

1 S.15

2 Introduced by Senators Kitchel, Benning, Campion, McCormack, Pollina,
3 Rodgers, Sears, Starr, and Westman

4 Referred to Committee on

5 Date:

6 Subject: Education; school district consolidation; alternative structures; time
7 frames

8 Statement of purpose of bill as introduced: This bill proposes to require the
9 State Board of Education to evaluate proposals for alternative governance
10 structures on a case-by-case basis and, when evaluating these proposals, to use
11 the same criteria it uses to evaluate a proposal for the creation of an Education
12 District; eliminate the requirement that the State Board find that a proposed
13 alternative governance structure is the “best means” of meeting the goals of
14 moving the State toward sustainable models of education governance;
15 eliminate the references in Act 46 to a “preferred” educational governance
16 structure; and extend the time frames for school district consolidation and
17 associated dates by one year.

18 An act relating to amendments to Act 46 to facilitate the approval of
19 alternative governance structures and extend time frames

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. 2015 Acts and Resolves No. 46, Sec. 5 is amended to read:

3 Sec. 5. ~~PREFERRED EDUCATION GOVERNANCE STRUCTURE~~

4 EDUCATION DISTRICT; ALTERNATIVE STRUCTURE

5 (a) Sustainable Governance Structures. On or before ~~July 1, 2019~~ July 1,
6 2020, the State shall provide educational opportunities through sustainable
7 governance structures designed to meet the goals set forth in Sec. 2 of this act
8 pursuant to one of the models described in this section.

9 (b) ~~Preferred structure: prekindergarten – grade 12 supervisory district)~~
10 ~~(Education District)~~ Education District. ~~The preferred education governance~~
11 ~~structure in Vermont~~ An Education District is a school district that:

12 (1) is responsible for the education of all resident prekindergarten
13 through grade 12 students;

14 (2) is its own supervisory district;

15 (3) has a minimum average daily membership of 900; and

16 (4) is organized and operates according to one of the four most common
17 governance structures:

18 (A) a district that operates a school or schools for all resident students
19 in prekindergarten or kindergarten through grade 12;

1 (B) a district that operates a school or schools for all resident students
2 in prekindergarten or kindergarten through grade 8 and pays tuition for all
3 resident students in grade 9 through grade 12;

4 (C) a district that operates a school or schools for all resident students
5 in prekindergarten or kindergarten through grade 6 and pays tuition for all
6 resident students in grade 7 through grade 12; or

7 (D) a district that operates no schools and pays tuition for all resident
8 students in prekindergarten through grade 12.

9 (c) ~~Alternative structure: supervisory union with member districts~~
10 Structure. An Alternative Structure is a supervisory union composed of
11 multiple member districts, each with its separate school board. An Alternative
12 Structure may be appropriate where an Education District, as envisioned in
13 subsection (b) of this section may not be possible or the best model, is not the
14 most appropriate structure to achieve Vermont's education goals in all regions
15 one or more regions of the State. An Alternative Structure may also be
16 appropriate where there are factors which impede the merger of districts into a
17 single Education District. For example, an Alternative Structure may be
18 appropriate where the districts in the region do not have comparable levels of
19 indebtedness per equalized pupil, as defined in 16 V.S.A. § 4001(3). In such
20 situations, a supervisory union composed of multiple member districts, each
21 with its separate school board can meet the State's goals, particularly if If the

1 following conditions are met, the State Board shall evaluate a proposal to
2 create, expand, or continue an Alternative Structure under Sec. 8 of this act:

3 (1) The member districts form a study committee under 16 V.S.A.
4 § 706. The formation of a study committee by member districts on or after
5 July 1, 2015 shall satisfy this condition.

6 (2) The study committee:

7 (A) considers, on or after July 1, 2015, one or more merger proposals
8 that would satisfy the criteria of subsection (b) of this section, the creation of
9 an Education District; and

10 (B) demonstrates in its report presented to the State Board that an
11 Alternative Structure is better suited to the member districts than an Education
12 District and will meet the goals set forth in Sec. 2 of this act.

13 ~~(1)(3) the~~ The member districts consider themselves to be collectively
14 responsible for the education of all prekindergarten through grade 12 students
15 residing in the supervisory union; as demonstrated in the study committee
16 report presented to the State Board by an undertaking that the member districts
17 shall work in a collective and collaborative manner to coordinate the delivery
18 of educational services throughout the elementary and secondary school
19 educational process for all member district students.

20 ~~(2)(4)~~ The study committee demonstrates in its report presented to the
21 State Board that the supervisory union ~~operates~~ shall operate in a manner that

1 maximizes efficiencies, to the extent practicable, through economies of scale
2 and the flexible management, transfer, and sharing of nonfinancial resources
3 among the member districts;

4 ~~(3)(5) the~~ The study committee demonstrates in its report presented to
5 the State Board that the proposed supervisory union has will have the smallest
6 number of member school districts practicable taking into consideration the
7 unique characteristics of the region, ~~achieved wherever possible by the merger~~
8 ~~of such as~~ districts in the region with similar operating and tuitioning patterns;

9 ~~(4)(6) the~~ The combined average daily membership, as defined in
10 16 V.S.A. § 4001(1), of all member districts is not less than ~~1,400~~ 500.

11 Sec. 2. 2015 Acts and Resolves No. 46, Sec. 7 is amended to read:

12 Sec. 7. SCHOOL DISTRICTS CREATED AFTER DEADLINE FOR
13 ACCELERATED ACTIVITY; TAX INCENTIVES; SMALL
14 SCHOOL SUPPORT; JOINT CONTRACT SCHOOLS

15 (a) A newly formed school district shall receive the incentives set forth in
16 subsection (b) of this section if it:

17 (1) is formed pursuant to the processes and requirements of 16 V.S.A.
18 chapter 11 ~~(, union school district formation)~~;

19 (2) obtains a favorable vote of all “necessary” districts, which do not
20 need to be contiguous or within the same supervisory union, on or after
21 July 1, 2015;

1 (3) meets the criteria for an accelerated merger set forth in ~~subdivisions~~
2 Sec. 6(a)(3) through (7) of this act; and

3 (4) becomes operational after July 1, 2017, and on or before
4 ~~July 1, 2019~~ July 1, 2020.

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6 (d) Notwithstanding other provisions of law to the contrary, if two or more
7 districts enter into a contract pursuant to 16 V.S.A. chapter 11, subchapter 1 to
8 operate a school jointly, and if at least one of the districts was an “eligible
9 school district” that received a small school support grant in the fiscal year two
10 years prior to the effective date of the contract, then the contracting school
11 districts, as a single unit, shall receive annual merger support grants pursuant
12 to the provisions of subdivision (b)(2) of this section; provided, however, that
13 this section shall apply only to contracting districts that receive a favorable
14 vote of all affected districts to enter into a finalized contract after the effective
15 date of this section and on or before ~~July 1, 2017~~ July 1, 2018.

16 Sec. 3. 2015 Acts and Resolves No. 46, Sec. 8 is amended to read:

17 Sec. 8. EVALUATION BY THE STATE BOARD OF EDUCATION

18 (a) ~~School districts. When evaluating a proposal~~ The State Board shall
19 evaluate proposals to create a union school district pursuant to 16 V.S.A.
20 chapter 11, including a proposal to create an Education District submitted
21 pursuant to the provisions of ~~Sees. Sec. 6 or 7 of this act~~ and proposals to

1 create, expand, or continue an Alternative Structure pursuant to Sec. 5(c) of
2 this act. When evaluating these proposals, the State Board of Education shall:

3 (1) ~~consider~~ Consider whether the proposal is designed to create a
4 sustainable governance structure that can meet the goals set forth in Sec. 2 of
5 this act; ~~and.~~

6 (2) ~~be~~ Be mindful of any other district in the region that may become
7 geographically isolated, including the potential isolation of a district with low
8 fiscal capacity or with a high percentage of students from economically
9 deprived backgrounds as identified in 16 V.S.A. § 4010(d).

10 (A) At the request of the State Board, the Secretary of Education
11 shall work with the potentially isolated district and other districts in the region
12 to move toward a sustainable governance structure that is designed to meet the
13 goals set forth in Sec. 2 of this act.

14 (B) The State Board is authorized to deny approval to a proposal that
15 would geographically isolate a district that would not be an appropriate
16 member of another sustainable governance structure in the region.

17 (b) ~~Supervisory unions.~~ The State Board shall approve the creation,
18 expansion, or continuation of a supervisory union only if the Board concludes
19 that this alternative structure:

20 ~~(1) is the best means of meeting the goals set forth in Sec. 2 of this act in~~
21 ~~a particular region; and~~

1 (2) ensures transparency and accountability for the member districts and
2 the public at large, including transparency and accountability in relation to the
3 supervisory union budget, which may include a process by which the electorate
4 votes directly whether to approve the proposed supervisory union budget.

5 (c) The State Board may adopt rules designed to implement this act but
6 shall not by rule or otherwise impose additional requirements to those
7 envisioned by this act.

8 Sec. 4. 2015 Acts and Resolves No. 46, Sec. 9 is amended to read:

9 Sec. 9. SELF-EVALUATION, MEETINGS, AND PROPOSAL

10 (a) On or before ~~November 30, 2017~~ November 30, 2018, the board of each
11 school district in the State that has ~~a governance structure different from the~~
12 ~~preferred structure identified in Sec. 5(b) of this act (Education District), or~~
13 ~~that does not expect to become or will not become an Education District~~ not
14 received State Board approval for its governance structure as an Alternative
15 Structure or Education District as envisioned under Sec. 5(c), 6, or 7 of this act
16 or that does not expect to become or will not become operational under one of
17 these governance structures on or before ~~July 1, 2019~~ July 1, 2020, shall
18 perform each of the following actions-;

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Sec. 5. 2015 Acts and Resolves No. 46, Sec. 10 is amended to read:

Sec. 10. TRANSITION TO SUSTAINABLE GOVERNANCE
STRUCTURES; PROPOSAL; FINAL PLAN

(a) Secretary of Education’s proposal. In order to provide educational opportunities through sustainable governance structures designed to meet the goals set forth in Sec. 2 of this act pursuant to one of the models described in Sec. 5, the Secretary shall:

(1) Review the governance structures of the school districts and supervisory unions of the State as they will exist, or are anticipated to exist, on ~~July 1, 2019~~ July 1, 2020. This review shall include consideration of any proposals submitted by districts or groups of districts pursuant to Sec. 9 of this act and conversations with those and other districts.

(2) On or before ~~July 1, 2019~~ July 1, 2020, shall develop, publish on the Agency of Education’s website, and present to the State Board of Education a proposed plan that, to the extent necessary to promote the purpose stated at the beginning of this subsection (a), would move districts into the ~~more~~ sustainable, preferred Education District model of governance set forth in Sec. 5(b) of this act (~~Education District~~). If it is not possible or practicable to develop a proposal that realigns some districts, where necessary, into an Education District in a manner that adheres to the protections of Sec. 4 of this

1 act ~~(, protection for tuition-paying and operating districts),~~ or that otherwise
2 meets all aspects of Sec. 5(b), then the proposal may also include ~~alternative~~
3 other governance structures as necessary, such as ~~a supervisory union with~~
4 ~~member districts~~ an Alternative Structure or a unified union school district
5 with a smaller average daily membership; provided, however, that any
6 proposed ~~alternative~~ governance structure shall be designed to:

7 (A) ensure adherence to the protections of Sec. 4 of this act; and

8 (B) promote the purpose stated at the beginning of this subsection (a).

9 (b) State Board's plan. On or before ~~November 30, 2018~~ November 30,
10 2019, the State Board shall review and analyze the Secretary's proposal under
11 the provisions in subsection (a) of this section, may take testimony or ask for
12 additional information from districts and supervisory unions, shall approve the
13 proposal either in its original form or in an amended form that adheres to the
14 provisions of subsection (a) of this section, and shall publish on the Agency's
15 website its order merging and realigning districts and supervisory unions
16 where necessary.

17 (c) Applicability. This section shall not apply to:

18 (1) an interstate school district;

19 (2) a regional career technical center school district formed under

20 16 V.S.A. chapter 37, subchapter 5A; ~~or~~

1 (3) a district that, between June 30, 2013 and ~~July 2, 2019~~ July 2, 2020,
2 began to operate as a unified union school district and:

3 (A) voluntarily merged into ~~the preferred education governance~~
4 ~~structure~~, an Education District, as set forth Sec. 5(b) of this act; or

5 (B) is a regional education district or any other district eligible to
6 receive incentives pursuant to 2010 Acts and Resolves No. 153, as amended by
7 2012 Acts and Resolves No. 156; or

8 (4) a district that:

9 (A) on or before November 1, 2018, received approval by the State
10 Board under Sec. 8 of this act to operate as an Alternative Structure as
11 envisioned under Sec. 5(c) of this act; and

12 (B) between July 1, 2017 and July 2, 2020, operates or began to
13 operate as an Alternative Structure as approved by the State Board.

14 Sec. 6. 2015 Acts and Resolves No. 46, Sec. 11 is amended to read:

15 Sec. 11. QUALITY ASSURANCE; ACCOUNTABILITY; DATA

16 COLLECTION

17 The Secretary of Education shall regularly review, evaluate, and keep the
18 State Board of Education apprised of the following:

19 (1) the discussions, studies, and activity among districts to move
20 voluntarily toward creating ~~the preferred education governance structure~~, an
21 Education District, as set forth Sec. 5(b) of this act;

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Sec. 7. EFFECTIVE DATE

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This act shall take effect on passage.