

1 Sec. 4. WITHDRAWAL ACTIONS APPROVED BY STATE BOARD;
2 NEW DISTRICTS WITH AN OPERATIONAL DATE ON OR AFTER JULY
3 1, 2023

4 (a) Application of this section. This section shall apply solely to a
5 withdrawal action initiated pursuant to the provisions of 16 V.S.A. § 724 that
6 were in effect prior to the effective date of Sec. 3 of this Act (“former § 724”),
7 if each of the following actions occurred prior to that effective date:

8 (1) the State Board of Education gave final approval to the voter-
9 approved and voter-ratified proposal to withdraw from the union school
10 district;

11 (2) the State Board declared a new school district to be reconstituted;

12 (3) the State Board established the new school district’s operational date
13 as July 1, 2023 or after;

14 (4) the voters of the new school district elected school board members;

15 (5) the voters of the towns within the union district voted to approve the
16 financial terms of withdrawal negotiated by the boards of the new school
17 district and the union district; and

18 (6) the State Board charged the new school district and its board with
19 performing the transitional activities necessary to assume sole responsibility
20 for the education of resident students on the identified operational date.

1 (b) Status report. On or before the regular July 2022 State Board meeting,
2 the new school district shall submit a written status report to the Board,
3 detailing the actions the district has taken and will take to ensure that, as of its
4 operational date, the district will be prepared to assume sole responsibility for
5 the education of its students in prekindergarten through grade 12 in a manner
6 that will meet educational quality standards as required by 16 V.S.A. § 165,
7 and to ensure the provision of supervisory union services. The status report
8 shall include a timeline indicating the date by which each action shall be
9 complete.

10 (c) State Board review and findings.

11 (1) Review. The State Board shall consider the status report and provide
12 the board of the new school district an opportunity to be heard. The Board
13 may, in its discretion, take testimony from other individuals and entities,
14 including the union school district and the Agency of Education.

15 (2) Preparedness deemed likely. If the State Board determines that it is
16 likely the new school district will be prepared, on the identified operational
17 date, to assume full responsibility for the education of its resident students in a
18 manner that substantially complies with educational quality standards as
19 required by 16 V.S.A. § 165, and to ensure the provision of supervisory union
20 services, then the new school district, the union district, and, if applicable, the

1 supervisory union or unions shall continue to take all actions necessary to
2 prepare for the realignment of duties on the operational date.

3 (3) Preparedness deemed unlikely.

4 (A) If the State Board determines there is a reasonable risk that the
5 new district will not be able to be prepared, on the operational date, to assume
6 full responsibility for the education of its resident students in a manner that
7 substantially complies with educational quality standards as required by 16
8 V.S.A. § 165, and to ensure the provision of supervisory union services, then
9 the Board shall issue a written advisory statement detailing the factors
10 underlying its conclusion, which it shall post on its website and transmit
11 electronically to the board of the new school district;

12 (B) Upon receipt of an advisory opinion pursuant to subdivision
13 (c)(3)(A) of this section, the board of the new school district shall post the
14 document on its website and schedule the contents as a topic for public
15 discussion at a special or regular board meeting.

16 (C) At any point before the operational date and after public
17 discussion and any board deliberations:

18 (i) the board of the new school district may continue to take all
19 actions necessary to prepare for the realignment of duties on the operational
20 date; or

1 (ii) on its own motion, or if petitioned to do so by at least five
2 percent of the voters in the new school district who were eligible to vote at the
3 last annual or special school district meeting, the board of the new school
4 district may warn a vote to request the State Board to reverse its declaration
5 approving withdrawal and reconstituting the new school district.

6 (1) The question shall be decided by Australian ballot.

7 (2) Within 45 days after the vote or 15 days after a vote to
8 reconsider under 17 V.S.A. § 2661, whichever is later, the clerk of the new
9 school district shall certify the results of the vote to the Secretary of State who
10 shall record the certificate and give notice of the vote to the clerk of the union
11 district, the clerks of each of the other towns within the union district, and the
12 Secretary of Education. The clerk of the new school district shall submit the
13 certification regardless of whether the voters in the district voted to petition the
14 State Board to reverse its declarations.

15 (D) If the new school district requests the State Board to take action
16 under subdivision (C), then:

17 (i) the State Board shall reverse and void earlier declarations
18 approving withdrawal and reconstituting the new school district and the
19 withdrawal action initiated pursuant to the former § 724 is concluded; and

1 (ii) the union school district shall continue to be solely responsible
2 for the education of the students residing in the town that petitioned for
3 withdrawal; provided, however:

4 (I) the new school district and its board shall continue to exist
5 for up to six months after the day on which State Board reverses and voids its
6 earlier declarations for the sole purpose of completing any outstanding
7 business that cannot legally be performed by another entity; and

8 (II) the State Board may make any declarations and take any
9 actions, including recording certifications with the Secretary of State, that are
10 necessary to support the consequences outlined in this subdivision (c)(3)(D).

11 (d) This section is repealed on July 1, 2023.

12 Sec. 5. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD
13 HAS NOT TAKEN ACTION; ALTERNATIVE GOVERNANCE
14 PROPOSAL PREVIOUSLY PRESENTED

15 (a) Application of this section.

16 (1) For purposes of this section and notwithstanding any provision of
17 law to the contrary, the provisions of 16 V.S.A. § 724 that were in effect prior
18 to the effective date of Sec. 3 of this Act (“former § 724”) are deemed to
19 authorize withdrawal from a unified union school district created by the State
20 Board of Education in its “Final Report of Decisions and Order on Statewide

1 School District Merger Decisions Pursuant to [2015 Acts and Resolves No.]
2 46, Sections 8(b) and 10” dated November 28, 2018 (“Order”).

3 (2) This section shall apply solely to a withdrawal action initiated by a
4 town within a union district (“petitioning town”) pursuant to the former § 724,
5 if each of the following actions occurred prior to the effective date of Sec. 3 of
6 this Act:

7 (A) the State Board created the union district in its Order;

8 (B) prior to issuance of the Order, the districts that merged to form
9 the union district submitted a proposal to the Secretary of Education and the
10 State Board setting forth the details of their self-evaluation and a proposal for
11 an alternative governance structure pursuant to 2015 Acts and Resolves No.
12 46, Sec. 9 (“Section 9 proposal”);

13 (C) the voters of the petitioning town approved a proposal to
14 withdraw from the union district;

15 (D) the voters of each of the other towns within the union district
16 ratified the petitioning town’s proposal to withdraw; and

17 (E) the State Board of Education has not approved or taken action to
18 approve the withdrawal proposal or to declare that a new school district is
19 reconstituted.

20 (b) Report and plan. At any time after the effective date of this section, but
21 on or before the regular September 2022 State Board meeting, the self-selected

1 representatives of the petitioning town and the board of the union district shall
2 submit to the State Board in writing:

3 (1) a report explaining the ways in which the current plan of the
4 petitioning town and the union district for operation after withdrawal conforms
5 to or differs from the Section 9 proposal; and

6 (2) a plan, including a timeline, identifying the actions the petitioning
7 town and the union district have taken and will take to transition to the
8 proposed structure and to ensure that, as of an identified operational date, the
9 proposed new school district will be prepared to assume sole responsibility for
10 the education of its students in prekindergarten through grade 12 in a manner
11 that will meet educational quality standards as required by 16 V.S.A. § 165,
12 including the actions necessary to transition to the proposed method by which
13 supervisory union services would be provided. At a minimum, the plan and
14 timeline should include the actions identified in subsection (d) of this section.

15 (c) State Board review and action.

16 (1) Review. The State Board shall consider the report and plan and shall
17 provide the self-selected representatives of the petitioning town and the board
18 of the union district an opportunity to be heard. The Board may, in its
19 discretion, take testimony from other individuals and entities.

20 (2) Preparedness deemed likely. If the State Board determines that it is
21 likely the proposed new school district, on the proposed operational date, will

1 be prepared to assume full responsibility for the education of its resident
2 students in a manner that substantially complies with educational quality
3 standards as required by 16 V.S.A. § 165, and that it is also likely that
4 supervisory union services will be available to both the proposed new school
5 district and the union district on the operational date, then the State Board shall
6 vote to:

7 (A) approve the withdrawal proposal;

8 (B) approve any motion necessary for the withdrawal process to
9 proceed pursuant to subsection (d) of this section, including a motion to create
10 a new school district as of the date of the motion in order to enable the election
11 of members to the board of the proposed new school district, negotiation and
12 voter approval of a withdrawal agreement pursuant to the former § 724(c), and
13 preparation to assume full responsibility for the education of resident students
14 on the operational date;

15 (C) determine or set a schedule for determining the manner in which
16 supervisory union services will be provided to the proposed new school district
17 and, if appropriate, the union district, to be effective on the proposed new
18 school district's operational date; and

19 (D) make any other findings or declarations and approve any other
20 motions that are related and necessary to the withdrawal proposal.

1 (3) Preparedness at risk; amendments to plan and timeline. If the State
2 Board determines there is a reasonable risk that the criteria set forth in
3 subdivision (2) of this subsection (c) will not be met by the proposed
4 operational date, then the State Board shall:

5 (A) explain its concerns to the petitioning town and union district;

6 (B) determine, in consultation with the petitioning town and the
7 union district, a date by which the petitioning town and the union district shall
8 present a revised explanation and plan for State Board review and action under
9 subdivision (2) of this subsection (c).

10 (d) Positive determination of preparedness; next steps. If the State Board
11 makes a positive determination of preparedness pursuant to subdivision (c)(2)
12 of this section, then the new school district, the union district, and, if
13 applicable, the supervisory union or unions, shall take all actions necessary to
14 be fully operational on the operational date. At a minimum, the required
15 necessary actions shall include:

16 (1) election of initial school board members by the voters of the new
17 school district, whose terms of office shall be arranged so that one each expires
18 on the day of the second, third, and fourth annual meeting of the new school
19 district, and whose sole responsibility until the new school district's
20 operational date shall be to prepare for the district to assume sole responsibility
21 for the education of resident students on that date;

1 (2) negotiation of the proposed financial terms of withdrawal by the
2 board of the new school district and the board of the union district in order to
3 comply with the requirements of the former § 724(c);

4 (3) approval by the voters of each town within the union district of the
5 negotiated proposed financial terms of withdrawal in order to comply with the
6 requirements of the former § 724(c);

7 (4) preparation of a proposed budget by the board of the new school
8 district for the fiscal year beginning on the district's operational date, together
9 with presentation to and approval by the district's voters prior to that date;

10 (5) preparation for the provision of supervisory union services to the
11 new school district and, if applicable, for the transition of the union school
12 district from a supervisory district structure to a supervisory union structure;
13 and

14 (6) all other actions necessary to transition from one school district to
15 two districts and, if applicable, to transition from a supervisory district
16 structure to a supervisory union structure, including all actions necessary to
17 address the collectively bargained rights of employees of the current
18 employing entity.

19 (e) Negative determination of preparedness; future withdrawal actions. If
20 the State Board cannot make a positive determination of preparedness pursuant
21 to subdivision (c)(2) of this section, either after an initial review of the report

1 and plan or after review of subsequent plans pursuant to subdivision (c)(3) of
2 this section, then:

3 (1) the State Board shall declare that the petitioning town's proposal to
4 withdraw initiated under the former § 724 is denied;

5 (2) the petitioning town shall remain a town within the union district;

6 (3) the State Board's determination of preparedness and the
7 consequences imposed by this subsection (e) shall be final and shall conclude
8 the withdrawal action initiated pursuant to the provisions of the former § 724;

9 and

10 (4) if voters residing in any town within the union district wish to
11 initiate new withdrawal procedures, then they shall do so pursuant to the
12 process set forth in Sec. 3, 16 V.S.A. § 724, of this Act.

13 (f) Application of this section to withdrawal from a union elementary or
14 union high school district.

15 (1) The processes outlined in this Sec. 5 shall apply to an action of a
16 member school district to withdraw from a union elementary or union high
17 school district if the five elements set forth in subdivisions (A)-(E) of
18 subdivision (a)(2) are met

19 (2) For purposes of applying the process in this section to withdrawal
20 from a union elementary or union high school district under this subsection (f),
21 the terms used in subsections (a) through (e) have the following meanings:

1 (A) “petitioning town” means the member district of the union
2 elementary or union high school district that initiated the withdrawal process
3 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
4 effective date of Sec. 3 of this Act;

5 (B) “selectboard” means the board of the member district that
6 initiated the withdrawal process pursuant to the provisions of 16 V.S.A. § 721a
7 that were in effect prior to the effective date of Sec. 3 of this Act; and

8 (C) “town within the union school district” means a member district
9 of the union elementary or union high school district.

10 (g) This section is repealed on July 1, 2024.

11 Sec. 6. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD
12 HAS NOT TAKEN ACTION; UNION DISTRICT CREATED BY THE
13 ELECTORATE

14 (a) Application of this section. This section shall apply solely to a
15 withdrawal action initiated by a town within a union district (“petitioning
16 town”) pursuant to the provisions of 16 V.S.A. § 724 that were in effect prior
17 to the effective date of Sec. 3 of this Act (“former § 724”), if each of the
18 following actions occurred prior to that date:

19 (1) the union district formed pursuant to the provisions of 16 V.S.A. §§
20 706-706j that were in effect prior to the effective date of Sec. 3 of this Act;

1 (2) the voters of the petitioning town approved a proposal to withdraw
2 from the union district;

3 (3) the voters of each of the other towns within the union district ratified
4 the petitioning town’s proposal to withdraw;

5 (4) the State Board of Education has not approved or taken action to
6 approve the withdrawal proposal or to declare that a new school district is
7 reconstituted.

8 (b) Report and plan. At any time after the effective date of this section, but
9 on or before the regular September 2022 State Board meeting, the self-selected
10 representatives of the petitioning town shall submit a written report and plan to
11 the State Board.

12 (1) Report. The report shall describe the analysis that has been
13 performed by the petitioning town to evaluate the likely strengths and
14 challenges for the proposed new school district and for the reconfigured union
15 district if withdrawal is approved, and the ways in which withdrawal would
16 enable both districts to provide for the education of their respective resident
17 students in a manner that will meet educational quality standards as required
18 by 16 V.S.A. § 165. The report should address:

19 (A) the educational advantages and disadvantages likely to result
20 from withdrawal for the students in the proposed new school district and the
21 students in the remaining towns within the union district, and the ways in

1 which they are preferable to those of continuing in the current governance
2 structure;

3 (B) the financial advantages and disadvantages likely to result from
4 withdrawal for the taxpayers in the proposed new school district and the
5 taxpayers in the remaining towns within the union district, and the ways in
6 which they are preferable to those of continuing in the current governance
7 structure;

8 (C) the likely operational and financial viability and sustainability of
9 the proposed new school district and the union district after withdrawal of the
10 petitioning town;

11 (D) any other advantages and disadvantages of withdrawal, including
12 any advantages and disadvantages to the students and taxpayers of the region
13 and the State; and

14 (E) the potential source of supervisory union services for the new
15 school district and, if appropriate, for the union district, including discussions
16 with the board of any supervisory union to which the petitioning town
17 proposes assignment.

18 (2) Plan. The plan shall describe the actions that the petitioning town
19 has taken and will take to ensure that, as of its proposed operational date, the
20 proposed new district will be prepared to assume sole responsibility for the
21 education of its students in prekindergarten through grade 12 in a manner that

1 will meet educational quality standards as required by 16 V.S.A. § 165,
2 including the actions necessary to transition to the proposed method by which
3 supervisory union services would be provided. The plan shall include a
4 timeline indicating the date by which each action will be complete. At a
5 minimum, the plan and timeline should include the actions identified in
6 subsection (d) of this section.

7 (c) State Board review and action.

8 (1) Review. The State Board shall consider the report and plan and shall
9 provide the self-selected representatives of the petitioning town and the board
10 of the union district an opportunity to be heard. The Board may, in its
11 discretion, take testimony from other individuals and entities.

12 (2) Preparedness deemed likely. If the State Board determines that, on
13 the proposed operational date, it is likely that the proposed new school district
14 will be prepared to assume full responsibility for the education of its resident
15 students in a manner that substantially complies with educational quality
16 standards as required by 16 V.S.A. § 165 and that supervisory union services
17 will be available to the proposed new school district, then the State Board shall
18 vote to:

19 (A) approve the the withdrawal proposal;

20 (B) approve any motion necessary for the withdrawal process to
21 proceed pursuant to subsection (d) of this section, including a motion to create

1 a new school district as of the date of the motion in order to enable the election
2 of members to the board of the proposed new school district, negotiation and
3 voter approval of a withdrawal agreement pursuant to the former § 724(c), and
4 preparation to assume full responsibility for the education of resident students
5 on the operational date;

6 (C) determine or set a schedule for determining the manner in which
7 supervisory union services will be provided to the proposed new school district
8 and, if appropriate, the union district, to be effective on the proposed new
9 school district's operational date; and

10 (D) make any other findings or declarations and approve any other
11 motions that are related and necessary to the withdrawal proposal.

12 (3) Preparedness deemed unlikely. If the State Board determines there
13 is a reasonable risk that the criteria set forth in subdivision (2) of this
14 subsection (c) will not be met by postponing the proposed operational date,
15 then:

16 (A) the State Board shall declare that the petitioning town's proposal
17 to withdraw initiated under the former § 724 is denied;

18 (B) the petitioning town shall remain a town within the union district;

19 (C) the State Board's determination of reasonable risk and the
20 consequences imposed by this subdivision (c)(3) shall be final and shall

1 conclude the withdrawal action initiated pursuant to the provisions of the
2 former § 724; and

3 (D) if voters residing in any town within the union district wish to
4 initiate new withdrawal procedures, then they shall do so pursuant to the
5 process set forth in Sec. 3, 16 V.S.A. § 724, of this Act.

6 (d) Positive determination of preparedness; next steps. If the State Board
7 makes a positive determination of preparedness pursuant to subdivision (c)(2)
8 of this section, then the new school district, the union district, and, if
9 applicable, the supervisory union or unions, shall take all actions necessary to
10 be fully operational on the identified operational date. At a minimum, the
11 required necessary actions shall include:

12 (1) election of initial school board members by the voters of the new
13 school district, whose terms of office shall be arranged so that one each expires
14 on the day of the second, third, and fourth annual meeting of the new school
15 district, and whose sole responsibility until the new school district's
16 operational date shall be to prepare for the district to assume sole responsibility
17 for the education of resident students on that date;

18 (2) negotiation by the board of the new school district and the board of
19 the union district of the proposed financial terms of withdrawal in order to
20 comply with the requirements of the former § 724(c);

1 (3) approval by the voters of each town within the union district of the
2 negotiated proposed financial terms of withdrawal in order to comply with the
3 requirements of the former § 724(c);

4 (4) preparation of a proposed budget by the board of the new school
5 district for the fiscal year beginning on the district's operational date, together
6 with presentation to and approval by the district's voters prior to that date;

7 (5) preparation for the provision of supervisory union services to the
8 new school district and, if applicable, for the transition of the union school
9 district from a supervisory district structure to a supervisory union structure;

10 and

11 (6) all other actions necessary to transition from one school district to
12 two districts and, if applicable, to transition from a supervisory district
13 structure to a supervisory union structure, including any actions necessary to
14 address the collectively bargained rights of employees of the former employing
15 entity.

16 (e) Application of this section to withdrawal from a union elementary or
17 union high school district.

18 (1) The processes outlined in this Sec. 6 shall apply to an action of a
19 member school district to withdraw from a union elementary or union high
20 school district if the four elements set forth in subdivisions (1)-(4) of
21 subdivision (a) are met

1 (2) For purposes of applying the process in this section to withdrawal
2 from a union elementary or union high school district under this subsection (e),
3 the terms used in subsections (a) through (d) have the following meanings:

4 (A) “petitioning town” means the member district of the union
5 elementary or union high school district that initiated the withdrawal process
6 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
7 effective date of Sec. 3 of this Act;

8 (B) “selectboard” means the board of the member district that
9 initiated the withdrawal process pursuant to the provisions of 16 V.S.A. § 721a
10 that were in effect prior to the effective date of Sec. 3 of this Act; and

11 (C) “town within the union school district” means a member district
12 of the union elementary or union high school district.

13 (f) This section is repealed on July 1, 2024.

14 **Sec. 7. WITHDRAWAL PROPOSALS; NO FINAL RATIFICATION**
15 **VOTES**

16 (a) Unified union school districts. If a town within a unified union school
17 district voted to withdraw from the union district pursuant to the provisions of
18 16 V.S.A. § 724 that were in effect prior to the effective date of Sec. 3 of this
19 Act, and if the voters of each of the other towns within the union district have
20 not voted whether to ratify the withdrawal proposal prior to the effective date
21 of this section or if they each voted but the votes are not final prior to the

1 effective date, then the withdrawal action is deemed to have been withdrawn.

2 The voters residing in any town within the union district may initiate new

3 withdrawal procedures pursuant to the process set forth in Sec. 3, 16 V.S.A. §

4 724, of this Act.

5 (b) Union elementary and union high school districts. If a member district

6 of a union elementary or union high school district voted to withdraw from the

7 union district pursuant to the provisions of 16 V.S.A. § 721a that were in effect

8 prior to the effective date of Sec. 3 of this Act, and if the voters of each of the

9 other member districts of the union district have not voted whether to ratify the

10 withdrawal proposal prior to the effective date of this section or if they each

11 voted but the votes are not final prior to the effective date, then the withdrawal

12 action is deemed to have been withdrawn. The voters residing in any member

13 district of the union district may initiate new withdrawal procedures pursuant

14 to the process set forth in Sec. 3, 16 V.S.A. § 725, of this Act.