

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. The petition shall be signed by at least five
11 percent of the voters residing in the petitioning town and five percent of the
12 voters residing in each of the other towns within the union district. Appended
13 to the petition shall be the names of three voters residing in the petitioning
14 town to serve on a withdrawal study committee and a signed statement by each
15 of the three named voters consenting to serve.

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

1 (3) Within 30 days after the board’s appointment of the liaison
2 subcommittee, the superintendent of the union district shall convene the first
3 formal meeting of the withdrawal study committee. The study committee shall
4 elect one committee member to serve as chair.

5 (4) Before beginning any analysis under subsection (c) of this section or
6 seeking technical or analytical services from the union district staff or
7 supervisory union staff, or both, the withdrawal study committee shall obtain a
8 letter of commitment from a supervisory union to explore the provision of
9 supervisory union services if withdrawal is ultimately approved.

10 (5) The withdrawal study committee is a public body pursuant to
11 1 V.S.A. § 310(4) and is subject to the requirements of chapter 5, subchapter 2
12 of that title.

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

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

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

1 (B) on the students remaining in the union district if withdrawal is
2 approved;

3 (2) the educational advantages and disadvantages likely to result from
4 the continued inclusion of the petitioning town as a town within the union
5 district;

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

7 (B) on the students residing in the other towns within the union
8 district;

9 (3) the financial advantages and disadvantages likely to result from the
10 proposed withdrawal of the petitioning town from the union district;

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

12 (B) on the taxpayers remaining in the union district if withdrawal is
13 approved;

14 (4) the financial advantages and disadvantages likely to result from the
15 continued inclusion of the petitioning town as a town within the union district;

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

17 (B) on the taxpayers residing in the other towns within the union
18 district;

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

20 (A) the proposed new school district; and

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

1 (6) any other advantages and disadvantages of withdrawal, including
2 any advantages and disadvantages to the students and taxpayers of the region
3 and the State; and

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

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

9 (1) Report supporting withdrawal.

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

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

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

18 (I) support withdrawal; and

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

1 (ii) the proposed financial terms of withdrawal, including the
2 proposed ownership of buildings and other assets and the proposed
3 responsibility for financial and other contractual obligations, including debts;

4 (iii) a plan, including a detailed timeline, for the actions the
5 proposed new school district would take to ensure that, on the proposed
6 operational date, it could provide for the education of its students in
7 prekindergarten through grade 12 by operating all grades, tuitioning all grades,
8 or operating some grades and tuitioning the remainder, in a manner that will
9 meet educational quality standards as required by section 165 of this title, and
10 including, if applicable, the process by which the proposed new school district
11 would explore formation of a new union school district with one or more other
12 school districts in the region and would integrate or condition any votes to
13 withdraw with votes on formation of a new union district;

14 (iv) a proposal, including analysis, for the potential source of
15 supervisory union services for the proposed new school district, including, if
16 applicable to the proposal;

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

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

4 (C) The union district board shall invite the members of the
5 withdrawal study committee to attend a regularly scheduled meeting of the
6 board to present the contents of its report and to answer any questions posed by
7 the board. The board shall also invite the members of the liaison
8 subcommittee to share any analysis and conclusions at the meeting. The
9 withdrawal study committee has sole authority to determine the contents of its
10 report.

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

14 (A) the withdrawal study committee shall prepare a brief written
15 statement explaining the reasons underlying the votes supporting and not
16 supporting advancement, which it shall deliver electronically to the union
17 district board and which the superintendent shall publish on the district's
18 website;

19 (B) the union district board shall invite the members of the
20 withdrawal study committee to attend a regularly scheduled meeting of the

1 board to present the contents of the written statement and to answer any
2 questions posed by the board; and

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

5 (e) Secretary and State Board.

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

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

12 (A) shall consider the report or reports and the Secretary's
13 recommendations;

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

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

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

1 (E) may request the members of the withdrawal study committee to
2 amend the report.

3 (3) State Board action.

4 (A) Advisory opinion with positive recommendation. If the State
5 Board finds that the withdrawal proposal contained in the report, including the
6 most feasible options for the provision of supervisory union services to the
7 proposed new school district, is in the best interests of the State, the region, the
8 students, and the school districts, and aligns with the policy set forth in section
9 701 of this title, then the State Board shall:

10 (i) issue an opinion recommending approval of the withdrawal
11 proposal;

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

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

17 (B) Advisory opinion with negative recommendation. If the State
18 Board finds that the withdrawal proposal contained in the report, including the
19 most feasible options for the provision of supervisory union services to the
20 proposed new school district, is not in the best interests of the State, the region,

1 the students, and the school districts, or does not align with the policy set forth
2 in section 701 of this title, or both, then the State Board shall:

3 (i) issue an opinion recommending disapproval of the withdrawal
4 proposal, including a written statement detailing the reasons supporting this
5 conclusion;

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

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

11 (f) Vote of the electorate.

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

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

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

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

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

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

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

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

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

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

9 (C) Within 45 days after the vote in subdivision (B) of this
10 subdivision (f)(2) or 15 days after a vote to reconsider the original vote under
11 17 V.S.A. § 2661, whichever is later, the clerk of the petitioning town shall
12 certify the results of the vote to the Secretary of State who shall record the
13 certificate and give notice of the vote to the clerk of the union district, the
14 clerks of each of the other towns within the union district, and the Secretary of
15 Education. The clerk of the petitioning town shall submit the certification
16 regardless of whether the voters in the petitioning town approved withdrawal.
17 The withdrawal study committee shall cease to exist upon submission of the
18 certification.

19 (D) If the union district voters residing in the petitioning town
20 approve the withdrawal proposal pursuant to subdivision (B) of this
21 subdivision (f)(2), then, within 90 days after receiving notice of the

1 certification as required in subdivision (C), the voters of the union district
2 residing in each of the other towns shall vote on the same day whether to
3 approve withdrawal of the petitioning town as set forth in the final report.

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

7 (ii) Withdrawal from the union district shall occur if the question
8 is approved, separately, by a majority of the union district voters living in each
9 of the other towns within the union district. If a majority of the voters living in
10 one or more towns within the union district do not vote in favor of withdrawal,
11 then the proposed withdrawal shall not occur.

12 (E) Within 45 days after the vote in subdivision (D) of this
13 subdivision (f)(2) or 15 days after a vote to reconsider the original vote under
14 17 V.S.A. § 2661, whichever is later, the clerk of each of the other towns
15 within the union district shall certify the results of the vote to the Secretary of
16 Education, and the Secretary shall advise the State Board of the certified
17 results. Each clerk shall submit the certification regardless of whether the
18 voters in that town approved withdrawal. The withdrawal study committee
19 shall cease to exist when each clerk has submitted a certification to the
20 Secretary.

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

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

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

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

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

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

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

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

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

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

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

20 (A) In addition to the considerations set forth in section 261 of this
21 title, when the State Board makes its determination, it shall consider the

1 potential positive and negative consequences on all affected districts and
2 supervisory unions if supervisory union services were provided to the new
3 school district in a manner that required:

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

6 (ii) a neighboring supervisory union to accept one or more
7 additional districts that the supervisory union testifies it is not able to
8 accommodate.

9 (B) If assigned to a multidistrict supervisory union, then the board of
10 the new school district may appoint its members to the supervisory union
11 board pursuant to section 266 of this title, where they may participate as
12 nonvoting members of that board until the new school district's operational
13 date.

14 (i) Certification; Secretary of State. If the State Board declares the creation
15 and existence of a new school district pursuant to subdivision (h)(2) of this
16 section, then the Secretary of Education shall certify the adjustment of the
17 towns within the union district to the Secretary of State. When the Secretary of
18 State records the certification of the Secretary of Education, the towns within
19 the union district shall be adjusted accordingly; provided, however, that the
20 voter-approved proposal of withdrawal shall establish the date on which
21 withdrawal shall be final, the new school district shall assume full and sole

1 responsibility for the education of its resident students, and the union school
2 district shall no longer have responsibility for the education of those students.
3 Not more than 14 days after the date the Secretary of Education certifies the
4 adjustment, the Secretary of State shall file a certified copy of the recorded
5 certification with the clerk of the union district and the clerk for the town in
6 which the new school district is located. Filing a certified copy with the clerks
7 shall be prima facie evidence of full compliance with the requirements for
8 adjusting the union school district by withdrawal as set forth in this section.

9 (j) Timing of action.

10 (1) The voters residing in any town within a union district shall not
11 initiate the withdrawal process set forth in this section within the first year after
12 the latter of the operational date of a newly formed union district or, if
13 applicable, the operational date of a union district adjusted pursuant to
14 subsection (i) of this section.

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