1	H.361
2	Representative Christie of Hartford moves that the bill be amended as
3	follows:
4	First: By striking out Sec. 1 (education policy goals) in its entirety and
5	inserting in lieu thereof a new Sec. 1 to read:
6	Sec. 1. EDUCATION POLICY GOALS
7	(a) Intent. By enacting this legislation, the General Assembly intends to
8	move the State toward integrated education systems responsible for the
9	equitable delivery of high quality education to all resident prekindergarten-
10	grade 12 students through a revised governance structure that:
11	(1) leads students to achieve or exceed the State's Education Quality
12	Standards, adopted as rules by the State Board of Education at the direction of
13	the General Assembly;
14	(2) leads to improved transparency and accountability; and
15	(3) is delivered at a cost that parents, voters, and taxpayers value.
16	(b) Design; local decisions. This legislation is designed to encourage and
17	support local decisions and actions linked to the Education Quality Standards,
18	transparency, accountability, and cost-effectiveness, including decisions and
19	actions that:

1	(1) promote equity in the quality and variety of educational
2	opportunities available throughout the State, regardless of the school's size
3	or location;
4	(2) improve student performance as established by each school in the
5	continuous improvement plan it develops pursuant to 16 V.S.A. § 165;
6	(3) provide a sequential, logical curriculum to all students;
7	(4) promote students' ability to think critically; communicate verbally,
8	in writing, and through the use of technology; collaborate; and solve problems
9	creatively;
10	(5) advance solutions, including structural changes, that are developed
11	and implemented at the local level to meet community needs and priorities;
12	(6) enhance the possibility that the State's small schools remain open if
13	they are able to provide students with equitable educational opportunities and
14	improved student performance at a stable, affordable cost;
15	(7) create enhanced opportunities and other conditions that promote
16	stability in leadership;
17	(8) foster strong relationships between schools and the broader
18	community and increased parental and community engagement at the school
19	<u>level;</u>
20	(9) facilitate operational and educational efficiencies and effectiveness
21	through greater flexibility in the management of resources to support student

1	achievement and success, with a goal of increasing the district-level ratio of
2	students to full-time equivalent staff;
3	(10) improve affordability and stability for taxpayers; and
4	(11) increase public accountability and transparency through:
5	(A) greater consistency in educational governance structures; and
6	(B) the accounting and reporting of financial information in
7	accordance with Generally Accepted Accounting Principles and as otherwise
8	required by the Secretary of Education.
9	(c) Education Quality Standards; indicators; performance measures. On or
10	before December 31, 2015, in connection with the ongoing development of
11	indicators to determine compliance with Education Quality Standards, the
12	State Board of Education shall adopt and publish performance measures for the
13	policy goals identified in the Standards as expressed by this section, including
14	those relating to student outcomes.
15	(d) Guidelines. Based upon the performance measures it adopts in
16	subsection (c) of this section, including those relating to student outcomes, the
17	State Board of Education shall issue guidelines on or before December 31,
18	2015, that are designed to:
19	(1) assist districts to develop governance proposals pursuant to Sec. 17
20	of this act; and

1	(2) guide the State Board's evaluation of the proposals, recognizing that
2	regional variations may result in a proposal that continues, expands, or creates
3	a new supervisory union.
4	Second: By striking out Sec. 17 (governance transition) in its entirety and
5	inserting in lieu thereof a new Sec. 17 to read:
6	Sec. 17. GOVERNANCE TRANSITIONS TO ACHIEVE EDUCATION
7	POLICY GOALS; INTEGRATED EDUCATION SYSTEMS
8	(a) Integrated education systems. On or before July 1, 2019, the State shall
9	provide educational opportunities through integrated education systems that
10	are responsible for the equitable delivery of high quality education to all
11	resident prekindergarten through grade 12 students, and that are designed to
12	improve transparency and accountability and to promote stable, affordable
13	education costs, all as set forth in Sec. 1 of this act.
14	(b) Evaluation and proposal by districts.
15	(1) Evaluation. Each district shall meet with one or more other districts,
16	including those that have similar patterns of school operation and tuition
17	payment, to evaluate the districts' structures and programs and determine how
18	best to create and implement an integrated education system in the region. The
19	districts do not need to be contiguous and do not need to be within the same
20	supervisory union.

1	(2) Study committee and report. Except as provided in subsection (e) of
2	this section, each district shall form a study committee with one or more other
3	districts and prepare a study report (Report) pursuant to 16 V.S.A. chapter 11.
4	The Report shall propose creation of a new prekindergarten-grade 12 district,
5	or an integrated education system with more than one district pursuant to
6	subdivision (c)(3) of this section, that is designed to enable the region to meet
7	the goals and requirements set forth in this section and to be operational on or
8	before July 1, 2019. The reimbursement of costs incurred when preparing the
9	Report and other assistance to facilitate transition are available pursuant to
10	2012 Acts and Resolves No. 156 to the extent provided in that act.
11	(3) Submission of report and vote of electorate. Districts shall submit
12	the Report to the State Board of Education and subsequently to the electorate
13	pursuant to 16 V.S.A. chapter 11. If approved by the State Board of Education
14	pursuant to subsection (d) of this section, and subsequently approved by the
15	electorate on or before November 30, 2017, a Report shall be a new
16	prekindergarten-grade 12 district's articles of agreement pursuant to 16 V.S.A.
17	chapter 11 and shall be the governing document of an integrated education
18	system with more than one district.
19	(c) Size and structure of integrated education systems.
20	(1) Minimum size; waiver. Each integrated education system shall have
21	an average daily membership of at least 1,100 students in prekindergarten

1	through grade 12 unless granted a waiver by the State Board of Education
2	based upon criteria developed by the Board.
3	(2) Education Districts. In order to promote flexibility, transparency,
4	and accountability, the preferred structure for an integrated education system
5	shall be an Education District, which is supervisory district as defined in
6	16 V.S.A. § 11(a)(24) that is responsible for the education of all resident
7	prekindergarten through grade 12 students and that assumes one of the
8	following four common governance structures:
9	(A) a district that operates a school or schools for resident students in
10	prekindergarten or kindergarten through grade 12;
11	(B) a district that operates a school or schools for resident students in
12	prekindergarten or kindergarten through grade 6 and pays tuition for all
13	resident students in grade 7 through grade 12;
14	(C) a district that operates a school or schools for resident students in
15	prekindergarten or kindergarten through grade 8 and pays tuition for resident
16	students in grade 9 through grade 12;
17	(D) a district that operates no schools and pays tuition for resident
18	students in prekindergarten through grade 12.
19	(3) Supervisory unions.
20	(A) Recognizing that an Education District may not be the best
21	means of achieving the goals of this act in all regions of the State, and to the

1	extent necessary under subdivision (1) of this subsection (minimum ADM;
2	waiver), subsection (g) of this section (protections for tuitioning and operating
3	districts), or otherwise, districts may propose the creation, expansion, or
4	continuation of a supervisory union with two or more member districts, each
5	with a distinct school board. Supervisory unions under this subdivision are
6	encouraged to include the smallest number of school districts as practicable.
7	The State Board may approve the proposal pursuant to 16 V.S.A. § 261 and
8	chapter 11, if it concludes that the proposal is the best means of achieving an
9	integrated education system capable of meeting the goals and requirements of
10	this section in a particular region.
11	(B) Notwithstanding subdivision (A) of this subdivision, the State
12	Board shall approve a supervisory union structure only if the structure ensures
13	transparency and accountability for the member districts and the public at
14	large, including transparency and accountability in relation to the supervisory
15	union budget, which may include a process by which the electorate votes
16	directly whether to approve the proposed supervisory union budget. Pursuant
17	to 16 V.S.A. § 261(d), the State Board may waive requirements of 16 V.S.A.
18	chapters 5 and 7 if necessary to facilitate the vote.
19	(d) Evaluation by the State Board of Education. When evaluating Reports
20	presented to it pursuant to 16 V.S.A. chapter 11 and subsection (b) of this
21	section, the State Board shall:

1	(1) consider whether the proposal is designed to create an integrated
2	education system capable of achieving the goals and requirements set forth in
3	this section; and
4	(2) be mindful of any other district in the region that may become
5	geographically isolated.
6	(A) At the request of the State Board, the Secretary shall work with
7	the potentially isolated district and other districts in the region to move toward
8	an integrated education system that is designed to achieve the goals and
9	requirements set forth in this section.
10	(B) The State Board is authorized to deny approval to a proposal that
11	would geographically isolate a district that would not be an appropriate
12	member of another integrated education system in the region.
13	(e) Exceptions to requirement for study committee.
14	(1) Existing supervisory district. If the board of an existing supervisory
15	district believes that the district can function as an integrated education system
16	pursuant to this section without altering its current governance structure or
17	joining a supervisory union, then the board may prepare and submit a Report to
18	the State Board pursuant to subsection (b) of this section and subsequently to
19	the electorate pursuant to 16 V.S.A. chapter 11 without forming a study
20	committee pursuant to that chapter.

(2) Existing supervisory union. If the board of an existing supervisory
union believes that all member districts can function as an integrated education
system pursuant to this section by realigning their governance structures into a
single Education District, then the supervisory union board may prepare and
submit a Report to the State Board pursuant to subsection (b) of this section
and subsequently to the electorate pursuant to 16 V.S.A. chapter 11 without
forming a study committee pursuant to that chapter.
(f) Creation of integrated education systems.
(1) Secretary's proposal. If a district or group of districts does not
complete the process outlined in subsection (b) of this section, or does so but
does not obtain a favorable vote of all "necessary" districts on or before
November 30, 2017 (collectively, the Remaining Districts), then the Secretary
shall develop a proposal by which the Remaining Districts of the State shall be
realigned to the extent possible to create integrated education systems pursuant
to this section. If it is not possible or practicable to realign one or more
Remaining Districts in a manner that meets one or more provisions of
subsections (a) and (c) of this section, then, in connection with the district or
districts, the proposal shall be designed in a manner that serves the best
interests of the resident students, the local communities, and the State. The
Secretary shall present the proposal to the State Board of Education for its

consideration on or before July 1, 2018.

1	(2) State Board's order. On or before September 1, 2018, the State
2	Board shall approve the Secretary's proposal in its original or in an amended
3	form, and shall publish its order realigning Remaining Districts on the
4	Agency's website.
5	(g) Interstate school districts. This section shall not apply to interstate
6	school districts.
7	(h) Protection for nonoperating districts and operating districts; statement
8	of intent.
9	(1) Nonoperating districts. All governance transitions achieved pursuant
10	to this section shall preserve the ability of a district that, as of the effective date
11	of this act, provides for the education of all resident students in one or more
12	grades by paying tuition on the students' behalf, to continue to provide
13	education by paying tuition on behalf of all students in the grade or grades if it
14	chooses to do so and shall not require the district to limit the options available
15	to students if it ceases to exist as a discrete entity and is realigned into a
16	supervisory district or union school district.
17	(2) Operating districts. All governance transitions achieved pursuant to
18	this section shall preserve the ability of a district that, as of the effective date of
19	this act, provides for the education of all resident students in one or more
20	grades by operating a school offering the grade or grades, to continue to
21	provide education by operating a school for all students in the grade or grades

1	if it chooses to do so and shall not require the district to pay tuition for students
2	if it ceases to exist as a discrete entity and is realigned into a supervisory
3	district or union school district.
4	(3) Statement of intent. Nothing in this section shall be construed to
5	restrict or repeal, or to authorize or require the restriction or repeal of, the
6	ability of a school district that, as of the effective date of this act, provides for
7	the education of all resident students in one or more grades:
8	(A) by paying tuition on the students' behalf, to continue to provide
9	education by paying tuition on behalf of all students in the grade or grades if it
10	chooses to do so; or
11	(B) by operating a school offering the grade or grades, to continue to
12	provide education by operating a school for all students in the grade or grades
13	if it chooses to do so.
14	Third: By striking out Sec. 24 (strikes; contract imposition) in its entirety
15	and inserting in lieu thereof a new Sec. 24 to read:
16	Sec. 24. [Deleted.]
17	Fourth: In Sec. 35 (health insurance; study), by striking out subsection (b)
18	in its entirety and inserting in lieu thereof two new subsections to be
19	subsections (b) and (c) to read:
20	(b) On or before November 1, 2015, the Director of Health Care Reform in
21	the Agency of Administration shall report to the Health Reform Oversight

1	Committee, the House and Senate Committees on Education, the House
2	Committee on Health Care, and the Senate Committee on Health and Welfare
3	with options for:
4	(1) the design of health benefits for school employees that will not
5	trigger the excise tax on high-cost, employer-sponsored insurance plans
6	pursuant to 26 U.S.C. § 4980I; and
7	(2) ways to administer the school employees' health benefits, including
8	possibly through the Vermont Education Health Initiative (VEHI), Vermont
9	Health Connect (VHC), or through another applicable mechanism.
10	(c) When identifying and analyzing the options required by subsection (b)
11	of this section, the Director shall consult with representatives of the
12	<u>Vermont – National Education Association, the Vermont School Boards'</u>
13	Association, VEHI, VHC, the Office of the Treasurer, and the Joint Fiscal
14	Office.