

1 Sec. 4. WITHDRAWAL ACTIONS APPROVED BY STATE BOARD;
2 NEW DISTRICTS WITH AN OPERATIONAL DATE ON OR
3 AFTER JULY 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), if
7 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 and
7 to ensure the provision of supervisory union services. The status report shall
8 include a timeline indicating the date by which each action shall be complete.

9 (c) State Board review and findings.

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

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

1 (3) Preparedness deemed unlikely.

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

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

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

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

19 (ii) on its own motion, or if petitioned to do so by at least five
20 percent of the voters in the new school district who were eligible to vote at the
21 last annual or special school district meeting, the board of the new school

1 district may warn a vote to request the State Board to reverse its declaration
2 approving withdrawal and reconstituting the new school district.

3 (I) The question shall be decided by Australian ballot.

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

12 (D) If the new school district requests the State Board to take action
13 under subdivision (C) of this subsection (c), then:

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

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

20 (I) the new school district and its board shall continue to exist
21 for up to six months after the day on which the State Board reverses and voids

1 its earlier declarations for the sole purpose of completing any outstanding
2 business that cannot legally be performed by another entity; and

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

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

7 Sec. 5. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD
8 HAS NOT TAKEN ACTION; ALTERNATIVE GOVERNANCE
9 PROPOSAL PREVIOUSLY PRESENTED

10 (a) Application of this section.

11 (1) For purposes of this section and notwithstanding any provision of
12 law to the contrary, the provisions of 16 V.S.A. § 724 that were in effect prior
13 to the effective date of Sec. 3 of this Act (former § 724) are deemed to
14 authorize withdrawal from a unified union school district created by the State
15 Board of Education in its “Final Report of Decisions and Order on Statewide
16 School District Merger Decisions Pursuant to Act 46, Secs. 8(b) and 10” dated
17 November 28, 2018 (Order).

18 (2) This section shall apply solely to a withdrawal action initiated by a
19 town within a union district (petitioning town) pursuant to the former § 724 if
20 each of the following actions occurred prior to the effective date of Sec. 3 of
21 this act:

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

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

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

9 (D) the voters of each of the other towns within the union district
10 ratified the petitioning town's proposal to withdraw; and

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

14 (b) Report and plan. At any time after the effective date of this section, but
15 on or before the regular September 2022 State Board meeting, the self-selected
16 representatives of the petitioning town and the board of the union district shall
17 submit to the State Board in writing:

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

1 (2) a plan, including a timeline, identifying the actions the petitioning
2 town and the union district have taken and will take to transition to the
3 proposed structure and to ensure that, as of an identified operational date, the
4 proposed new school 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 including the actions necessary to transition to the proposed method by which
8 supervisory union services would be provided. At a minimum, the plan and
9 timeline should include the actions identified in subsection (d) of this section.

10 (c) State Board review and action.

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

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

1 district and the union district on the operational date, then the State Board shall
2 vote to:

3 (A) approve the withdrawal proposal;

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

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

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

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

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

2 and

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

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

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

19 (2) negotiation of the proposed financial terms of withdrawal by the
20 board of the new school district and the board of the union district in order to
21 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 all actions necessary to
14 address the collectively bargained rights of employees of the current
15 employing entity.

16 (e) Negative determination of preparedness; future withdrawal actions. If
17 the State Board cannot make a positive determination of preparedness pursuant
18 to subdivision (c)(2) of this section, either after an initial review of the report
19 and plan or after review of subsequent plans pursuant to subdivision (c)(3) of
20 this section, then:

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

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

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

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

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

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

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

20 (A) “Petitioning town” means the member district of the union
21 elementary or union high school district that initiated the withdrawal process

1 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
2 effective date of Sec. 3 of this act.

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

6 (C) “Town within the union school district” means a member district
7 of the union elementary or union high school district.

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

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

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

17 (1) the union district formed pursuant to the provisions of 16 V.S.A.
18 §§ 706–706j that were in effect prior to the effective date of Sec. 3 of this act;

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

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

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

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

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

17 (A) the educational advantages and disadvantages likely to result
18 from withdrawal for the students in the proposed new school district and the
19 students in the remaining towns within the union district and the ways in which
20 they are preferable to those of continuing in the current governance structure;

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

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

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

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

16 (2) Plan. The plan shall describe the actions that the petitioning town
17 has taken and will take to ensure that, as of its proposed operational date, the
18 proposed new district will be prepared to assume sole responsibility for the
19 education of its students in prekindergarten through grade 12 in a manner that
20 will meet educational quality standards as required by 16 V.S.A. § 165,
21 including the actions necessary to transition to the proposed method by which

1 supervisory union services would be provided. The plan shall include a
2 timeline indicating the date by which each action will be complete. At a
3 minimum, the plan and timeline should include the actions identified in
4 subsection (d) of this section.

5 (c) State Board review and action.

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

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

17 (A) approve the withdrawal proposal;

18 (B) approve any motion necessary for the withdrawal process to
19 proceed pursuant to subsection (d) of this section, including a motion to create
20 a new school district as of the date of the motion in order to enable the election
21 of members to the board of the proposed new school district, negotiation and

1 voter approval of a withdrawal agreement pursuant to the former § 724(c), and
2 preparation to assume full responsibility for the education of resident students
3 on the operational date;

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

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

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

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

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

17 (C) the State Board's determination of reasonable risk and the
18 consequences imposed by this subdivision (c)(3) shall be final and shall
19 conclude the withdrawal action initiated pursuant to the provisions of the
20 former § 724; and

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

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

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

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

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

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

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

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

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

15 (1) The processes outlined in this section 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 four elements set forth in subdivisions (1)–(4) of
18 subdivision (a) 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, the
21 terms used in subsections (a) through (d) 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.

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

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

11 Sec. 7. WITHDRAWAL PROPOSALS; NO FINAL RATIFICATION

12 VOTES

13 (a) Unified union school districts. If a town within a unified union school
14 district voted to withdraw from the union district pursuant to the provisions of
15 16 V.S.A. § 724 that were in effect prior to the effective date of Sec. 3 of this
16 act, and if the voters of each of the other towns within the union district have
17 not voted whether to ratify the withdrawal proposal prior to the effective date
18 of this section or if they each voted but the votes are not final prior to the
19 effective date, then the withdrawal action is deemed to have been withdrawn.
20 The voters residing in any town within the union district may initiate new

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

2 § 724, of this act.

3 (b) Union elementary and union high school districts. If a member district
4 of a union elementary or union high school district voted to withdraw from the
5 union district pursuant to the provisions of 16 V.S.A. § 721a that were in effect
6 prior to the effective date of Sec. 3 of this act, and if the voters of each of the
7 other member districts of the union district have not voted whether to ratify the
8 withdrawal proposal prior to the effective date of this section or if they each
9 voted but the votes are not final prior to the effective date, then the withdrawal
10 action is deemed to have been withdrawn. The voters residing in any member
11 district of the union district may initiate new withdrawal procedures pursuant
12 to the process set forth in Sec. 3, 16 V.S.A. § 725, of this act.