

1        § 724. WITHDRAWAL FROM OR DISSOLUTION OF A UNIFIED  
2                    UNION SCHOOL DISTRICT

3            (a) Definition. As used in this section, “petitioning town” means the town  
4            within a unified union school district that seeks to withdraw from the union  
5            district pursuant to the provisions of this section.

6            (b) Withdrawal study committee.

7            (1) To initiate the process set forth in this section, the voters residing in  
8            the petitioning town shall submit a petition to the board of the unified union  
9            school district indicating the petitioners’ desire to withdraw the petitioning  
10           town from the union district and identifying at least three voters residing in the  
11           petitioning town who will serve on a withdrawal study committee. The  
12           petition shall be signed by at least five percent of the voters residing in the  
13           petitioning town.

14           (2) Within 30 days after receiving the petition, the board of the union  
15           district shall recognize the creation of the withdrawal study committee and  
16           shall appoint a board subcommittee to serve as a liaison between the board and  
17           the withdrawal study committee and to represent the interests of the union  
18           district.

19           (3) Within 30 days after the board’s appointment of the liaison  
20           subcommittee, the superintendent of the union district shall convene the first

1 formal meeting of the withdrawal study committee. The study committee shall  
2 elect one committee member to serve as chair.

3 (4) The withdrawal study committee is a public body pursuant to  
4 1 V.S.A. § 310(4) and is subject to the requirements of chapter 5, subchapter 2  
5 of that title.

6 (c) Analysis. The withdrawal study committee shall evaluate the strengths  
7 and challenges of the current union district structure and consider the ways in  
8 which the union district promotes or fails to promote the State policy set forth  
9 in section 701 of this chapter. At a minimum, the withdrawal study committee  
10 shall evaluate:

11 (1) the educational advantages and disadvantages likely to result from  
12 the proposed withdrawal of the petitioning town from the union district:

13 (A) on the students residing in the proposed new school district; and

14 (B) on the students remaining in the union district if withdrawal is  
15 approved;

16 (2) the educational advantages and disadvantages likely to result from  
17 the continued inclusion of the petitioning town as a town within the union  
18 district:

19 (A) on the students residing in the petitioning town; and

20 (B) on the students residing in the other towns within the union  
21 district;

1           (3) the financial advantages and disadvantages likely to result from the  
2 proposed withdrawal of the petitioning town from the union district:

3           (A) on the taxpayers residing in the proposed new school district; and

4           (B) on the taxpayers remaining in the union district if withdrawal is  
5 approved;

6           (4) the financial advantages and disadvantages likely to result from the  
7 continued inclusion of the petitioning town as a town within the union district:

8           (A) on the taxpayers residing in the petitioning town; and

9           (B) on the taxpayers residing in the other towns within the union  
10 district;

11           (5) the likely operational and financial viability and sustainability of:

12           (A) the proposed new school district; and

13           (B) the union district if withdrawal is approved;

14           (6) any other advantages and disadvantages of withdrawal, including  
15 any advantages and disadvantages to the students and taxpayers of the region  
16 and the State; and

17           (7) the potential source of supervisory union services for the proposed  
18 new school district, including discussions with the board of any supervisory  
19 union to which the report of the withdrawal study committee might propose  
20 assignment.

1           (d) Report, including a plan for withdrawal; decision not to prepare report.

2           (1) Report supporting withdrawal.

3           (A) If, after conducting the analysis required by subsection (c) of this  
4 section, the withdrawal study committee votes to advance the withdrawal  
5 process as further outlined in this section, then the committee shall prepare a  
6 report, which it shall deliver electronically to the union district board and  
7 which the superintendent shall publish on the district's website.

8           (B) At a minimum, the report shall include:

9           (i) the analysis conducted pursuant to subsection (c) of this  
10 section, describing the ways in which the data and analysis:

11           (I) support withdrawal; and

12           (II) do not support the continuation of the union district in its  
13 current configuration;

14           (ii) the proposed financial terms of withdrawal, including the  
15 proposed ownership of buildings and other assets and the proposed  
16 responsibility for financial and other contractual obligations, including debts;

17           (iii) a plan, including a detailed timeline, for the actions the  
18 proposed new school district would take to ensure that, on the proposed  
19 operational date, it could provide for the education of its students in  
20 prekindergarten through grade 12 by operating all grades, tuitioning all grades,  
21 or operating some grades and tuitioning the remainder, in a manner that will

1 meet educational quality standards as required by section 165 of this title, and  
2 including, if applicable, the process by which the proposed new school district  
3 would explore formation of a new union school district with one or more other  
4 school districts in the region and would integrate or condition any votes to  
5 withdraw with votes on formation of a new union district;

6 (iv) a proposal, including analysis, for the potential source of  
7 supervisory union services for the proposed new school district, including, if  
8 applicable to the proposal:

9 (I) a recommendation of one or more potential supervisory  
10 unions to which the State Board could assign the proposed new school district;  
11 and

12 (II) a statement from the board of the potential supervisory  
13 union or unions regarding the ability and willingness to accept the proposed  
14 new school district as a member district.

15 (C) The union district board shall invite the members of the  
16 withdrawal study committee to attend a regularly scheduled meeting of the  
17 board to present the contents of its report and to answer any questions posed by  
18 the board. The board shall also invite the members of the liaison  
19 subcommittee to share any analysis and conclusions at the meeting. The  
20 withdrawal study committee has sole authority to determine the contents of its  
21 report.

1           (2) Decision not to propose withdrawal. If, after conducting the analysis  
2           required by subsection (c) of this section, the withdrawal study committee  
3           votes not to approve advancement of the withdrawal process, then:

4                   (A) the withdrawal study committee shall prepare a brief written  
5                   statement explaining the reasons underlying the votes supporting and not  
6                   supporting advancement, which it shall deliver electronically to the union  
7                   district board and which the superintendent shall publish on the district's  
8                   website;

9                   (B) the union district board shall invite the members of the  
10                  withdrawal study committee to attend a regularly scheduled meeting of the  
11                  board to present the contents of the written statement and to answer any  
12                  questions posed by the board; and

13                  (C) the withdrawal study committee shall cease to exist upon  
14                  adjournment of the union district board's meeting.

15           (e) Secretary and State Board.

16                   (1) Secretary. If the study committee voted to proceed pursuant to  
17                   subdivision (d)(1) of this section, then it shall deliver its report electronically to  
18                   the Secretary for review. The liaison subcommittee may also submit a report  
19                   outlining its analysis and conclusions. The Secretary shall submit the report or  
20                   reports, with recommendations, to the State Board.

1           (2) State Board review. The State Board:

2                   (A) shall consider the report or reports and the Secretary's  
3           recommendations;

4                   (B) shall provide representatives of the withdrawal study committee  
5           and the liaison subcommittee an opportunity to be heard;

6                   (C) may, in its discretion, take testimony from other individuals and  
7           entities;

8                   (D) may ask the Secretary, the withdrawal study committee, or the  
9           liaison subcommittee to make further investigation and may consider any other  
10          information the State Board deems to be pertinent; and

11                  (E) may request the members of the withdrawal study committee to  
12          amend the report.

13           (3) State Board action.

14                   (A) Advisory opinion with positive recommendation. If the State  
15          Board finds that the withdrawal proposal contained in the report, including the  
16          most feasible options for the provision of supervisory union services to the  
17          proposed new school district, is in the best interests of the State, the region, the  
18          students, and the school districts, and aligns with the policy set forth in section  
19          701 of this title, then the State Board shall:

20                    (i) issue an opinion recommending approval of the withdrawal  
21          proposal;

1           (ii) provide a preliminary assessment of most feasible options for  
2 the provision of supervisory union services to the proposed new school district  
3 if withdrawal is approved by the voters; and

4           (iii) make any other finding or declaration, and approve any other  
5 motion, related and necessary to the withdrawal proposal.

6           (B) Advisory opinion with negative recommendation. If the State  
7 Board finds that the withdrawal proposal contained in the report, including the  
8 most feasible options for the provision of supervisory union services to the  
9 proposed new school district, is not in the best interests of the State, the region,  
10 the students, and the school districts, or does not align with the policy set forth  
11 in section 701 of this title, or both, then the State Board shall:

12           (i) issue an opinion recommending disapproval of the withdrawal  
13 proposal, including a written statement detailing the reasons supporting this  
14 conclusion;

15           (ii) provide a preliminary assessment of most feasible options for  
16 the provision of supervisory union services to the proposed new school district  
17 if withdrawal is approved by the voters; and

18           (iii) make any other finding or declaration, and approve any other  
19 motion, related and necessary to the withdrawal proposal.

20           (f) Vote of the electorate.

21           (1) Vote following positive recommendation of the State Board.



1           (A) The superintendent shall file the withdrawal study committee's  
2           report, the State Board's written recommendation, and any report of the liaison  
3           subcommittee with the clerk of the union district and the town clerk of each  
4           town within the union district.

5           (B) The voters of the union district, including those residing in the  
6           petitioning town, shall vote whether to approve withdrawal as set forth in the  
7           report. The question shall be determined by Australian ballot and shall  
8           proceed pursuant to sections 737 (warnings of unified union school district  
9           meetings) and 739–742 (vote by Australian ballot) of this chapter.

10           (C) Withdrawal from the union district shall occur if the question is  
11           approved, separately, by a majority of the union district voters living in each  
12           town within the union district, including in the petitioning town. If a majority  
13           of the voters living in one or more towns within the union district do not vote  
14           in favor of withdrawal, then the proposed withdrawal shall not occur.

15           (D) Within 45 days after the vote or 15 days after a vote to reconsider  
16           the original vote under 17 V.S.A. § 2661, whichever is later, the clerk of each  
17           town within the union district shall certify the results of the vote to the  
18           Secretary of Education, and the Secretary shall advise the State Board of the  
19           certified results. Each clerk shall submit the certification regardless of whether  
20           the voters in that town approved withdrawal. The withdrawal study committee

1 shall cease to exist when each clerk has submitted a certification to the  
2 Secretary.

3 (2) Vote following negative recommendation of the State Board.

4 (A) The superintendent shall file the withdrawal study committee's  
5 report, the State Board's written recommendation, and any report of the liaison  
6 subcommittee with the clerk of the union district and with the town clerk of  
7 each town within the union district.

8 (B) The union district voters residing in the petitioning town shall  
9 vote whether to withdraw from the union district pursuant to the terms set forth  
10 in the report.

11 (i) The question shall be determined by Australian ballot and shall  
12 proceed pursuant to sections 737 (warnings of unified union school district  
13 meetings) and 739–742 (vote by Australian ballot) of this chapter.

14 (ii) The withdrawal proposal shall proceed to a vote in each of the  
15 other towns within the union district if approved by at least 60 percent of the  
16 union district voters residing in the petitioning town present and voting on the  
17 warned question. If this percentage is not met, then the proposed withdrawal  
18 shall not occur.

19 (C) Within 45 days after the vote in subdivision (B) of this  
20 subdivision (f)(2) or 15 days after a vote to reconsider the original vote under  
21 17 V.S.A. § 2661, whichever is later, the clerk of the petitioning town shall

1 certify the results of the vote to the Secretary of State who shall record the  
2 certificate and give notice of the vote to the clerk of the union district, the  
3 clerks of each of the other towns within the union district, and the Secretary of  
4 Education. The clerk of the petitioning town shall submit the certification  
5 regardless of whether the voters in the petitioning town approved withdrawal.  
6 The withdrawal study committee shall cease to exist upon submission of the  
7 certification.

8 (D) If the union district voters residing in the petitioning town  
9 approve the withdrawal proposal pursuant to subdivision (B) of this  
10 subdivision (f)(2), then, within 90 days after receiving notice of the  
11 certification as required in subdivision (C), the voters of the union district  
12 residing in each of the other towns shall vote on the same day whether to  
13 approve withdrawal of the petitioning town as set forth in the final report.

14 (i) The question shall be determined by Australian ballot and shall  
15 proceed pursuant to sections 737 (warnings of unified union school district  
16 meetings) and 739–742 (vote by Australian ballot) of this chapter.

17 (ii) Withdrawal from the union district shall occur if the question  
18 is approved, separately, by a majority of the union district voters living in each  
19 of the other towns within the union district. If a majority of the voters living in  
20 one or more towns within the union district do not vote in favor of withdrawal,  
21 then the proposed withdrawal shall not occur.

1           (E) Within 45 days after the vote in subdivision (D) of this  
2           subdivision (f)(2) or 15 days after a vote to reconsider the original vote under  
3           17 V.S.A. § 2661, whichever is later, the clerk of each of the other towns  
4           within the union district shall certify the results of the vote to the Secretary of  
5           Education, and the Secretary shall advise the State Board of the certified  
6           results. Each clerk shall submit the certification regardless of whether the  
7           voters in that town approved withdrawal. The withdrawal study committee  
8           shall cease to exist when each clerk has submitted a certification to the  
9           Secretary.

10           (g) Election of potential board members. On the day on which they vote  
11           whether to approve withdrawal, the union district voters residing in the  
12           proposed new school district shall also vote for three individuals to serve as the  
13           initial members of the proposed new school district's board if withdrawal is  
14           approved. The nomination and election of the initial members shall proceed  
15           pursuant to subdivision 730(a)(1) of this chapter (election of board members  
16           under the proportional to town model by Australian ballot). The term of office  
17           for each initial member shall be arranged so that one term expires on the day of  
18           the second annual meeting of the proposed new school district, one term  
19           expires on the day of the third annual meeting, and one term expires on the day  
20           of the fourth annual meeting.

1       (h) State Board’s duties if withdrawal is approved. If the union district  
2       voters approve withdrawal pursuant to subsection (f) of this section, then upon  
3       receiving notice from the Secretary pursuant to subdivision (f)(1)(D) or  
4       (f)(2)(E) of this section, the State Board shall:

5               (1) Declare the withdrawal approved as of the date of the Board’s  
6               meeting; provided, however, that withdrawal shall not be final until the date  
7               identified in the voter-approved proposal of withdrawal.

8               (2) Declare the creation and existence of the new school district,  
9               effective on the date of the Board’s declaration; provided, however, that:

10                   (A) the new school district shall assume full and sole responsibility  
11                   for the education of its resident students on the date identified in the voter-  
12                   approved proposal of withdrawal; and

13                   (B) until the identified operational date, the new school district shall  
14                   exist for the sole purposes of:

15                           (i) convening an organizational meeting of the voters of the new  
16                           school district to prepare the district to assume its responsibilities;

17                           (ii) organizing the school board of the new school district, which  
18                           shall be responsible for preparing a proposed budget for the fiscal year  
19                           beginning on the identified operational date;

20                           (iii) approving the budget of the new school district for the fiscal  
21                           year beginning on the identified operational date; and

1                   (iv) taking any other actions necessary, as district voters or as a  
2                   school board, for the new school district to assume full responsibility for  
3                   providing for the education of the district’s resident students in all grades,  
4                   prekindergarten through grade 12, on the identified operational date.

5                   (3) Determine or set a schedule for determining the manner in which  
6                   supervisory union services will be provided to the new school district, to be  
7                   effective on the district’s identified operational date.

8                   (A) In addition to the considerations set forth in section 261 of this  
9                   title, when the State Board makes its determination, it shall consider the  
10                  potential positive and negative consequences on all affected districts and  
11                  supervisory unions if supervisory union services were provided to the new  
12                  school district in a manner that required:

13                  (i) a union district serving as its own supervisory district to  
14                  become a member of a multidistrict supervisory union; or

15                  (ii) a neighboring supervisory union to accept one or more  
16                  additional districts that the supervisory union testifies it is not able to  
17                  accommodate.

18                  (B) If assigned to a multidistrict supervisory union, then the board of  
19                  the new school district may appoint its members to the supervisory union  
20                  board pursuant to section 266 of this title, where they may participate as

1 nonvoting members of that board until the new school district's operational  
2 date.

3 (i) Certification; Secretary of State. If the State Board declares the creation  
4 and existence of a new school district pursuant to subdivision (h)(2) of this  
5 section, then the Secretary of Education shall certify the adjustment of the  
6 towns within the union district to the Secretary of State. When the Secretary of  
7 State records the certification of the Secretary of Education, the towns within  
8 the union district shall be adjusted accordingly; provided, however, that the  
9 voter-approved proposal of withdrawal shall establish the date on which  
10 withdrawal shall be final, the new school district shall assume full and sole  
11 responsibility for the education of its resident students, and the union school  
12 district shall no longer have responsibility for the education of those students.  
13 Not more than 14 days after the date the Secretary of Education certifies the  
14 adjustment, the Secretary of State shall file a certified copy of the recorded  
15 certification with the clerk of the union district and the clerk for the town in  
16 which the new school district is located. Filing a certified copy with the clerks  
17 shall be prima facie evidence of full compliance with the requirements for  
18 adjusting the union school district by withdrawal as set forth in this section.

19 (j) Timing of action.

20 (1) The voters residing in any town within a union district shall not  
21 initiate the withdrawal process set forth in this section within the first year after

1 the latter of the operational date of a newly formed union district or, if  
2 applicable, the operational date of a union district adjusted pursuant to  
3 subsection (i) of this section.

4 (2) If a petitioning town's action to withdraw from a union school  
5 district is unsuccessful, then the voters residing in that town shall not initiate a  
6 new withdrawal action under this section until two years after either a  
7 withdrawal study committee votes not to approve advancement of the  
8 withdrawal process or the vote by the voters that concluded the initial  
9 withdrawal action.