

[not yet reviewed by editorial staff]

1 **potential additional amendments to House Bill No. 889**

2 ***** Responsibilities of Supervisory Union Boards, Superintendents,**

3 **and School Districts *****

4 **Sec. 1.** 16 V.S.A. § 268 is added to read:

5 § 268. DUTIES OF A SUPERVISORY UNION BOARD

6 A supervisory union board shall:

7 (1) adopt supervisory union policies, including truancy policies that are
8 consistent with model protocols developed by the Secretary;

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

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

15 (4) at its discretion, employ a superintendent pursuant to the provisions
16 of section 270 [current § 241] of this title and evaluate and oversee the
17 performance of the superintendent;

18 (5) employ all licensed and nonlicensed employees of the supervisory
19 union pursuant to the provisions of section 271 [current § 242] of this title,
20 including a person or persons qualified to provide financial and student data
21 management services for the supervisory union and the member districts;

[not yet reviewed by editorial staff]

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

5 (i) contract terms may vary by district; and

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

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

14 **Sec. 2.** 16 V.S.A. § 269 is added to read:

15 § 269. DUTIES OF A SUPERVISORY UNION

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

17 (1) provide professional development programs or arrange for the
18 provision of them, or both, for teachers, administrators, and staff within the
19 supervisory union, which may include programs offered solely to one school or
20 other component of the entire supervisory union to meet the specific needs or
21 interests of that component; a supervisory union has the discretion to provide

[not yet reviewed by editorial staff]

1 financial assistance outside the negotiated agreements for teachers'
2 professional development activities;

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

7 (3) provide all financial and student data management services on behalf
8 of the member districts and serve as the districts' business office and human
9 resources office;

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

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

15 (6) manage all real property owned or leased by the member school
16 districts and keep the buildings and grounds in good repair, suitably equipped,
17 and in a sanitary condition; and

18 (7) manage all construction projects within the supervisory union.

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

[not yet reviewed by editorial staff]

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

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

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

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

12 **Sec. 3.** 16 V.S.A. § 241 is redesignated to read:

13 § ~~241~~ 270. APPOINTMENT OF SUPERINTENDENT

14 **Sec. 4.** 16 V.S.A. § 242 is redesignated and amended to read:

15 § ~~242~~ 271. DUTIES OF SUPERINTENDENTS

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

18 (1) carry out the policies adopted by the school boards relating to the
19 educational or business affairs of the school district or supervisory union, and
20 develop procedures to do so;

[not yet reviewed by editorial staff]

1 (2) prepare, for adoption by a local school board, plans to achieve the
2 educational goals and objectives established by the school district;

3 (3)(A) nominate a candidate for employment by the school district or
4 supervisory union if the vacant position requires a licensed employee;
5 provided, if the appropriate board declines to hire a candidate, then the
6 superintendent shall nominate a new candidate;

7 (B) select nonlicensed employees to be employed by the district or
8 supervisory union; and

9 (C) dismiss licensed and nonlicensed employees of a school district
10 or the supervisory union as necessary, subject to all procedural and other
11 protections provided by contract, collective bargaining agreement, or provision
12 of state and federal law;

13 (4)(A) provide data and information required by the Secretary;

14 (B) report all financial operations within the supervisory union to the
15 Secretary and State Board for the preceding school year on or before August
16 15 of each year, using a format approved by the Secretary;

17 (C) report all financial operations for each member school district to
18 the Secretary and State Board for the preceding school year on or before
19 August 15 of each year, using a format approved by the Secretary; and

20 (D) prepare for each district an itemized report detailing the portion
21 of the proposed supervisory union budget for which the district would be

[not yet reviewed by editorial staff]

1 assessed for the subsequent school year identifying the component costs by
2 category and explaining the method by which the district's share for each cost
3 was calculated; and provide the report to each district at least 14 days before a
4 budget, including the supervisory union assessment, is voted on by the
5 electorate of the district;

6 (5) work with the school boards of the member districts to develop and
7 implement policies regarding minimum and optimal average class sizes for
8 regular and technical education classes. The policies may be supervisory
9 union-wide, may be course- or grade-specific, and may reflect differences
10 among school districts due to geography or other factors;

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

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

15 (B) assist each school in the supervisory union to follow the
16 curriculum; and

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

[not yet reviewed by editorial staff]

1 (8) perform all the duties required of a supervisory union in section 269
2 of this title or oversee the performance of those duties by employees of the
3 supervisory union; and

4 (9) provide for the general supervision of the public schools in the
5 supervisory union or district.

6 **Sec. 5.** 16 V.S.A. § 242a is redesignated to read:

7 § ~~242a~~ 272. Internal Financial Controls

8 **Sec. 6.** 16 V.S.A. § 563 is amended to read:

9 § 563. POWERS OF SCHOOL BOARDS; ~~FORM OF VOTE IF BUDGET~~
10 ~~EXCEEDS BENCHMARK AND DISTRICT SPENDING IS ABOVE~~
11 ~~AVERAGE~~

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

14 (1) Shall determine the educational policies of the school district. Board
15 policies shall be of general application to the district, shall be in writing,
16 codified, and made available to the public. Board policies shall be adopted at
17 regular or special school board meetings. A school board shall give public
18 notice of its intent to adopt a board policy, stating the substance of the
19 proposed policy, at least ten days prior to its adoption. A school board may
20 also approve or disapprove rules and regulations proposed by the principal or

[not yet reviewed by editorial staff]

1 superintendent for the conduct and management of public schools in the
2 district.

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

10 (3) Shall own and have the possession, ~~care, control and management~~ of
11 the property of the school district, subject to the authority vested in the
12 electorate or any school district official.

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

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

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

[not yet reviewed by editorial staff]

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

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

6 (8) ~~Shall~~ Subject to the duties and authority of the supervisory union
7 pursuant to subdivision 263(a)(3), shall establish and maintain a system for
8 receipt, deposit, disbursement, accounting, control, and reporting procedures
9 that meets the criteria established by the State Board pursuant to subdivision
10 164(15) of this title and that ensures that all payments are lawful and in
11 accordance with a budget adopted or amended by the school board. ~~The~~
12 ~~school board may authorize a subcommittee, the superintendent of schools, or~~
13 ~~a designated employee of the school board to~~ The superintendent shall examine
14 claims against the district for school expenses and draw orders for such as shall
15 be allowed by it payable to the party entitled thereto. Such orders shall state
16 definitely the purpose for which they are drawn and shall serve as full authority
17 to the treasurer to make such payments. ~~It shall be lawful for a school board to~~
18 ~~submit to its treasurer a certified copy of those portions of the board minutes,~~
19 ~~properly signed by the clerk and chair, or a majority of the board, showing to~~
20 ~~whom, and for what purpose each payment is to be made by the treasurer, and~~

[not yet reviewed by editorial staff]

1 such certified copy shall serve as full authority to the treasurer to make the
2 payments as thus approved.

3 (9) Shall establish with the advice and consent of the Auditor of
4 Accounts and the Secretary, a system of accounts for the proper control and
5 reporting of school district finances and for stating the annual financial
6 condition of the school district.

7 (10) Shall prepare and distribute to the electorate, not less than ten days
8 prior to the district's annual meeting, a report of the conditions and needs of the
9 district school system, including the superintendent's, supervisory union
10 treasurer's, and school district treasurer's annual report for the previous school
11 year and the balance of any reserve funds established pursuant to 24 V.S.A. §
12 2804. At a school district's annual meeting, the electorate may vote to provide
13 notice of availability of the report required by this subdivision to the electorate
14 in lieu of distributing the report. If the electorate of the school district votes to
15 provide notice of availability, it must specify how notice of availability shall be
16 given, and such notice of availability shall be provided to the electorate at least
17 30 days before the district's annual or special meeting.

18 (11)(A) Shall prepare and distribute annually a proposed budget for the
19 next school year according to such major categories as may from time to time
20 be prescribed by the commissioner.

[not yet reviewed by editorial staff]

1 (B) ~~If the proposed budget contains education spending in excess of~~
2 ~~the Maximum Inflation Amount, and the district's education spending per~~
3 ~~equalized pupil in the fiscal year preceding the year for which the budget is~~
4 ~~proposed was in excess of the statewide average district education spending~~
5 ~~per equalized pupil in that same fiscal year, as determined by the commissioner~~
6 ~~of education, then in lieu of any other statutory or charter form of budget~~
7 ~~adoption or budget vote, the board shall present the budget to the voters by~~
8 ~~means of a divided question, in the form of vote provided in subdivision (ii) of~~
9 ~~this subdivision (11)(B).~~

10 (i) ~~"Maximum Inflation Amount" in this section means:~~

11 ~~(I) the statewide average district education spending per~~
12 ~~equalized pupil, as defined in subdivision 4001(6) of this title, in the fiscal year~~
13 ~~preceding the year for which the budget is proposed, as determined by the~~
14 ~~commissioner of education, multiplied by the New England Economic Project~~
15 ~~Cumulative Price Index percentage change, as of November 15 preceding~~
16 ~~distribution of the proposed budget, for state and local government purchases~~
17 ~~of goods and services for the fiscal year for which the budget is proposed, plus~~
18 ~~one percentage point; plus the district's education spending per equalized pupil~~
19 ~~in the fiscal year preceding the year for which the budget is proposed, as~~
20 ~~determined by the commissioner of education;~~

[not yet reviewed by editorial staff]

1 (II) multiplied by the higher of the following amounts as
2 determined by the commissioner of education: (aa) the district's equalized
3 pupil count in the fiscal year preceding the year for which the budget is
4 proposed; or (bb) the district's equalized pupil count in the fiscal year for
5 which the budget is proposed.

6 (ii) The ballot shall be in the following form:

7 "The total proposed budget of \$_____ is the amount determined
8 by the school board to be necessary to support the school district's educational
9 program. State law requires the vote on this budget to be divided because (i)
10 the school district's spending per pupil last year was more than the statewide
11 average and (ii) this year's proposed budget is greater than last year's budget
12 adjusted for inflation.

13 "Article #1 (School Budget):

14 Part A. Shall the voters of the school district authorize the school
15 board to expend \$ _____, which is a portion of the amount the school board
16 has determined to be necessary?

17 Part B. If Part A is approved by the voters, shall the voters of the
18 school district also authorize the school board to expend \$ _____, which is the
19 remainder of the amount the school board has determined to be necessary?"

20 (C) At a school district's annual or special meeting, the electorate
21 may vote to provide notice of availability of the school budget required by this

[not yet reviewed by editorial staff]

1 subdivision to the electorate in lieu of distributing the budget. If the electorate
2 of the school district votes to provide notice of availability, it must specify how
3 notice of availability shall be given, and such notice of availability shall be
4 provided to the electorate at least 30 days before the district's annual meeting.
5 The proposed budget shall be prepared and distributed at least ten days before
6 a sum of money is voted on by the electorate. Any proposed budget shall show
7 the following information in a format prescribed by the ~~commissioner of~~
8 ~~education~~ Secretary:

9 (i) all revenues from all sources, and expenses, including as
10 separate items any assessment for a supervisory union of which it is a member
11 and any tuition to be paid to a technical center; and including the report
12 required in subdivision 242(4)(D) of this title itemizing the component costs of
13 the supervisory union assessment;

14 (ii) the specific amount of any deficit incurred in the most recently
15 closed fiscal year and how the deficit was or will be remedied;

16 (iii) the anticipated homestead tax rate and the percentage of
17 household income used to determine income sensitivity in the district as a
18 result of passage of the budget including those portions of the tax rate
19 attributable to supervisory union assessments; and

20 (iv) the definition of "education spending," the number of pupils
21 and number of equalized pupils in the school district, and the district's

[not yet reviewed by editorial staff]

1 education spending per equalized pupil in the proposed budget and in each of
2 the prior three years.

3 (12) Shall employ such persons as may be required to carry out the work
4 of the school district pursuant to the provisions of subdivision 242(3) of this
5 title.

6 (13) [Repealed.]

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

10 (15) Shall exercise the general powers given to a legislative branch of a
11 municipality.

12 (16) May execute contracts on behalf of the school district, including
13 contracts providing for binding arbitration, by its chair or any person
14 designated whose appointment is recorded in the minutes of the board.

15 (17) [Repealed.]

16 (18) [Repealed.]

17 (19) Shall allow any high school student, who meets the academic
18 requirements of the high school, to graduate and receive a diploma in less than
19 four years.

20 (20) Shall establish policies and procedures designed to avoid the
21 appearance of board member conflict of interest.

[not yet reviewed by editorial staff]

1 (21) Shall have the authority to engage in short-term borrowing to cover
2 the costs of those portions of projects approved by the state board and which
3 will be reimbursed by the State Board under sections 3447-3456 of this title
4 but which payments will be delayed. However, the board shall borrow under
5 this subdivision only amounts which it would receive if the State Board could
6 fund its obligation and may borrow no earlier than the time it would have
7 received the funds. The State shall not pay for costs of borrowing funds under
8 this subdivision.

9 (22) May apply for grants and may accept and expend grants or gifts.
10 The board shall include, in its annual report, a description of all grants or gifts
11 accepted during the year and associated expenditures.

12 (23) May, at the expense of the district, present informational materials
13 to the electorate on any matter to be voted. However, such materials shall be
14 limited to those that are reasonably designed to inform, educate, and explain to
15 the electorate the board's position on the matter.

16 (24) Shall adopt a policy ~~which~~ that, in accordance with rules adopted
17 by the State Board, will integrate home study students into its schools through
18 enrollment in courses, participation in cocurricular and extracurricular
19 activities and use of facilities.

20 (25) Shall, if it is a school board of a school district that maintains a
21 secondary school, upon request, award a high school diploma to any Vermont

[not yet reviewed by editorial staff]

1 resident who served in the military in World War II, the Korean War, or during
2 the Vietnam era, was honorably separated from active federal military service,
3 and does not hold a high school diploma. The State Board shall develop and
4 make available an application form for veterans who wish to request a high
5 school diploma.

6 (26) Shall carry out the duties of a local education agency, as that term
7 is defined in 20 U.S.C. § 7801(26), for purposes of determining pupil
8 performance and application of consequences for failure to meet standards and
9 for provision of compensatory and remedial services pursuant to 20 U.S.C. §§
10 6311-6318.

11 (27) Annually, shall inform each secondary student and the student's
12 parents or guardians of the right to opt out of the federal requirement that
13 student contact information be provided to military recruiters or institutions of
14 higher education pursuant to 20 U.S.C. § 7908(a). A school board shall enable
15 the secondary student and the student's parents or guardians to disallow
16 provision of student contact information to either military recruiters or
17 institutions of higher education, while allowing provision of information to the
18 other. For purposes of this subdivision, "secondary student" means a pupil in
19 grade 9, 10, 11, or 12.

20 (28) Annually, shall inform students and their parents or guardians of
21 their options for school choice under applicable laws or policy.

[not yet reviewed by editorial staff]

1 (29) Shall assign an employee to annually to:

2 (A) inform parents of students with life-threatening allergies and life-
3 threatening chronic illnesses of applicable provisions of Section 504 of the
4 Rehabilitation Act of 1973 and other applicable federal statutes, state statutes,
5 federal regulations, and state rules;

6 (B) inform appropriate school staff of their responsibilities; and

7 (C) provide necessary training to carry out these responsibilities.

8 (30) May make available school facilities and equipment for specified
9 public purposes if such purposes appear, in the judgment of the board, to be in
10 the best interests of the district and are an efficient, economical, and
11 appropriate use of the facilities and equipment.

12 (31) Subject to the requirements of section 571 of this title, may enter
13 into contracts with other school boards to provide joint programs, services,
14 facilities, and professional or other staff. ~~Nothing herein shall be construed to~~
15 ~~permit the designation by a school district that does not maintain a secondary~~
16 ~~school of another school district's secondary school as the secondary school of~~
17 ~~the district.~~ **[contrary to more recent law – is in Misc Ed bill as well]**

18 (32) May enter into a contract or contracts with a school offering a
19 distance learning program that is approved by one or more accrediting agencies
20 recognized by the U.S. Department of Education or is approved in Vermont
21 pursuant to subdivision 166(b)(6) of this title

[not yet reviewed by editorial staff]

1 **Sec. 7.** 16 V.S.A. § 426(c) is amended to read:

2 (c) The treasurer shall pay out of such money, orders drawn by or upon the
3 authority of the ~~board of school directors~~ superintendent. If ~~he or she~~ the
4 treasurer does not pay any such order on demand the holder thereof may
5 recover the amount from the town school district with interest from the time of
6 such demand. Moneys so received by the town school district may be invested
7 and reinvested by the treasurer, with the approval of the board of school
8 directors.

9 **NOTE:** *There are probably other sections that need to be amended to clarify*
10 *SU's role as business office and treasurer's limited more role.*

11 Sec. ____ REPEAL **[to be filled in once all decisions are made about which**
12 **sections to include]**

13 **[add to EFFECTIVE DATE Section]** Secs. ____ shall apply to academic
14 years 2015–2016 and after.

15 ***** Collaboration by Supervisory Unions *****

16 **Alternative #1:**

17 **Sec. 8.** 16 V.S.A. § 261a(b) is amended to read: **[will need to amend lead-in**
18 **and all references if include Secs 1-7]**

19 (b) Virtual merger. In order to promote the efficient use of financial and
20 human resources, ~~and whenever legally permissible, supervisory unions are~~
21 ~~encouraged to reach agreements with other supervisory unions jointly to~~

[not yet reviewed by editorial staff]

1 ~~provide any service or perform any duty under this section pursuant to section~~
2 ~~267 of this title. Agreements between supervisory unions are not subject to the~~
3 ~~waiver requirement of subdivision (a)(8) of this section. Agreements shall~~
4 ~~include a cost-benefit analysis outlining the projected financial savings or~~
5 ~~enhanced outcomes, or both, that the parties expect to realize through shared~~
6 ~~services or programs~~ and pursuant to subsection 267 of this title, each
7 supervisory union shall enter into an agreement with at least one other
8 supervisory union jointly to provide the services required under the following
9 subdivisions of subsection (a) of this section:

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

11 (2) subdivision (a)(8)(A) (goods and operational services);

12 (3) subdivision (a)(8)(E) (transportation); and

13 (4) subdivision (a)(8)(G) (other appropriate services).

14 **Sec. 9.** 16 V.S.A. § 267(a) is amended to read:

15 (a) ~~Supervisory~~ In addition to the joint agreements required in subsection
16 261a(b) of this title, supervisory unions, or administrative units not within a
17 supervisory union, in order to provide services cooperatively, may at any
18 annual or special meeting of the supervisory unions, by a majority vote of the
19 directors present and eligible to vote, enter into a joint agreement to provide
20 joint programs, services, facilities, and professional and other staff that are
21 necessary to carry out the desired programs and services.

[not yet reviewed by editorial staff]

1 **OR**

2 **Alternative #2:**

3 **Sec. 8.** 16 V.S.A. § 261a(b) is amended to read: **[will need to amend lead-in**
4 **and all references if include Secs 1-7]**

5 (b) ~~Virtual merger. In order to promote the efficient use of financial and~~
6 ~~human resources, and whenever legally permissible, supervisory unions are~~
7 ~~encouraged to reach agreements with other supervisory unions jointly to~~
8 ~~provide any service or perform any duty under this section pursuant to section~~
9 ~~267 of this title. Agreements between supervisory unions are not subject to the~~
10 ~~waiver requirement of subdivision (a)(8) of this section. Agreements shall~~
11 ~~include a cost benefit analysis outlining the projected financial savings or~~
12 ~~enhanced outcomes, or both, that the parties expect to realize through shared~~
13 ~~services or programs. The supervisory unions in each supervisory union~~
14 ~~service region, as established by the Secretary, shall jointly provide the~~
15 ~~services required under the following subdivisions of subsection (a) of this~~
16 ~~section:~~

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

18 (2) subdivision (a)(8)(A) (goods and operational services);

19 (3) subdivision (a)(8)(E) (transportation); and

20 (4) subdivision (a)(8)(G) (other appropriate services).

[not yet reviewed by editorial staff]

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

2 On or before January 1, 2015, the Secretary of Education shall establish
3 supervisory union service regions, each of which shall be a group of
4 supervisory unions that jointly provide the services required by 16 V.S.A.
5 § 261a(b).

6 **[add to EFFECTIVE DATE Section]** Secs. _____ shall take effect on July 1,
7 2014 and shall apply to academic years 2015–2016 and after.

8 ***** Financial Penalties; Failure to Comply with Law *****

9 **Sec. 10.** 32 V.S.A. § 5401 is amended to read:

10 § 5401. DEFINITIONS

11 As used in this chapter:

12 * * *

13 (13) "District spending adjustment" means the greater of: one or a
14 fraction in which the numerator is the district's education spending plus excess
15 spending plus any noncompliance penalty , per equalized pupil, for the school
16 year; and the denominator is the base education amount for the school year, as
17 defined in 16 V.S.A. § 4001. For a district that pays tuition to a public school
18 or an approved independent school, or both, for all of its resident students in
19 any year and which has decided by a majority vote of its school board to opt
20 into this provision, the district spending adjustment shall be the average of the
21 district spending adjustment calculated under this subdivision for the previous

[not yet reviewed by editorial staff]

1 year and for the current year. Any district opting for a two-year average under
2 this subdivision may not opt out of such treatment, and the averaging shall
3 continue until the district no longer qualifies for such treatment.

4 * * *

5 (15) “Noncompliance penalty” means an amount equal to one percent of
6 a district’s total education spending, as defined in 16 V.S.A. § 4001(6)
7 included in the calculation of a district’s district spending adjustment if the
8 Secretary of Education, pursuant to criteria established by the State Board of
9 Education, determines that the district failed to comply with **[statutory**
10 **requirements relating to the proper roles and responsibilities of supervisory**
11 **unions and school districts /// any provision of state or federal law /// etc.]**
12 **[effective date – applies beginning in what fiscal year?]**

13 * * * **Supervisory Union Consolidation** * * *

14 **Sec. 11.** SUPERVISORY UNION; ADJUSTMENT OF BOUNDARIES

15 Pursuant to the authority granted it in 16 V.S.A. § 261, the State Board shall
16 regroup the supervisory unions of the state to create no more than a total of 20
17 supervisory unions statewide. The existing supervisory unions shall be
18 dissolved and all new supervisory unions shall be fully operational no later
19 than July 1, 2019.

[not yet reviewed by editorial staff]

***** Paraprofessionals *****

Sec. 11. 16 V.S.A. § 4025(b) is amended to read:

(b) Moneys in the education fund shall be used for the following:

(1) To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, and the provisions of 32 V.S.A. chapter 135, to make payments to carry out programs of adult education in accordance with subsection 1049(a) of this title, and to provide funding for the community high school of Vermont; provided, however, that moneys in the education funds shall not be used for the purpose of employing an individual to provide assistance in the classroom, other than an individual employed as a licensed teacher or an individual employed to provide assistance in the delivery of special education services.

* * *

Sec. 12. 16 V.S.A. § 4029(a) is amended to read:

(a)(1) Funds received by a school district may be used only for legitimate items of current education expense and shall not be used for municipal services.

(2) Except as provided in subdivision 4025(b)(1) of this title or as otherwise prohibited by State or federal law, funds received by a school district may be used for the expense of an individual who is employed by the district

[not yet reviewed by editorial staff]

1 or supervisory union to provide assistance in the classroom and who is not
2 employed as a licensed teacher or to provide assistance in the delivery of
3 special education services.

4 * * *

5 **[add to EFFECTIVE DATE Section]** Secs. ___ and ___ shall take effect on
6 July 1, 2014 and shall apply to budgets for the 2015–2016 academic year and
7 after.

8 * * * **Prekindergarten Education** * * *

9 **House as Passed plus Additional Section proposed by Senate Committee**
10 **on Education plus clarifying Head Start Amendment that Senators**
11 **McCormack and Mullin intended to introduce (and updated dates)**

12 **Sec. 13.** 16 V.S.A. § 829 is amended to read:

13 § 829. PREKINDERGARTEN EDUCATION; ~~RULES~~

14 (a) Definitions. As used in this section:

15 (1) “Prekindergarten child” means a child who, as of the date
16 established by the district of residence for kindergarten eligibility, is three or
17 four years of age or is five years of age but is not yet enrolled in kindergarten.

18 (2) “Prekindergarten education” means services designed to provide to
19 prekindergarten children developmentally appropriate early development and
20 learning experiences based on Vermont’s early learning standards.

[not yet reviewed by editorial staff]

1 (3) “Prequalified private provider” means a private provider of
2 prekindergarten education that is qualified pursuant to subsection (c) of this
3 section.

4 (b) Access to publicly funded prekindergarten education.

5 (1) No fewer than ten hours per week of publicly funded
6 prekindergarten education shall be available for 35 weeks annually to each
7 prekindergarten child whom a parent or guardian wishes to enroll in an
8 available, prequalified program operated by a public school or a private
9 provider.

10 (2) If a parent or guardian chooses to enroll a prekindergarten child in an
11 available, prequalified program, then, pursuant to the parent or guardian’s
12 choice, the school district of residence shall:

13 (A) pay tuition pursuant to subsections (d) and (h) of this section
14 upon the request of the parent or guardian to:

15 (i) a prequalified private provider; or

16 (ii) a public school located outside the district that operates a
17 prekindergarten program that has been prequalified pursuant to subsection (c)
18 of this section; or

19 (B) enroll the child in the prekindergarten education program that it
20 operates.

[not yet reviewed by editorial staff]

1 (3) If requested by the parent or guardian of a prekindergarten child, the
2 school district of residence shall pay tuition to a prequalified program operated
3 by a private provider or a public school in another district even if the district of
4 residence operates a prekindergarten education program.

5 (4) If the supply of prequalified private and public providers is
6 insufficient to meet the demand for publicly funded prekindergarten education
7 in any region of the State, nothing in this section shall be construed to require a
8 district to begin or expand a program to satisfy that demand; but rather, in
9 collaboration with the Agencies of Education and of Human Services, the local
10 Building Bright Futures Council shall meet with school districts and private
11 providers in the region to develop a regional plan to expand capacity.

12 (c) Prequalification. Pursuant to rules jointly developed and overseen by
13 the Secretaries of Education and of Human Services and adopted by the State
14 Board pursuant to 3 V.S.A. chapter 25, the Agencies jointly may determine
15 that a private or public provider of prekindergarten education is qualified for
16 purposes of this section and include the provider in a publicly accessible
17 database of prequalified providers. At a minimum, the rules shall define the
18 process by which a provider applies for and maintains prequalification status,
19 shall identify the minimum quality standards for prequalification, and shall
20 include the following requirements:

[not yet reviewed by editorial staff]

1 (1) A program of prekindergarten education, whether provided by a
2 school district or a private provider, shall have received:

3 (A) National Association for the Education of Young Children
4 (NAEYC) accreditation; or

5 (B) at least four stars in the Department for Children and Families
6 STARS system with at least two points in each of the five arenas; or

7 (C) three stars in the STARS system if the provider has developed a
8 plan, approved by the Commissioner for Children and Families and the
9 Secretary of Education, to achieve four or more stars in no more than two years
10 with at least two points in each of the five arenas, and the provider has met
11 intermediate milestones.

12 (2) A licensed provider shall employ or contract for the services of at
13 least one teacher who is licensed and endorsed in early childhood education or
14 in early childhood special education under chapter 51 of this title.

15 (3) A registered home provider that is not licensed and endorsed in early
16 childhood education or early childhood special education shall receive regular,
17 active supervision and training from a teacher who is licensed and endorsed in
18 early childhood education or in early childhood special education under
19 chapter 51 of this title.

20 (d) Tuition, budgets, and average daily membership.

[not yet reviewed by editorial staff]

1 (1) On behalf of a resident prekindergarten child, a district shall pay
2 tuition for prekindergarten education for ten hours per week for 35 weeks
3 annually to a prequalified private provider or to a public school outside the
4 district that is prequalified pursuant to subsection (c) of this section; provided,
5 however, that the district shall pay tuition for weeks that are within the
6 district’s academic year. Tuition paid under this section shall be at a statewide
7 rate, which may be adjusted regionally, that is established annually through a
8 process jointly developed and implemented by the Agencies of Education and
9 of Human Services. A district shall pay tuition upon:

10 (A) receiving notice from the child’s parent or guardian that the child
11 is or will be admitted to the prekindergarten education program operated by the
12 prequalified private provider or the other district; and

13 (B) concurrent enrollment of the prekindergarten child in the district
14 of residence for purposes of budgeting and determining average daily
15 membership.

16 (2) In addition to any direct costs of operating a prekindergarten
17 education program, a district of residence shall include anticipated tuition
18 payments and any administrative, quality assurance, quality improvement,
19 transition planning, or other prekindergarten-related costs in its annual budget
20 presented to the voters.

[not yet reviewed by editorial staff]

1 (3) Pursuant to subdivision 4001(1)(C) of this title, the district of
2 residence may include within its average daily membership any
3 prekindergarten child for whom it has provided prekindergarten education or
4 on whose behalf it has paid tuition pursuant to this section.

5 (4) A prequalified private provider may receive additional payment
6 directly from the parent or guardian only for prekindergarten education in
7 excess of the hours paid for by the district pursuant to this section or for child
8 care services, or both. The provider is not bound by the statewide rate
9 established in this subsection when determining the rates it will charge the
10 parent or guardian.

11 (e) Rules. ~~The commissioner of education and the commissioner for~~
12 ~~children and families~~ Secretary of Education and the Commissioner for
13 Children and Families shall jointly develop and agree to rules and present them
14 to the ~~state board of education~~ State Board for adoption under 3 V.S.A.
15 chapter 25 as follows:

16 (1) To ensure that, before a school district begins or expands a
17 prekindergarten education program that intends to enroll students who are
18 included in its average daily membership, the district engage the community in
19 a collaborative process that includes an assessment of the need for the program
20 in the community and an inventory of the existing service providers; provided,
21 however, if a district needs to expand a prekindergarten education program in

[not yet reviewed by editorial staff]

1 order to satisfy federal law relating to the ratio of special needs children to
2 children without special needs and if the law cannot be satisfied by any one or
3 more qualified service providers with which the district may already contract,
4 then the district may expand an existing school-based program without
5 engaging in a community needs assessment. To permit private providers that
6 are not prequalified pursuant to subsection (c) of this section to create new or
7 continue existing partnerships with school districts through which the school
8 district provides supports that enable the provider to fulfill the requirements of
9 subdivision (c)(2) or (3), and through which the district may or may not make
10 in-kind payments as a component of the statewide tuition established under this
11 section.

12 (2) ~~To ensure that, if a school district begins or expands a~~
13 ~~prekindergarten education program that intends to include any of the students~~
14 ~~in its average daily membership, the district shall use existing qualified service~~
15 ~~providers to the extent that existing qualified service providers have the~~
16 ~~capacity to meet the district's needs effectively and efficiently.~~ To authorize a
17 district to begin or expand a school-based prekindergarten education program
18 only upon prior approval obtained through a process jointly overseen by the
19 Secretaries of Education and of Human Services, which shall be based upon
20 analysis of the number of prekindergarten children residing in the district and
21 the availability of enrollment opportunities with prequalified private providers

[not yet reviewed by editorial staff]

1 in the region. Where the data are not clear or there are other complex
2 considerations, the Secretaries may choose to conduct a community needs
3 assessment.

4 (3) To require that the school district provides opportunities for effective
5 parental participation in the prekindergarten education program.

6 (4) To establish a process by which:

7 (A) a parent or guardian ~~residing in the district or a provider, or both,~~
8 ~~may request a school district to enter into a contract with a provider located in~~
9 ~~or outside the district~~ notifies the district that the prekindergarten child is or
10 will be admitted to a prekindergarten education program not operated by the
11 district and concurrently enrolls the child in the district pursuant to subdivision

12 (d)(1) of this section;

13 (B) a district:

14 (i) pays tuition pursuant to a schedule that does not inhibit the
15 ability of a parent or guardian to enroll a prekindergarten child in a
16 prekindergarten education program or the ability of a prequalified private
17 provider to maintain financial stability; and

18 (ii) enters into an agreement with any provider to which it will pay
19 tuition regarding quality assurance, transition, and any other matters; and

[not yet reviewed by editorial staff]

1 (C) a provider that has received tuition payments under this section
2 on behalf of a prekindergarten child notifies a district that the child is no longer
3 enrolled.

4 ~~(5) To identify the services and other items for which state funds may be~~
5 ~~expended when prekindergarten children are counted for purposes of average~~
6 ~~daily membership, such as tuition reduction, quality improvements, or~~
7 ~~professional development for school staff or private providers. To establish a~~
8 ~~process to calculate an annual statewide tuition rate that is based upon the~~
9 ~~actual cost of delivering ten hours per week of prekindergarten education that~~
10 ~~meets all established quality standards and to allow for regional adjustments to~~
11 ~~the rate.~~

12 ~~(6) To ensure transparency and accountability by requiring private~~
13 ~~providers under contract with a school districts to report costs for~~
14 ~~prekindergarten programs to the school district and by requiring school~~
15 ~~districts to report these costs to the commissioner of education. [Repealed.]~~

16 (7) To require ~~school districts~~ a district to include identifiable costs for
17 prekindergarten programs and essential early education services in ~~their~~ its
18 annual budgets and reports to the community.

19 (8) To require ~~school districts~~ a district to report to the ~~departments their~~
20 Agency of Education annual expenditures made in support of prekindergarten
21 ~~care and~~ education, with distinct figures provided for expenditures made from

[not yet reviewed by editorial staff]

1 the ~~general fund~~ General Fund, from the ~~education fund~~ Education Fund, and
2 from all other sources, which shall be specified.

3 (9) To provide an ~~appeal~~ administrative process for:

4 (A) a parent, guardian, or provider to challenge an action of the a
5 school district or the State when the ~~appellant~~ complainant believes that the
6 district or State is in violation of state statute or rules regarding
7 prekindergarten education; and

8 (B) a school district to challenge an action of a provider or the State
9 when the district believes that the provider or the State is in violation of state
10 statute or rules regarding prekindergarten education.

11 (10) ~~To establish the minimum quality standards necessary for a district~~
12 ~~to include prekindergarten children within its average daily membership. At a~~
13 ~~minimum, the standards shall include the following requirements:~~

14 (A) ~~The prekindergarten education program, whether offered by or~~
15 ~~through the district, shall have received:~~

16 (i) ~~National Association for the Education of Young Children~~
17 ~~(NAEYC) accreditation; or~~

18 (ii) ~~At least four stars in the department for children and families~~
19 ~~STARS system with at least two points in each of the five arenas; or~~

20 (iii) ~~Three stars in the STARS system if the provider has~~
21 ~~developed a plan, approved by the commissioner for children and families and~~

[not yet reviewed by editorial staff]

1 ~~the commissioner of education, to achieve four or more stars within three years~~
2 ~~with at least two points in each of the five arenas, and the provider has met~~
3 ~~intermediate milestones; and~~

4 ~~(B) A licensed center shall employ or contract for the services of at~~
5 ~~least one teacher who is licensed and endorsed in early childhood education or~~
6 ~~in early childhood special education under chapter 51 of this title; and~~

7 ~~(C) A registered home shall receive regular, active supervision and~~
8 ~~training from a teacher who is licensed and endorsed in early childhood~~
9 ~~education or in early childhood special education under chapter 51 of this title.~~

10 To establish a system by which the Agency of Education and Department for
11 Children and Families shall jointly monitor prekindergarten education
12 programs to promote optimal outcomes for children and to collect data that
13 will inform future decisions. The Agency and Department shall be required to
14 report annually to the General Assembly in January. At a minimum, the
15 system shall monitor and assess:

16 (A) programmatic details, including the number of children served,
17 the number of private and public programs operated, and the public financial
18 investment made to ensure access to quality prekindergarten education;

19 (B) the quality of public and private prekindergarten education
20 programs and efforts to ensure continuous quality improvements through
21 mentoring, training, technical assistance, and otherwise; and

[not yet reviewed by editorial staff]

1 (C) the outcomes for children, including school readiness and
2 proficiency in numeracy and literacy.

3 (11) To establish a process for documenting the progress of children
4 enrolled in prekindergarten education programs and to require public and
5 private providers to use the process to:

6 (A) help individualize instruction and improve program practice; and

7 (B) collect and report child progress data to the ~~commissioner of~~
8 education Secretary of Education on an annual basis.

9 (f) Other provisions of law. Section 836 of this title shall not apply to this
10 section.

11 (g) Limitations. Nothing in this section shall be construed to permit or
12 require payment of public funds to a private provider of prekindergarten
13 education in violation of Chapter I, Article 3 of the Vermont Constitution or in
14 violation of the Establishment Clause of the U.S. Constitution.

15 (h) Geographic limitations.

16 (1) Notwithstanding the requirement that a district pay tuition to any
17 prequalified public or private provider in the State, a school board may choose
18 to limit the geographic boundaries within which the district shall pay tuition by
19 paying tuition solely to those prequalified providers in which parents and
20 guardians choose to enroll resident prekindergarten children that are located

[not yet reviewed by editorial staff]

1 within the district’s “prekindergarten region” as determined in subdivision (2)
2 of this subsection.

3 (2) For purposes of this subsection, upon application from the school
4 board, a district’s prekindergarten region shall be determined jointly by the
5 Agencies of Education and of Human Services in consultation with the school
6 board, private providers of prekindergarten education, parents and guardians of
7 prekindergarten children, and other interested parties pursuant to a process
8 adopted by rule under subsection (e) of this section. A prekindergarten region:

9 (A) shall not be smaller than the geographic boundaries of the school
10 district;

11 (B) shall be based in part upon the estimated number of
12 prekindergarten children residing in the district and in surrounding districts, the
13 availability of prequalified private and public providers of prekindergarten
14 education, commuting patterns, and other region-specific criteria; and

15 (C) shall be designed to support existing partnerships between the
16 school district and private providers of prekindergarten education.

17 (3) If a school board chooses to pay tuition to providers solely within its
18 prekindergarten region, and if a resident prekindergarten child is unable to
19 access publicly funded prekindergarten education within that region, then the
20 child’s parent or guardian may request and in its discretion the district may pay

[not yet reviewed by editorial staff]

1 tuition at the statewide rate for a prekindergarten education program operated
2 by a prequalified provider located outside the prekindergarten region.

3 (4) Except for the narrow exception permitting a school board to limit
4 geographic boundaries under subdivision (1) of this subsection, all other
5 provisions of this section and related rules shall continue to apply.

6 **Sec. 14.** PREKINDERGARTEN EDUCATION; CALCULATION OF
7 EQUALIZED PUPILS; EXCLUSION FROM EDUCATION
8 SPENDING

9 If a school district did not provide or pay for prekindergarten education
10 pursuant to 16 V.S.A. § 829 in fiscal year 2015, then:

11 (1) for purposes of determining the equalized pupil count for the fiscal
12 year 2016 budget, the long-term membership of prekindergarten children shall
13 be the number of prekindergarten children for whom the district anticipates it
14 will provide prekindergarten education or pay tuition, or both, in fiscal year
15 2016; and

16 (2) for purposes of determining the equalized pupil count for the fiscal
17 year 2017 budget, the long-term membership of prekindergarten children shall
18 be the total number of prekindergarten children for whom the district provided
19 prekindergarten education or paid tuition, or both, in fiscal year 2016, adjusted
20 to reflect the difference between the estimated and actual count for that fiscal
21 year.

[not yet reviewed by editorial staff]

1 **Sec. 15.** QUALITY STANDARDS

2 (a) The Agencies of Education and of Human Services shall review
3 existing quality standards for prekindergarten education programs and may
4 initiate rulemaking under 3 V.S.A. chapter 25 to require higher standards of
5 quality; provided, however, that no new standards shall take effect earlier than
6 July 1, 2015. Changes to the quality standards shall be designed to ensure that
7 programs are based on intentional, evidence-based practices that create a
8 developmentally appropriate environment and support the delivery of an
9 engaging program that supports the social, emotional, intellectual, language,
10 literacy, and physical development of prekindergarten children.

11 (b) In January of the 2015, 2016, and 2017 legislative sessions, the
12 Agencies shall report to the House and Senate Committees on Education and
13 on Appropriations, the House Committee on Human Services, and the Senate
14 Committee on Health and Welfare regarding the quality of prekindergarten
15 education in the State.

16 **Sec. 16.** REPORT ON ENROLLMENT AND ACCESS

17 The Agencies of Education and of Human Services and the Building Bright
18 Futures Council shall monitor and evaluate access to and enrollment in
19 prekindergarten education programs under **Sec. 13** of this act. On or before
20 January 1, 2018, they shall report to the House and Senate Committees on
21 Education and on Appropriations, the House Committee on Ways on Means,

[not yet reviewed by editorial staff]

1 and the Senate Committee on Finance regarding their evaluation, conclusions,
2 and any recommendations for amendments to statute or related rule.

3 **Sec. 17.** PREKINDERGARTEN REGIONS; PROCESS AND CRITERIA

4 The Agencies of Education and of Human Services, in consultation with the
5 Vermont Superintendents Association, the Vermont School Boards
6 Association, the Vermont Principals' Association, the Vermont-NEA, and the
7 Vermont Early Childhood Alliance, shall develop a detailed proposal outlining
8 the process and criteria by which the Agencies will determine the
9 prekindergarten region of a school district if requested to do so pursuant to
10 Sec. 1, 16 V.S.A. § 829(h)(2), of this act. The Agencies shall present the
11 proposal to the House and Senate Committees on Education on or before
12 January 15, 2015. The Agencies shall also present any recommendations for
13 amendments to statute, including repeal of or amendments to subsection (h).

14 **Sec. 18.** CONSTITUTIONALITY

15 On or before July 1, 2014, the Secretary of Education shall identify the
16 private prekindergarten education programs to which school districts are
17 paying tuition on behalf of resident prekindergarten children, determine the
18 extent to which any program provides religious prekindergarten education, and
19 establish the steps the Agency will take to ensure that public funds are not
20 expended in violation of Chapter I, Article 3 of the Vermont Constitution and
21 the Vermont Supreme Court's decision in Chittenden Town School District v.

[not yet reviewed by editorial staff]

1 Vermont Department of Education, 169 Vt. 310 (1999) or in violation of the
2 Establishment Clause of the U.S. Constitution.

3 **[add to EFFECTIVE DATE Section]** Secs. ___ through ___ shall take effect
4 on passage; provided, however, that Secs. ___ through ___ shall apply to
5 enrollments on July 1, 2015 and after.

6 *** * * Agency of Education; Special Education Audits * * ***

7 **Sec. 19. AGENCY OF EDUCATION; SPECIAL EDUCATION; AUDITS**

8 (a) In connection with the provision of special education services by
9 supervisory unions throughout the State, the Secretary of Education in
10 consultation with the State Board of Education, shall:

11 (1) review and, to the extent necessary, revise auditing procedures and
12 technical guidelines;

13 (2) research opportunities for more flexibility in the use of federal funds;

14 (3) review and, to the extent necessary, revise State Board rules and
15 Agency of Education regulations that impede best practices or cost-effective
16 strategies.

17 (b) On or before January 15, 2015, the Secretary of Education shall present
18 the results of the work required by this section to the General Assembly,
19 together with any recommendations for legislative action.

20

21

[not yet reviewed by editorial staff]

1 **Sec. ____.** **EFFECTIVE DATES**

2

3

4

5 (Committee vote: _____)

6

7

Senator _____

8

FOR THE COMMITTEE

9