

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21

H.361

Representative Scheuermann of Stowe moves that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. CONSOLIDATED ADMINISTRATIVE DISTRICTS: STUDY

(a) Creation. There is created a study committee to develop a detailed plan, including a timeline, by which the State shall dissolve all existing supervisory unions and restructure them into 15 larger Consolidated Administrative Districts (CADs) as described more fully in this section. The plan shall include details by which to eliminate the statewide education property tax system and replace it with a CAD tax system.

(b) Membership. The Committee shall be composed of the following members:

(1) two current members of the House of Representatives, not from the same political party, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not from the same political party, who shall be appointed by the Committee on Committees;

(3) the Secretary of Education or designee;

(4) the Commissioner of Taxes or designee;

(5) the executive director of the Vermont League of Cities and Towns or designee;

- 1           (6) one individual currently employed as a school board member  
2           selected by the Vermont School Boards Association;
- 3           (7) one individual currently employed as a superintendent selected by  
4           the Vermont Superintendents Association;
- 5           (8) one individual currently employed as a principal selected by the  
6           Vermont Principals' Association;
- 7           (9) one individual currently employed to provide prekindergarten  
8           education selected by the Building Bright Futures Council;
- 9           (10) one individual currently employed to provide elementary education  
10           selected by the Vermont – National Education Association;
- 11           (11) one individual currently employed to provide secondary education  
12           selected by the Vermont – National Education Association;
- 13           (12) one individual currently employed to provide special education  
14           selected by the Vermont Council of Special Education Administrators;
- 15           (13) one individual currently employed as a career technical education  
16           director selected by the Vermont Association of Career and Technical Center  
17           Directors;
- 18           (14) the Chancellor of the Vermont State Colleges or designee;
- 19           (15) a representative from the business and industry community selected  
20           by the Vermont Chamber of Commerce; and

1           (16) the Executive Director of the Vermont Independent Schools  
2           Association or designee.

3           (c) Boundaries. The boundaries of the new CADs shall be identical to the  
4           current 15 career technical education service regions; provided, however, that:

5                   (1) the boundaries of the CAD that contains the current North Country  
6           Career Education Center Service Region shall be expanded to include the  
7           districts within the Canaan Comprehensive High School Service Region; and

8                   (2) the boundaries of the CAD that contains the current Southeastern  
9           Vermont Career Education Center Service Region shall be expanded to include  
10           the districts within the Windham Northeast Supervisory Union.

11           (d) Transitional provisions.

12                   (1) The Committee's plan shall determine the date by which the  
13           electorate of the school districts within the CAD boundaries shall elect  
14           members to an interim CAD board; provided, however, that:

15                           (A) membership on the board shall be apportioned so that it is  
16           consistent with the proportional representation requirements of the Equal  
17           Protection Clause of the U.S. Constitution; and

18                           (B) each member district shall have at least one representative.

19                   (2) The interim CAD board shall be responsible for transitioning the  
20           supervisory unions and member districts to the CAD's funding and governance  
21           model and shall have authority, in consultation with the member districts, to

1 enter into contracts, prepare an initial proposed budget for the CAD and the  
2 member districts, hire a superintendent, adopt policies, and otherwise plan for  
3 full implementation of the CAD on the date set forth in the plan submitted by  
4 the Committee created by this section.

5 (e) School districts.

6 (1) Each school district within a CAD shall retain its current governance  
7 structure, including its elected school board, unless it chooses to alter its  
8 governance structure pursuant to law.

9 (2) Each school district within a CAD shall continue to be responsible  
10 for the education of its resident students pursuant to 16 V.S.A. chapter 21.

11 (3) A school district board shall remain the local elected body focused  
12 on the academic policy and educational quality of the schools within its  
13 geographic boundaries.

14 (4) Except to the extent that they conflict with this act, a school district  
15 within a CAD shall perform all duties required of a school district under  
16 current law. In particular, the local board of a school district shall:

17 (A) develop the school district's proposed budget for submission to  
18 the CAD board;

19 (B) except for those providing special education services, select all  
20 administrators, teachers, and staff employed in the district to be hired through  
21 contracts negotiated and entered into at the CAD level;

1           (C) select and approve the curriculum used by schools in the  
2 district; and

3           (D) manage and maintain all schools and other buildings owned by  
4 the district.

5           (f) CADs and CAD boards.

6           (1) The electorate of the school districts within the CAD boundaries  
7 shall elect members to the CAD board; provided, however, that:

8           (A) membership on the board shall be apportioned so that it is  
9 consistent with the proportional representation requirements of the Equal  
10 Protection Clause of the U.S. Constitution; and

11           (B) each member district shall have at least one representative.

12           (2) Based upon the proposed budgets developed and submitted by the  
13 district boards pursuant to this section and upon the CAD board's  
14 determination of the budget needed for the CAD to perform its duties, the  
15 CAD board shall develop a proposed budget, which shall include the total  
16 proposed education spending for the CAD and all member districts (the Global  
17 Budget). The CAD board shall present the proposed Global Budget to the  
18 electorate of the CAD for a commingled vote at an annual or special meeting  
19 duly warned for the purpose.

1           (3) After a Global Budget is approved:

2                   (A) the CAD shall issue the base education property tax assessment  
3 to the taxpayers within the CAD; and

4                   (B) each municipality shall issue and collect any regional education  
5 property tax assessments and transfer any amounts collected to the CAD.

6           (4) Except to the extent that they conflict with this act, a CAD shall  
7 perform all duties and provide all services required of a supervisory union  
8 under current law. In particular, the CAD board shall:

9                   (A) be responsible for the provision of all aspects of special  
10 education, including the hiring of special educators, the assignment of their  
11 services to schools within the CAD, and the development of individualized  
12 education programs (IEPs); provided, however, that each student's IEP team  
13 would consist of those individuals required by State Board of Education  
14 Rule 2363.4 and include representatives from the local school district and  
15 the CAD;

16                   (B) negotiate CAD-wide collectively bargained contracts pursuant to  
17 the requirements of 16 V.S.A. chapter 57 for all administrators, teachers, and  
18 staff employed within the CAD;

19                   (C) subject to the right of local school districts to select the specific  
20 individuals to be hired pursuant to this section, enter into CAD-level contracts  
21 with all administrators, teachers, and staff employed within the CAD;

1           (D) purchase and distribute all supplies to all schools within  
2 the CAD;

3           (E) provide financial and student data management for all schools  
4 within the CAD;

5           (F) provide or provide for transportation services in any local district  
6 in which it is offered;

7           (G) manage the provision of Advanced Placement courses to ensure  
8 maximum availability to students throughout the CAD; and

9           (H) perform any other duties on behalf of one or more of the member  
10 districts that the districts and CAD board deem appropriate.

11           (g) Nonoperating districts, operating districts, and tuition vouchers.

12           (1) Nonoperating districts. A district that, as of the effective date of this  
13 act, provides for the education of all resident students in one or more grades by  
14 paying tuition on the students' behalf shall continue to have authority to  
15 provide education by paying tuition on behalf of all students in the grade or  
16 grades pursuant to the provisions of 16 V.S.A. §§ 821 and 822 and shall not be  
17 required to limit the options currently available to those students.

18           (2) Operating districts.

19           (A) Notwithstanding any provision of 16 V.S.A. chapter 21 to the  
20 contrary, a district that, as of the effective date of this act, provides for the  
21 education of all resident students in one or more grades by operating a school

1 offering the grade or grades shall pay tuition pursuant to 16 V.S.A.  
2 §§ 823–826, 828, and 836 on behalf of a resident student to a school not  
3 operated by the district upon notice given by the student’s parent or guardian  
4 before November 30 for the next academic year.

5 (B) Tuition shall be paid under this subdivision (2) solely to a public  
6 school, an approved independent school, or an independent school meeting  
7 school quality standards that is located within the geographic borders of  
8 the CAD.

9 (h) School closures. Neither the CAD board nor any State-level entity or  
10 official shall have the authority to close any public school without the consent  
11 of the voters of the district in which the school is located.

12 (i) Tax system. The plan to eliminate the statewide education property tax  
13 system and replace it with a CAD tax system shall be based on the following  
14 principles:

15 (1) Annually, the Agency of Education would determine a base  
16 education property tax rate to balance the Education Fund.

17 (2) The amount of the base education property tax that is raised in each  
18 CAD would be determined by multiplying the base education property tax rate  
19 by the CAD’s unified grand list.

20 (3) In the first school year under the new system, each CAD’s spending  
21 amount would include education spending plus spending covered by



1 categorical aid for special education, transportation, small schools, and  
2 essential early education. In all subsequent years, spending covered by  
3 categorical aid would become part of the base education property tax rate.

4 (4) Each CAD would be guaranteed equalized spending up to the  
5 statewide average per pupil spending amount.

6 (5) A CAD's guaranteed spending would equal the average per pupil  
7 CAD spending amount multiplied by the CAD's average daily membership.

8 (6) The total amount of a CAD's property tax rate would equal its base  
9 education property tax rate plus any additional regional property tax rate.

10 (7) The amount of equalizing aid that a CAD would receive from the  
11 State would depend on the amount raised by the base education property  
12 tax rate.

13 (A) If the amount that a CAD's base education property tax rate  
14 raises does not cover its guaranteed equalized spending, then it would receive  
15 the difference in equalizing aid from the State, which would be derived from  
16 nonproperty tax revenues from the Education Fund.

17 (B) If the amount that a CAD's base education property tax rate  
18 raises is more than is needed to cover its guaranteed equalized spending, then  
19 its base education property tax rate would be reduced by the difference divided  
20 by its grand list.

1           (C) If a CAD spends above the guaranteed equalized spending  
2           amount, then the CAD would impose a regional property tax rate and raise the  
3           additional funds on its own grand list.

4           (8) The grand list in each CAD would be unified.

5           (9) The current income sensitivity and homeowner rebate programs  
6           would be eliminated and, if necessary, replaced with a new State program  
7           to assist Vermonters in need.

8           (10) The use of a common level of appraisal in each municipality to  
9           determine education property tax rates would be eliminated and replaced with  
10           a rolling appraisal conducted in each CAD.

11           (j) Assistance. The Committee shall have the administrative, technical, and  
12           legal assistance of the Agency of Education and the Department of Taxes. For  
13           purposes of preparing recommended legislation, the Committee shall have the  
14           assistance of the Office of Legislative Council.

15           (k) Report. On or before January 15, 2016, the Committee shall submit its  
16           detailed plan to the General Assembly with its findings and any  
17           recommendations for legislative action.

18           (l) Meetings.

19           (1) The Secretary of Education shall call the first meeting of the  
20           Committee to occur on or before July 15, 2015.

1           (2) The Committee shall select a chair from among its members at the  
2           first meeting.

3           (3) A majority of the membership shall constitute a quorum.

4           (4) The Committee shall cease to exist on July 1, 2016.

5           Sec. 2. EFFECTIVE DATE

6           This act shall take effect on passage.