

1 TO THE HONORABLE SENATE:

2 The Committee on Education to which was referred Senate Bill No. 257
3 entitled “An act relating to miscellaneous changes to education law”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

7 * * * Vermont National Guard Tuition Benefit Program * * *

8 Sec. 1. 16 V.S.A. § 2857 is added to read:

9 § 2857. VERMONT NATIONAL GUARD TUITION BENEFIT

10 PROGRAM

11 (a) Program creation. The Vermont National Guard Tuition Benefit
12 Program (Program) is created, under which a member of the Vermont National
13 Guard (member) who meets the eligibility requirements in subsection (c) of
14 this section is entitled to take courses tuition free at the following educational
15 institutions:

16 (1) the University of Vermont and State Agricultural College (UVM);

17 (2) a Vermont State College;

18 (3) a participating Vermont private postsecondary educational institution
19 that agrees with the Vermont National Guard to participate in the Program
20 under the conditions specified in subsection (b) of this section (eligible private
21 postsecondary institution); or

1 (4) a participating institution or organization offering certificate training
2 or continuing education programs that agrees with the Vermont National
3 Guard to participate in the Program under the conditions specified in
4 subsection (b) of this section (eligible training institution).

5 (b) Tuition benefit.

6 (1) A member attending UVM or a Vermont State College under the
7 Program shall receive a tuition benefit equal to the amount of tuition charged
8 to the member. UVM and the Vermont State Colleges shall not charge tuition
9 under the Program in excess of its applicable resident tuition rate.

10 (2) A member attending an eligible private postsecondary institution
11 under the Program shall receive a tuition benefit equal to the lower of the
12 tuition rate charged by that institution to the member or the resident tuition rate
13 charged by UVM. An eligible private postsecondary institution may charge
14 tuition under the Program in an amount in excess of the amount covered by the
15 tuition benefit, in which case the member shall be responsible for the excess
16 tuition amount.

17 (3) A member attending an eligible training institution under the
18 Program shall receive a tuition benefit equal to the lower of the tuition rate
19 charged by that institution to the member or the resident tuition rate charged by
20 the Vermont Technical College. An eligible training institution may charge
21 tuition under the Program in an amount in excess of the amount covered by the

1 tuition benefit, in which case the member shall be responsible for the excess
2 tuition amount.

3 (4) The tuition benefit provided under the Program shall be paid on
4 behalf of the member by the Corporation, subject to the appropriation of funds
5 by the General Assembly specifically for this purpose.

6 (5) The amount of tuition for a member who attends an educational
7 institution under the Program on less than a full-time basis shall be reduced to
8 reflect the member's course load in a manner determined by the Corporation
9 under subdivision (f)(1) of this section.

10 (6) The tuition benefit shall be conditioned upon the member executing
11 a promissory note obligating the member to repay the member's tuition
12 benefit, in whole or in part, if the member fails to complete the period of
13 Vermont National Guard service required in subsection (d) of this section, or if
14 the member's benefit is terminated pursuant to subdivision (1) of subsection
15 (e) of this section.

16 (c) Eligibility. To be eligible for the Program, an individual, whether a
17 resident or nonresident, shall satisfy all of the following requirements:

18 (1) be an active member of the Vermont National Guard;

19 (2) have successfully completed basic training;

20 (3) be enrolled at UVM, a Vermont State College, or an eligible
21 participating private postsecondary institution in a program that leads to an

1 undergraduate certificate or degree, or be enrolled at an eligible training
2 institution in a program that leads to a certificate or other credential;

3 (4) have not previously earned an undergraduate bachelor’s degree;

4 (5) continually demonstrate satisfactory academic progress as
5 determined by criteria established by the Vermont National Guard and the
6 Corporation, in consultation with the educational institution at which the
7 individual is enrolled under the Program;

8 (6) have exhausted any post-September 11, 2001 tuition benefits and
9 other federally funded military tuition assistance; provided, however, that this
10 subdivision shall not apply to Montgomery GI Bill benefits, post-
11 September 11, 2001 educational program housing allowances, federal
12 educational entitlements, National Guard scholarship grants, loans under
13 section 2856 of this title, and other nontuition benefits; and

14 (7) have submitted a statement of good standing to the Corporation
15 signed by the individual’s commanding officer within 30 days prior to the
16 beginning of each semester.

17 (d) **Service commitment**. For each full academic year of attendance under
18 the Program, a member shall be required to serve two years in the Vermont
19 National Guard in order to receive the full tuition benefit under the Program.
20 If a member’s service with the Vermont National Guard terminates before the
21 member fulfills this two-year service commitment, other than for good cause

1 as determined by the Vermont National Guard, the individual shall reimburse
2 the Corporation a pro rata portion of the tuition paid under the Program
3 pursuant to the terms of an interest-free reimbursement promissory note signed
4 by the individual at the time of entering the Program. For members
5 participating in the Program on a less than a full-time basis, the member's
6 service commitment shall be at the rate of one month of Vermont National
7 Guard service commitment for each credit hour, not to exceed 12 months of
8 service commitment for a single semester.

9 (e)(1) Termination of tuition benefit. The Office of the Vermont Adjutant
10 and Inspector General may terminate the tuition benefit provided an individual
11 under the Program if:

12 (A) the individual's commanding officer revokes the statement of
13 good standing submitted pursuant to subdivision (c)(7) of this section as a
14 result of an investigation or disciplinary action that occurred after the statement
15 of good standing was issued;

16 (B) the individual is dismissed from the educational institution in
17 which the individual is enrolled under the Program for academic or
18 disciplinary reasons; or

19 (C) the individual withdraws without good cause from the
20 educational institution in which the individual is enrolled under the Program.

1 (2) If an individual’s tuition benefit is terminated pursuant to
2 subdivision (1) of this subsection, the individual shall reimburse the
3 Corporation for the tuition paid under the Program, pursuant to the terms of an
4 interest-free reimbursement promissory note signed by the individual at the
5 time of entering the Program, shall be responsible on a pro rata basis for the
6 remaining tuition cost for the current semester or any courses in which the
7 individual is currently enrolled, and shall be ineligible to receive future tuition
8 benefits under the Program.

9 (3) If an individual is dismissed for academic or disciplinary reasons
10 from any postsecondary educational institution before receiving tuition
11 benefits under the Program, the Office of the Adjutant and Inspector General
12 may make a determination regarding the individual’s eligibility to receive
13 tuition benefits under the Program.

14 (f)(1) Adoption of policies, procedures, and guidelines. The Corporation,
15 in consultation with the Office of the Adjutant and Inspector General, shall
16 adopt policies, procedures, and guidelines necessary to implement the
17 provisions of this section, which shall include eligibility, application, and
18 acceptance requirements, pro-ration of service requirements for academic
19 semesters or attendance periods shorter than one year, data sharing guidelines,
20 and the criteria for determining “good cause” as used in subsection (d) and
21 subdivision (e)(1)(C) of this section.

1 (2) Each educational institution participating in the Program shall adopt
2 policies and procedures for the enrollment of members under the Program.
3 These policies and procedures shall be consistent with the policies, procedures,
4 and guidelines adopted by the Corporation under subdivision (1) of this
5 subsection.

6 (g) Reports. On or before November 1 of each year, the President,
7 Chancellor, or equivalent position of each educational institution that
8 participated in the Program during the immediately preceding school year shall
9 report to the Vermont National Guard and the Corporation regarding the
10 number of members enrolled at its institution during that school year who
11 received tuition benefits under the Program and, to the extent available, the
12 courses or program in which the members were enrolled. On or before
13 January 15 of each year, the Vermont National Guard and the Corporation
14 shall report these data and other relevant performance factors to the Governor,
15 the House and Senate Committees on Education, and the House Committee on
16 General, Housing, and Military Affairs. The provisions of 2 V.S.A. § 20(d)
17 (expiration of reports) shall not apply to the reports to be made under this
18 subsection.

19 Sec. 2. REPEAL

20 16 V.S.A. § 2856 (educational assistance; interest free loans) is repealed on
21 July 1, 2020.

1 Sec. 3. TRANSITION

2 (a) The benefits under 16 V.S.A. § 2856, the Vermont National Guard
3 Educational Assistance Program, shall only be available through December 31,
4 2018, except for a member who is, as of that date, pursuing a graduate degree,
5 who may continue to receive a loan under the Program through June 30, 2020,
6 provided that the member continues to satisfy the eligibility requirements of
7 16 V.S.A. § 2857(b).

8 (b) A member of the Vermont National Guard who received a loan on or
9 before January 1, 2019 under 16 V.S.A. § 2856 shall be entitled to the benefits
10 under the Vermont National Guard Tuition Benefit Program if the member
11 satisfies the eligibility criteria under that Program.

12 (c) The Corporation, in consultation with the Office of the Adjutant and
13 Inspector General, shall adopt guidelines for participants transitioning from the
14 Vermont National Guard Educational Assistance Program under 16 V.S.A.
15 § 2856 to the benefits under the Vermont National Guard Tuition Benefit
16 Program.

17 (d) If, on or before July 1, 2020, a loan provided to a Vermont National
18 Guard member under 16 V.S.A. § 2856 has gone into repayment pursuant to
19 the terms of the loan, the member shall repay the loan in accordance with its
20 terms unless and to the extent canceled or forgiven by the Corporation.

21

*** Portability ***

Sec. 4. FINDINGS

The General Assembly finds that:

(1) While Vermont has one of the highest secondary school graduation rates in the United States, it persistently trails the rest of the nation in the percentage of Vermont high school graduates proceeding directly to college.

(2) Vermont ranks second to last in the nation for affordable education, according to the Vermont Community Foundation. The rising costs of higher education have been outpacing Vermont family income for years, and the average student loan debt among Vermonters is one of the highest in the nation.

(3) Vermont State appropriations to its public colleges and universities, per capita, are well below the national average. Low levels of State support mean higher levels of institutional costs covered by tuition, increasing the financial burden on Vermont students and their families.

(4) Vermont is one of only two states that allows total portability of its State grants and scholarships, so that Vermonters may currently use these awards at any accredited U.S. postsecondary institution in any of the United States. Other states, including most New England states, limit portability to states with which they have reciprocity agreements. Some states do not permit any portability of state grant funds.

1 (5) In 2008, according to the Vermont Student Assistance Corporation,
2 about 35 percent of grant recipients chose schools outside Vermont,
3 representing 28 percent of State grant dollars. Some of these schools are in
4 states that have a reciprocal grant policy.

5 Sec. 5. 16 V.S.A. § 2822 is amended to read:

6 § 2822. DEFINITIONS

7 As used in this chapter:

8 * * *

9 (10) “Operate” means to establish, keep, or maintain any facility or
10 location from or through which education or training is offered or given, or
11 educational or training degrees are offered or granted. The term includes
12 contracting with any person to perform any such act.

13 (11) “Reciprocity agreement” means an agreement between the State of
14 Vermont and another State that allows residents of one State to attend a
15 postsecondary education institution in the other State with financial aid
16 provided by the resident’s home State.

1 Sec. 6. 16 V.S.A. chapter 87, subchapter 3 is amended to read:

2 Subchapter 3. Incentive Grants

3 § 2841. ESTABLISHMENT; RULES

4 (a) As used in this subchapter, the term “eligible postsecondary education
5 institution” means an approved postsecondary education institution that
6 operates primarily or exclusively:

7 (1) in Vermont;

8 (2) outside of Vermont but within 25 miles of the Vermont border; or

9 (3) in a state that has executed a reciprocity agreement with Vermont.

10 (b) A need-based grant program is hereby established to aid students who
11 need financial assistance and:

12 (1) are pursuing undergraduate studies and ~~give~~ giving promise of
13 completing satisfactorily a degree program; at an eligible postsecondary
14 education institution; or who

15 (2) have been accepted for admission to an ~~approved postsecondary~~
16 ~~education~~ eligible postsecondary education institution for undergraduate
17 studies.

18 (c) The Board may establish rules, regulations, and standards for the
19 awards under this subchapter.

1 § 2842. ELIGIBILITY

2 (a)(1) To qualify for an incentive grant for the first year of undergraduate
3 study, a student must:

4 (A) be in attendance at an ~~approved~~ eligible postsecondary education
5 institution; or

6 (B) be accepted for admission and be enrolled as a full-time or
7 part-time student at such an institution.

8 (2) For each year following the first year of undergraduate study, the
9 student must have been certified by the institution attended to be in good
10 standing and to give promise of satisfactory completion of a course of study
11 leading to a degree or diploma.

12 (b) Any qualified person may apply for an incentive grant in addition to
13 any other scholarship aid.

14 * * *

15 § 2844. AMOUNT RECEIVED; PRORATION

16 (a) Each undergraduate student who qualifies for an incentive grant shall
17 apply on forms provided by the Corporation. The Corporation may consider
18 the student for an incentive grant if the student meets the need-based eligibility
19 standards established by the Board. These standards shall give due
20 consideration to all relevant factors affecting the student's need, including the
21 adjusted gross income and other sources of income of the student's parents; the

1 adjusted gross income and other sources of income of a nondependent student;
2 the assets of parents and students; the number of a parent's or nondependent
3 student's children who are students enrolled in approved postsecondary
4 education institutions at the same time; and any unusual circumstances that
5 affect the family financial strength. Incentive grants shall be awarded on a
6 rolling basis to eligible applicants based upon established need, and in total
7 amount shall not exceed the funds made available from legislative
8 appropriation or other sources. In no case shall a student's award be larger
9 than that needed to attend the ~~approved~~ eligible postsecondary education
10 institution of the student's choice.

11 (b) The Corporation may prorate incentive grants on the basis of semesters,
12 other recognized portions of a school year, or course load.

13 (c) Vermont resident students enrolled at the Medical College of the
14 University of Vermont or enrolled in a program offered by an eligible
15 postsecondary education institution leading to the degree of Doctor of
16 Veterinary Medicine shall be eligible to apply for an incentive grant and shall
17 be subject to the provisions of subsection (b) of this section. In addition,
18 veterinary students shall be eligible for grants not to exceed twice the amount
19 of the average grant award made to full-time undergraduate students in the
20 previous year under subsection (a) of this section.

21 * * *

1 § 2846. NONDEGREE GRANTS

2 (a) The Corporation may establish grant programs for residents pursuing
3 nondegree education and training opportunities who do not meet the definition
4 of student in subdivision 2822(3) of this title, and who may not meet the
5 requirements of this subchapter. Nondegree grants may be used at ~~institutions~~
6 an institution that are is not an approved postsecondary education institutions
7 institution, provided the institution operates primarily or exclusively;

8 (1) in Vermont;

9 (2) outside of Vermont but within 25 miles of the Vermont border; or

10 (3) in a state that has executed a reciprocity agreement with Vermont.

11 (b) The Corporation may adopt rules or establish policies, procedures,
12 standards, and forms for nondegree grants, including the requirements for
13 applying for and using the grants and the eligibility requirements for the
14 institutions where the grants may be used.

15 Sec. 7. 16 V.S.A. chapter 87, subchapter 4 is amended to read:

16 Subchapter 4. Honor Scholarships

17 § 2851. ESTABLISHMENT

18 Vermont Honor Scholarships are hereby established for secondary school
19 seniors who plan to attend an approved postsecondary education institution
20 that operates primarily or exclusively:

21 (1) in Vermont;

- 1 (2) outside of Vermont but within 25 miles of the Vermont border; or
- 2 (3) in a state that has executed a reciprocity agreement with Vermont.

3 * * *

4 § 2854. AMOUNT; NUMBER; DISBURSEMENT

5 (a) Each Vermont Honor Scholarship shall be an equal amount and ~~no~~ not

6 less than \$1,000.00 as determined by the Board.

7 (b) Each secondary school, or a border school serving Vermont secondary

8 school students, may nominate a senior for a Vermont Honor Scholarship.

9 (c) The Scholarship shall be disbursed to the approved postsecondary

10 education institution at which the recipient enrolls that operates primarily or

11 exclusively:

- 12 (1) in Vermont;
- 13 (2) outside of Vermont but within 25 miles of the Vermont border; or
- 14 (3) in a state that has executed a reciprocity agreement with Vermont.

15 Sec. 8. TRANSITION

16 Notwithstanding Secs. 6 and 7 of this act:

17 (1) A student may qualify for an incentive grant under 16 V.S.A.

18 chapter 87, subchapter 3 if, on or before July 1, 2018, he or she is currently

19 enrolled at and attending an approved postsecondary education institution

20 outside Vermont or has accepted an offer of admission as a full-time or

21 part-time student outside Vermont, even though the institution operates

1 primarily or exclusively in a location that is more than 25 miles from the
2 Vermont border and the state in which the institution operates has not executed
3 a reciprocity agreement with Vermont, provided that the student meets all
4 other requirements in 16 V.S.A. chapter 87, subchapter 3. A student who
5 meets the qualification requirements of this subdivision shall be eligible to
6 receive incentive grants under 16 V.S.A. chapter 87, subchapter 3 to attend the
7 postsecondary education institution in which the student was enrolled on or
8 before July 1, 2018 until such time as the student graduates, but in no event for
9 more than four years.

10 (2) A resident may qualify for a nondegree grant under 16 V.S.A.
11 § 2846 in order to pursue a nondegree education and training opportunity at an
12 institution outside Vermont if he or she began pursuing that opportunity on or
13 before July 1, 2018, even though the institution operates primarily or
14 exclusively in a location that is more than 25 miles from the Vermont border
15 and the state in which the institution operates has not executed a reciprocity
16 agreement with Vermont, provided that the resident meets all other
17 requirements in 16 V.S.A. § 2846. A resident who meets the qualification
18 requirements of this subdivision shall be eligible to receive nondegree grants
19 under 16 V.S.A. § 2846 to attend the program in which the student was
20 enrolled on or before July 1, 2018 until such time as the student completes the
21 program, but in no event for more than four years.

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(3) A student may be awarded a Vermont Honor Scholarship under 16 V.S.A. chapter 87, subchapter 4 if, on or before July 1, 2018, he or she has enrolled in an approved postsecondary education institution, even though the institution operates primarily or exclusively in a location that is more than 25 miles from the Vermont border and the state in which the institution operates has not executed a reciprocity agreement with Vermont, provided that the student meets all other requirements in 16 V.S.A. chapter 87, subchapter 4.

Sec. 9. USE OF PORTABILITY FUNDING BY THE CORPORATION

(a) The Corporation shall use the funding that was, prior to the enactment of this act, available to students to pay tuition to out-of-state schools under 16 V.S.A. chapter 87, subchapters 3 and 4 as follows:

(1) an amount necessary to fund the Vermont National Guard Tuition Benefit Program created under 16 V.S.A. § 2857; and

(2) the remaining funds shall be made available under 16 V.S.A. chapter 87, subchapters 3 and 4 to students who attend an education institution that operates primarily or exclusively:

- (1) in Vermont;
- (2) outside of Vermont but within 25 miles of the Vermont border; or
- (3) in a state that has executed a reciprocity agreement with Vermont.

1 **(b) The amount necessary to fund the Vermont National Guard Tuition**
2 **Benefit Program created under 16 V.S.A. § 2857 is projected to be**
3 **\$900,000.00 in fiscal year 2019 and \$1,600,000.00 in fiscal year 2020.**

4 * * * Out-of-state independent schools * * *

5 **Sec. 10. 16 V.S.A. § 822 is amended to read:**

6 **§ 822. SCHOOL DISTRICT TO MAINTAIN PUBLIC HIGH SCHOOLS OR**
7 **PAY TUITION**

8 **(a) Each school district shall maintain one or more approved high schools**
9 **in which high school education is provided for its resident students unless:**

10 **(1) the electorate authorizes the school board to close an existing high**
11 **school and to provide for the high school education of its students by paying**
12 **tuition to a public high school, an approved independent high school, or an**
13 **independent school meeting education quality standards, to be selected by the**
14 **parents or guardians of the student, ~~within or outside the State;~~ or**

15 * * *

16 **Sec. 11. 16 V.S.A. § 828 is amended to read:**

17 **§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL**

18 **(a) A school district shall not pay the tuition of a student except to:**

19 **(1) a public school;**

20 **(2) an approved independent school in Vermont;**

- 1 (3) an independent school in Vermont meeting education quality
2 standards;
- 3 (4) a tutorial program approved by the State Board;
- 4 (5) an approved education program; or
- 5 (6) an independent school in another state ~~or country~~ approved under the
6 laws of that state ~~or country~~, that is either:
- 7 (A) within 25 miles of the Vermont border; or
- 8 (B) in a state that [that is contiguous to Vermont and] pays publically
9 funded tuition for its resident students to attend a public or approved
10 independent school in Vermont.
- 11 (b) ~~nor shall payment~~ Payment of tuition on behalf of a person shall not be
12 denied on account of age.
- 13 (c) Unless otherwise provided, a person who is aggrieved by a decision of a
14 school board relating to eligibility for tuition payments, the amount of tuition
15 payable, or the school he or she may attend, may appeal to the State Board and
16 its decision shall be final.
- 17 Sec. 12. TRANSITION
- 18 Notwithstanding Sec. 11 of this act, a school district may pay tuition on
19 behalf of a student for the 2018-2019 school year to an approved independent
20 school that is located outside of 25 miles from the Vermont border or in a state
21 that does not pay publically funded tuition for its resident students to attend a

1 public or approved independent school in Vermont if, during the 2017-2018
2 school year, the student attended that school.

3 * * * Dual enrollment * * *

4 Sec. 13. 16 V.S.A. § 944 is amended to read:

5 § 944. DUAL ENROLLMENT PROGRAM

6 (a) Program creation. There is created a the statewide Dual Enrollment
7 Program to be a potential component of a student's flexible pathway. The
8 Program shall include college courses offered on the campus of an accredited
9 postsecondary institution and college courses offered by an accredited
10 postsecondary institution on the campus of a secondary school. The Program
11 may include online college courses or components.

12 (b) Students.

13 (1) A Vermont resident who has completed grade 10 but has not
14 received a high school diploma is eligible to participate in the Program if:

15 (A) the student:

16 (i) is enrolled in:

17 (I) a Vermont public school, including a Vermont career
18 technical center;

19 (II) a public school in another state or an approved independent
20 school that is designated as the public secondary school for the student's
21 district of residence; or

1 (III) an approved independent school in Vermont ~~to which the~~
2 ~~student's district of residence pays publicly funded tuition on behalf of the~~
3 ~~student;~~

4 (ii) is assigned to a public school through the High School
5 Completion Program; or

6 (iii) is a home study student;

7 * * *

8 * * * Child abuse and neglect hotline * * *

9 Sec. 14. 16 V.S.A. § 914 is added to read:

10 § 914. CHILD ABUSE AND NEGLECT HOTLINE

11 Each public school and each independent school shall post in English and
12 Spanish the toll-free telephone number operated by the Department for
13 Children and Families to receive reports of child abuse and neglect and
14 directions for accessing the office of the Department for Children and Families
15 and its website.

16 * * * Postsecondary Educational Institutions; Closing * * *

17 Sec. 15. 16 V.S.A. § 175 is amended to read:

18 § 175. POSTSECONDARY EDUCATIONAL INSTITUTIONS; CLOSING

19 (a) When an institution of higher education, whether or not chartered in this
20 State, proposes to discontinue the regular course of instruction, either

1 permanently or for a temporary period other than a customary vacation period,
2 the institution shall:

3 (1) promptly inform the State Board;

4 (2) prepare the academic record of each current and former student in a
5 form satisfactory to the State Board and including interpretive information
6 required by the Board; and

7 (3) deliver the records to a person designated by the State Board to act as
8 permanent repository for the institution's records, together with the reasonable
9 cost of entering and maintaining the records.

10 * * *

11 (d) When an institution of higher education is unable or unwilling to
12 comply substantially with the record preparation and delivery requirements of
13 subsection (a) of this section, the State Board shall bring an action in Superior
14 Court to compel compliance with this section, and may in a proper case obtain
15 temporary custody of the records.

16 (e) When an institution of higher education is unable or unwilling to comply
17 with the requirements of subsection (a) of this section, the State Board may
18 expend State funds necessary to ensure the proper storage and availability of
19 the institution's records. The Attorney General shall then seek recovery under
20 this subsection, in the name of the State, of all of the State's incurred costs and
21 expenses, including attorney's fees, arising from the failure to comply. Claims

1 under this subsection shall be a lien on all the property of a defaulting
2 institution, until all claims under this subsection are satisfied. The lien shall
3 take effect from the date of filing notice thereof in the records of the town or
4 towns where property of the defaulting institution is located.

5 * * *

6 ~~(g) The Association of Vermont Independent Colleges (AVIC) shall~~
7 ~~maintain a memorandum of understanding with each of its member colleges~~
8 ~~under which each member college agrees to:~~

9 ~~(1) upon the request of AVIC, properly administer the student records of~~
10 ~~a member college that fails to comply with the requirements of subsection (a)~~
11 ~~of this section; and~~

12 ~~(2) contribute on an equitable basis and in a manner determined in the~~
13 ~~sole discretion of AVIC to the costs of another AVIC member or other entity~~
14 ~~selected by AVIC maintaining the records of a member college that fails to~~
15 ~~comply with the requirements of subsection (a) of this section. (1) If an~~
16 ~~institution of higher education is placed on probation for financial reasons by~~
17 ~~its accrediting agency, the institution shall, not later than two days after~~
18 ~~learning that it has been placed on probation, inform the State Board of~~
19 ~~Education of its status, and not later than 90 days after being place on~~
20 ~~probation, shall submit a student record plan to the State Board for approval.~~

1 (2) The student record plan shall include an agreement with an
2 institution of higher education or other entity to act as a repository for the
3 institution’s records with funds set aside, if necessary, for the permanent
4 maintenance of the student records.

5 (3) If the State Board does not approve the plan, the State may take
6 action under subsections (d) and (e) of this section.

7 * * * Interstate school district * * *

8 Sec. 16. INTERSTATE SCHOOL DISTRICT

9 In order to increase educational opportunities for students in the Stamford
10 school district, and given the geographic and other challenges involved in
11 merging the Stamford school district with another Vermont school district, the
12 General Assembly supports the creation of an interstate school district that
13 would combine the Stamford school district with the Clarksburg,
14 Massachusetts school district.

15 * * * Elections to Unified Union School District Board * * *

16 Sec. 17. ELECTIONS TO UNIFIED UNION SCHOOL DISTRICT BOARD

17 (a) Notwithstanding any provision to the contrary, the election of a director
18 on the board of a unified union school district who is to serve on the board
19 after expiration of the term for an initial director shall be held at the unified
20 union school district’s annual meeting in accordance with the district’s articles
21 of agreement.

1 **(b) Notwithstanding any provision to the contrary, if a vacancy occurs on**
2 **the board of a unified union school district and the vacancy is in a seat that is**
3 **allocated to a specific town, the clerk shall immediately notify the selectboard**
4 **of the town. Within 30 days of the receipt of that notice, the unified union**
5 **school district board, in consultation with the selectboard, shall appoint a**
6 **person who is otherwise eligible to serve as a member of the unified union**
7 **school district board to fill the vacancy until an election is held in accordance**
8 **with the unified union school district’s articles of agreement.**

9 **(c) This section is repealed on July 1, 2019.**

10 *** * * Technical correction * * ***

11 **Sec. 18. Subdivision (a)(2) of 16 V.S.A. § 4015, as in effect on July 1, 2019,**
12 **is amended to read:**

13 **(a) In this section:**

14 *** * ***

15 **(2) “Enrollment” means the number of students who are enrolled in a**
16 **school operated by the district on October 1. A student shall be counted as one**
17 **whether the student is enrolled as a full-time or part-time student. Students**
18 **enrolled in prekindergarten programs shall not be counted.**

19 *** * * Prekindergarten education * * ***

20 **Sec. 19. 16 V.S.A. § 829 is amended to read:**

21 **§ 829. PREKINDERGARTEN EDUCATION**

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

2 (1) “Prekindergarten child” means a child who, as of the date
3 established by the district of residence for kindergarten eligibility, is;

4 (A) three or four years of age or is five years of age but is not yet
5 eligible to be enrolled in kindergarten; or

6 (B) if the child is on an individualized education program and the
7 individualized education program team recommends that the child receive
8 prekindergarten education services, five years of age but is not yet enrolled in
9 kindergarten.

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

13 (3) ~~“Prequalified private~~ Private provider” means a private provider of
14 prekindergarten education that is ~~qualified pursuant to subsection (c) of this~~
15 ~~section~~ regulated as a center-based child care program or family child care
16 home to provide child care by the Child Development Division of the
17 Department for Children and Families.

18 (4) “Public provider” means a provider of prekindergarten education
19 that is a school district.

20 (b) Access to publicly funded prekindergarten education.

1 (1) ~~Not~~ Not fewer than ten hours per week of publicly funded
2 prekindergarten education shall be available for 35 weeks annually to each
3 prekindergarten child whom a parent or guardian wishes to enroll in an
4 available, ~~prequalified~~ prekindergarten education program ~~operated by a public~~
5 school or a private provider.

6 (2) If a parent or guardian chooses to enroll a prekindergarten child in
7 an available, ~~prequalified~~ prekindergarten education program, then, pursuant to
8 the parent or guardian's choice, the ~~school district of residence~~ Secretary shall:

9 ~~(A)~~ pay tuition pursuant to ~~subsections (d) and (h)~~ subsection (d) of
10 this section upon the request of the parent or guardian to:

11 ~~(i)~~(A) a ~~prequalified~~ private provider located in Vermont; or

12 ~~(ii)~~(B) a Vermont public school that operates a prekindergarten
13 education program whether located inside or outside the district that operates a
14 prekindergarten program that has been prequalified pursuant to subsection (e)
15 of this section; or

16 ~~(B)~~ enroll the child in the prekindergarten education program that it
17 operates in which the child resides.

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

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

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

19 (1) ~~A program of prekindergarten education, whether provided by a~~
20 ~~school district or a private provider, shall have received~~ private provider shall
21 meet minimum program quality by:

1 (A) having National Association for the Education of Young
2 Children (NAEYC) accreditation; or

3 ~~(B)~~ at least four stars in the Department for Children and Families’
4 STARS system ~~with a plan to get to at least two points in each of the five~~
5 ~~arenas; or~~ and

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

11 (B)(i) for a private provider that is regulated as a center-based child
12 care program, employing or contracting for the services of at least one teacher
13 who is licensed and endorsed in early childhood education or in early
14 childhood special education under chapter 51 of this title who is present at the
15 private provider’s program site during the hours that are publicly funded; or

16 (ii) for a private provider that is regulated as a family child care home
17 that is not licensed and endorsed in early childhood education or early
18 childhood special education, employing or contracting for the services of at
19 least one teacher who is licensed and endorsed in early childhood education or
20 in early childhood special education under chapter 51 of this title **for at least**
21 **three hours per week during each of the 35 weeks per year in which**

1 prekindergarten education is paid for with publically funded tuition to provide
2 regular, active supervision and training of the private provider's staff.

3 (2) A ~~licensed~~ public provider shall ~~employ or contract~~ meet minimum
4 program quality by:

5 (A) employing or contracting for the services of at least one teacher
6 who is licensed and endorsed in early childhood education or in early
7 childhood special education under chapter 51 of this title to provide direct
8 instruction during the hours that are publicly funded; and

9 (B) meeting safety and quality rules adopted by the State Board of
10 Education.

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

16 (d) Tuition, ~~budgets~~ payments, and average daily membership.

17 (1) On behalf of a ~~resident~~ prekindergarten child, ~~a district~~ the Secretary
18 shall pay tuition for prekindergarten education for ten hours per week for
19 35 weeks annually to a ~~prequalified~~ private provider or to a public ~~school~~
20 ~~outside the district that is prequalified pursuant to subsection (c) of this~~
21 ~~section; provided, however, that the district shall pay tuition for weeks that are~~

1 ~~within the district's academic year provider.~~ Tuition Notwithstanding
2 subsection 4025(d) of this title, tuition paid under this section shall be paid
3 from the Education Fund at a statewide rate, which may be adjusted regionally,
4 that is established annually through a process ~~jointly~~ developed and
5 implemented by the ~~Agencies~~ Agency of Education ~~and of Human Services~~. A
6 ~~district shall pay tuition upon~~ The Secretary shall establish procedures for
7 payment of tuition to public and private providers that require at a minimum
8 receiving:

9 (A) ~~receiving~~ annual notice from the child's parent or guardian that
10 the child ~~is or will be admitted to the~~ chooses to participate in a publicly
11 funded prekindergarten education program operated by the ~~prequalified~~ public
12 or 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 notice from the public or private provider that the child is enrolled
16 in its program; and

17 (C) a request for reimbursement from the public or private provider
18 that reports enrollment for the period covered by the request and certifies that
19 the provider is eligible for public funding under subsection (c) of this section
20 for the period covered by the request.

1 (2) ~~In addition to any direct costs of operating a prekindergarten~~
2 ~~education program, a district of residence shall include anticipated tuition~~
3 ~~payments and any administrative, quality assurance, quality improvement,~~
4 ~~transition planning, or other prekindergarten related costs in its annual budget~~
5 ~~presented to the voters.~~

6 (3) Pursuant to subdivision 4001(1)(C) of this title, ~~the district of~~
7 ~~residence~~ a district in which the child resides may include within its average
8 daily membership any prekindergarten child for whom it has provided
9 prekindergarten education ~~or on whose behalf it has paid tuition pursuant to~~
10 ~~this section~~ in excess of ten hours per week for 35 weeks annually and the
11 district shall not charge tuition for these educational services.

12 (4)(3) A ~~prequalified~~ private provider, or a public provider that is not the
13 child's district of residence, may receive additional payment directly from the
14 parent or guardian only for prekindergarten education in excess of the publicly
15 funded hours paid for ~~by the district~~ pursuant to this section subsection (d) or
16 for child care services, or both. The provider is not bound by the statewide rate
17 established in this subsection when determining the rates it will charge the
18 parent or guardian for these excess hours. A provider shall not impose
19 additional fees for the publicly funded hours.

20 (e) Rules. The Secretary of Education ~~and the Commissioner for Children~~
21 ~~and Families shall jointly develop and agree to rules and present them~~ shall

1 propose rules to the State Board for adoption under 3 V.S.A. chapter 25 as
2 follows:

3 ~~(1) To permit private providers that are not prequalified pursuant to~~
4 ~~subsection (c) of this section to create new or continue existing partnerships~~
5 ~~with school districts through which the school district provides supports that~~
6 ~~enable the provider to fulfill the requirements of subdivision (c)(2) or (3), and~~
7 ~~through which the district may or may not make in-kind payments as a~~
8 ~~component of the statewide tuition established under this section.~~

9 ~~(2) To authorize a district to begin or expand a school-based~~
10 ~~prekindergarten education program only upon prior approval obtained through~~
11 ~~a process jointly overseen by the Secretaries of Education and of Human~~
12 ~~Services, which shall be based upon analysis of the number of prekindergarten~~
13 ~~children residing in the district and the availability of enrollment opportunities~~
14 ~~with prequalified private providers in the region. Where the data are not clear~~
15 ~~or there are other complex considerations, the Secretaries may choose to~~
16 ~~conduct a community needs assessment.~~

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

19 ~~(4) To establish a process by which:~~

20 ~~(A) a parent or guardian notifies the district that the prekindergarten~~
21 ~~child is or will be admitted to a prekindergarten education program not~~

1 ~~operated by the district and concurrently enrolls the child in the district~~
2 ~~pursuant to subdivision (d)(1) of this section;~~

3 ~~(B) a district:~~

4 ~~(i) pays tuition pursuant to a schedule that does not inhibit the~~
5 ~~ability of a parent or guardian to enroll a prekindergarten child in a~~
6 ~~prekindergarten education program or the ability of a prequalified private~~
7 ~~provider to maintain financial stability; and~~

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

10 ~~(C) a provider that has received tuition payments under this section~~
11 ~~on behalf of a prekindergarten child notifies a district that the child is no longer~~
12 ~~enrolled.~~

13 ~~(5) To establish a process to calculate an annual statewide tuition rate~~
14 ~~that is based upon the actual cost of delivering ten hours per week of~~
15 ~~prekindergarten education that meets all established quality standards and to~~
16 ~~allow for regional adjustments to the rate.~~

17 ~~(6) [Repealed.]~~

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

1 ~~(8) To require a district to report to the Agency of Education annual~~
2 ~~expenditures made in support of prekindergarten education, with distinct~~
3 ~~figures provided for expenditures made from the General Fund, from the~~
4 ~~Education Fund, and from all other sources, which shall be specified.~~

5 ~~(9) To provide an administrative process for:~~

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

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

12 ~~(10) To establish a system by which the Agency of Education and~~
13 ~~Department for Children and Families shall jointly monitor and evaluate~~
14 ~~prekindergarten education programs to promote optimal results for children~~
15 ~~that support the relevant population-level outcomes set forth in 3 V.S.A.~~
16 ~~§ 2311 and to collect data that will inform future decisions. The Agency and~~
17 ~~Department shall be required to report annually to the General Assembly in~~
18 ~~January. At a minimum, the system shall monitor and evaluate:~~

19 ~~(A) programmatic details, including the number of children served,~~
20 ~~the number of private and public programs operated, and the public financial~~
21 ~~investment made to ensure access to quality prekindergarten education;~~

1 ~~(B) the quality of public and private prekindergarten education~~
2 ~~programs and efforts to ensure continuous quality improvements through~~
3 ~~mentoring, training, technical assistance, and otherwise; and~~

4 ~~(C) the results for children, including school readiness and~~
5 ~~proficiency in numeracy and literacy.~~

6 ~~(11) To establish a process for documenting the progress of children~~
7 ~~enrolled in prekindergarten education programs and to require public and~~
8 ~~private providers to use the process to:~~

9 ~~(A) help individualize instruction and improve program practice; and~~

10 ~~(B) collect and report child progress data to the Secretary of~~
11 ~~Education on an annual basis.~~

12 (1) To require that the Secretary provide opportunities for effective
13 parental participation in the prekindergarten education program.

14 (2) To establish a process by which tuition payments are requested and
15 made that includes the conditions in subdivisions (d)(1)(A)–(C) of this section.

16 (3) To establish a process to calculate an annual statewide tuition rate
17 that is based upon the actual cost of delivering ten hours per week of
18 prekindergarten education meeting all established quality standards and to
19 allow for regional adjustments to the rate.

20 (4) To provide an administrative process for:

1 (A) a parent or guardian to challenge a provider’s action or inaction
2 with respect to enrollment or billing; and

3 (B) a provider to appeal a decision of the Secretary not to pay a
4 request for reimbursement.

5 (5) To establish a system by which the Secretary shall evaluate
6 implementation of publicly funded prekindergarten education programs to
7 promote optimal results for children that support the relevant population-level
8 outcomes set forth in 3 V.S.A. § 2311 and collect data that will inform future
9 decisions. The Secretary shall report annually to the General Assembly in
10 January on the prior year. At a minimum, the system shall evaluate:

11 (A) programmatic details, including the number of children enrolled,
12 the number of private and public programs operated, and the public financial
13 investment made to ensure access to quality prekindergarten education;

14 (B) the quality criteria of public and private kindergarten education
15 programs, training, and technical assistance; and

16 (C) the results for children, including school readiness, proficiency in
17 numeracy and literacy, and social and emotional development.

18 (6) To establish a process for documenting the progress of children
19 enrolled in publicly funded prekindergarten education programs and to require
20 public and private providers to use the process to:

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

1 (B) collect and report child progress data as required by the Secretary
2 on an annual basis.

3 (7) To establish safety and quality requirements for public providers.

4 ~~(f) Other provisions of law. Section 836 of this title shall not apply to this~~
5 ~~section.~~

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

10 ~~(h) Geographic limitations.~~

11 ~~(1) Notwithstanding the requirement that a district pay tuition to any~~
12 ~~prequalified public or private provider in the State, a school board may choose~~
13 ~~to limit the geographic boundaries within which the district shall pay tuition by~~
14 ~~paying tuition solely to those prequalified providers in which parents and~~
15 ~~guardians choose to enroll resident prekindergarten children that are located~~
16 ~~within the district's "prekindergarten region" as determined in subdivision (2)~~
17 ~~of this subsection.~~

18 ~~(2) For purposes of this subsection, upon application from the school~~
19 ~~board, a district's prekindergarten region shall be determined jointly by the~~
20 ~~Agencies of Education and of Human Services in consultation with the school~~
21 ~~board, private providers of prekindergarten education, parents and guardians of~~

1 ~~prekindergarten children, and other interested parties pursuant to a process~~
2 ~~adopted by rule under subsection (e) of this section. A prekindergarten region:~~

3 ~~(A) shall not be smaller than the geographic boundaries of the school~~
4 ~~district;~~

5 ~~(B) shall be based in part upon the estimated number of~~
6 ~~prekindergarten children residing in the district and in surrounding districts, the~~
7 ~~availability of prequalified private and public providers of prekindergarten~~
8 ~~education, commuting patterns, and other region specific criteria; and~~

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

11 ~~(3) If a school board chooses to pay tuition to providers solely within its~~
12 ~~prekindergarten region, and if a resident prekindergarten child is unable to~~
13 ~~access publicly funded prekindergarten education within that region, then the~~
14 ~~child's parent or guardian may request and in its discretion the district may pay~~
15 ~~tuition at the statewide rate for a prekindergarten education program operated~~
16 ~~by a prequalified provider located outside the prekindergarten region.~~

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

1 Sec. 20. 16 V.S.A. § 4001 is amended to read:

2 § 4001. DEFINITIONS

3 As used in this chapter:

4 (1) “Average daily membership” of a school district, or if needed in
5 order to calculate the appropriate homestead tax rate, of the municipality as
6 defined in 32 V.S.A. § 5401(9), in any year means:

7 * * *

8 (C) The full-time equivalent enrollment for each prekindergarten
9 child ~~as follows: If a child is enrolled in 10 or more hours of prekindergarten~~
10 ~~education per week or receives 10 or more hours of essential early education~~
11 ~~services per week, the child shall be counted as one full time equivalent pupil.~~
12 ~~If a child is enrolled in six or more but fewer than 10 hours of prekindergarten~~
13 ~~education per week or if a child receives fewer than 10 hours of essential early~~
14 ~~education services per week, the child shall be counted as a percentage of one~~
15 ~~full-time equivalent pupil, calculated as one multiplied by the number of hours~~
16 ~~per week divided by ten. A child enrolled in prekindergarten education for~~
17 ~~fewer than six hours per week shall not be included in the district’s average~~
18 ~~daily membership~~ enrolled in excess of ten hours in a public school in the
19 district in which the child resides prorated to reflect the hours of education
20 provided by the school up to an additional ten hours. There is no limit on the

1 total number of children who may be enrolled in prekindergarten education or
2 who receive essential early education services.

3 * * *

4 Sec. 21. 33 V.S.A. § 3502 is amended to read:

5 § 3502. CHILD CARE FACILITIES; SCHOOL AGE CARE IN PUBLIC
6 SCHOOLS; 21ST CENTURY FUND

7 (a) Unless exempted under subsection (b) of this section, a person shall not
8 operate a child care facility without a license, or operate a family child care
9 home without registration from the Department.

10 (b) The following persons are exempted from the provisions of subsection
11 (a) of this section:

12 * * *

13 (5) an after-school program that serves students in one or more grades
14 from kindergarten through secondary school, that receives funding through the
15 21st Century Community Learning Centers program, and that is overseen by
16 the Agency of Education, unless the after-school program asks to participate in
17 the child care subsidy program; and

18 (6) a public provider of prekindergarten education, as defined under
19 16 V.S.A. § 829(a)(4), unless the public provider participates in the child care
20 subsidy program.

21 * * *

1 Sec. 22. 16 V.S.A. § 11 is amended to read:

2 § 11. CLASSIFICATIONS AND DEFINITIONS

3 (a) As used in this title, unless the context otherwise clearly requires:

4 * * *

5 (31) “Early childhood education,” “early education,” or “prekindergarten
6 education” means services designed to provide developmentally appropriate
7 early development and learning experiences based on Vermont’s early learning
8 standards to a children child who is: ~~are three to four years of age and to five-~~
9 ~~year-old children who are not eligible for or enrolled in kindergarten~~

10 (A) three or four years of age or is five years of age but is not yet
11 eligible to be enrolled in kindergarten; or

12 (B) if the child is on an individualized education program and the
13 individualized education program team recommends that the child receive
14 prekindergarten education services, five years of age but is not yet enrolled in
15 kindergarten.

16 * * *

17 * * * Effective Dates * * *

18 Sec. 23. EFFECTIVE DATE

19 (a) Secs. 18-22 shall take effect on July 1, 2019.

20 (b) The remaining sections of this act shall take effect on July 1, 2018 and
21 the tuition benefits established under the Vermont National Guard Tuition

1 Benefit Program (Sec. 1) shall be available to eligible Vermont National Guard
2 members enrolled in institutions under the Program starting on or after January
3 1, 2019.

4

5

6

7

8

9 (Committee vote: _____)

10

11

Senator _____

12

FOR THE COMMITTEE