fund equal to \$200.00 per pupil based on
20 the combined enrollment of the participating districts on October 1 of the year

1 in which the successful vote was taken. The grant shall be in addition to funds
2 received under 16 V.S.A. § 4028.

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

8 (c) Sale of school buildings.

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

13 (2) if a participating district retains ownership of and closes a school
14 building as part of the electorate-approved plan for merger and the
15 participating district sells the school building or energy saving measure
16 associated with the building, then neither the district nor any other entity shall
17 be required to refund a percentage of the sale price to the State pursuant to
18 16 V.S.A. chapter 123.

19 (d) Merger support grant; small school support grant. If the merging
20 districts of a RED included at least one “eligible school district,” as defined in
21 16 V.S.A. § 4015, that had received a small school support grant under

1 section 4015 in the fiscal year two years prior to the first fiscal year of merger,
2 then the RED shall be eligible to receive a merger support grant in each of its
3 first five fiscal years in an amount equal to one-half of the small school support
4 grant received by the eligible school district in the fiscal year two years prior to
5 the first fiscal year of merger. If more than one merging district was an
6 eligible school district, then the merger support grant shall be in an amount
7 equal to the total of one-half of each small school support grant they received
8 in the fiscal year two years prior to the first fiscal year of merger.

9 (e) Consulting services reimbursement grant. From the Education Fund,
10 the Secretary shall pay up to \$10,000.00 to the merger study committee
11 established under 16 V.S.A. § 706 to reimburse the participating districts for
12 legal and other consulting fees necessary for the analysis and report required
13 by 16 V.S.A. § 706b. The study committee shall forward invoices to the
14 Secretary on a quarterly basis. The Secretary shall reimburse one-half of the
15 total amount reflected in each set of invoices and the remaining one-half upon
16 completion of the final report, provided that no payment shall cause the total
17 amount paid to exceed the \$10,000.00 limit. In addition, any transition
18 facilitation grant funds paid to the RED pursuant to subsection (g) of this
19 section shall be reduced by the total amount of reimbursement paid under this
20 subsection.

21 (f) Multiyear budgets.

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

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

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

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

15 (g) Transition facilitation grant.

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

19 (A) two and one-half percent of the base education amount
20 established in 16 V.S.A. § 4001(13) multiplied by the greater of either the

1 combined enrollment or the average daily membership of the merging districts
2 on October 1 of the year in which the successful vote is taken; or

3 (B) \$200,000.00.

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

7 Sec. 59. MERGER SUPPORT GRANT; SMALL SCHOOL SUPPORT
8 GRANT

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

16 Sec. 60. EXPEDITED PROCESS; RED FORMATION

17 Notwithstanding 16 V.S.A. chapter 11 or any other provision of law to the
18 contrary:

19 (1) if:

20 (A) on or before the effective date of this act the electorate of two or
21 more districts voted whether to change their governance structure pursuant to

1 2010 Acts and Resolves No. 153, Secs. 2–4, as amended by 2012 Acts and
2 Resolves No. 156; and

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

6 (C) after the effective date of this act and before July 1, 2017, upon
7 approval of the school boards of all districts identified as “necessary” in the
8 Plan, each of the “necessary” districts that did not vote in favor of the Plan at
9 the Meeting votes on the Plan at a meeting warned for that purpose and the
10 new vote is favorable in each district;

11 (2) then:

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

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

16 Sec. 61. RED FORMATION PROCESS; AGENCY OF EDUCATION;

17 STATE BOARD OF EDUCATION

18 The Agency of Education shall:

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

1 Sec. 64. EDUCATION ANALYST; UNIFORM CHART OF ACCOUNTS;
2 BUSINESS MANAGER HANDBOOK AND TRAINING;
3 SOFTWARE SPECIFICATIONS

4 Secs. 61–62 of this act are intended to be in addition to, and to work in
5 concert with, those sections of 2014 Acts and Resolves No. _____ (H.889)
6 (education taxes) regarding an education analyst who shall create tools and
7 indicators for State and local education decision makers and a contract for
8 development and completion of a uniform chart of accounts; an updated,
9 comprehensive accounting manual, with related business rules, for school
10 district business managers; related training programs; and specifications for
11 school financial software.

12 * * * Effective Dates * * *

13 Sec. 65. EFFECTIVE DATES

14 (a) Secs. 45–51 of this act (supervisory unions and school district
15 responsibilities) shall take effect on July 1, 2015 and shall apply beginning in
16 academic year 2015–2016.

17 (b) Secs. 52–54 (collaboration among supervisory unions) shall take effect
18 on July 1, 2014 and shall apply beginning in academic year 2016–2017.

19 (c) This section and all other sections shall take effect on passage;
20 provided, however, that Sec. 29 (tuition for graduate and distance education

1 programs) shall not apply to students who are enrolled as of that date in the

2 University of Vermont in:

3 (1) a distance education course or program; or

4 (2) a graduate program other than in the College of Medicine.

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9 (Committee vote: _____)

10

11

Senator _____

12

FOR THE COMMITTEE