

1 **Sec. 3 § 724. WITHDRAWAL FROM OR DISSOLUTION OF A**
2 **UNIFIED 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 petitions to the clerk of the unified union
9 school district indicating the petitioners’ desire to withdraw the petitioning
10 town from the union district. Individual petitions shall be signed by at least
11 five percent of the voters residing in each of the towns within the union school
12 district, with each town having its own petition. The petitioners shall submit
13 each petition to that town’s town clerk for verification of the voting
14 registration status of the signors. On a form created by the Secretary of State’s
15 Office, and appended to each petition, shall be the names of three voters
16 residing in the petitioning town to serve on a withdrawal study committee and
17 a signed statement by each of the three named voters consenting to serve.
18 Once each petition has been verified by the subject town clerk, the petitioners
19 shall submit the petitions to the clerk of the unified union school district.

20 (2) Within 30 days after receiving the petition, the board of the union
21 district shall recognize the creation of the withdrawal study committee and

1 shall appoint a board subcommittee to serve as a liaison between the board and
2 the withdrawal study committee and to represent the interests of the union
3 district.

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

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

13 (5) The withdrawal study committee is a public body pursuant to
14 1 V.S.A. § 310(4) and is subject to the requirements of chapter 5, subchapter 2
15 of that title.

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

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

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

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

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

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

10 (B) on the students residing in the other towns within the union
11 district;

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

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

15 (B) on the taxpayers remaining in the union district if withdrawal is
16 approved;

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

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

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

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

2 (A) the proposed new school district; and

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

4 (6) any other advantages and disadvantages of withdrawal, including
5 any advantages and disadvantages to the students and taxpayers of the region
6 and the State; and

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

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

12 (1) Report supporting withdrawal.

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

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

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

21 (I) support withdrawal; and

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

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

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

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

19 (I) a recommendation of one or more potential supervisory
20 unions to which the State Board could assign the proposed new school district;
21 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) Within 30 days after receipt of the State Board's written
14 recommendation, the superintendent shall file the withdrawal study
15 committee's report, the State Board's written recommendation, and any report
16 of the liaison subcommittee with the clerk of the union district and the town
17 clerk of each town within the union district.

18 (B) Within 90 days after the clerk of the union district receiving the
19 reports and recommendations described in subdivision (A) of this subsection,
20 the voters of the union district, including those residing in the petitioning town,
21 shall vote whether to approve withdrawal as set forth in the report. The

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

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

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

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

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

1 (B) The union district voters residing in the petitioning town shall
2 vote whether to withdraw from the union district pursuant to the terms set forth
3 in the 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) The withdrawal proposal shall proceed to a vote in each of the
8 other towns within the union district if approved by at least 60 percent of the
9 union district voters residing in the petitioning town present and voting yes or
10 no on the warned question. If this percentage is not met, then the proposed
11 withdrawal shall not occur.

12 (C) Within 45 days after the vote in subdivision (B) 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 the petitioning town shall
15 certify the results of the vote to the Secretary of State who shall record the
16 certificate and give notice of the vote to the clerk of the union district, the
17 clerks of each of the other towns within the union district, and the Secretary of
18 Education. The clerk of the petitioning town shall submit the certification
19 regardless of whether the voters in the petitioning town approved withdrawal.
20 The withdrawal study committee shall cease to exist upon submission of the
21 certification.

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

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

15 (E) Within 45 days after the vote in subdivision (D) of this
16 subdivision (f)(2) or 15 days after a vote to reconsider the original vote under
17 17 V.S.A. § 2661, whichever is later, the clerk of each of the other towns
18 within the union district shall certify the results of the vote to the Secretary of
19 Education, and the Secretary shall advise the State Board of the certified
20 results. Each clerk shall submit the certification regardless of whether the
21 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 (g) Election of potential board members. On the day on which they vote
4 whether to approve withdrawal, the union district voters residing in the
5 petitioning town shall also vote for three individual registered voters from the
6 petitioning town to serve as the initial members of the proposed new school
7 district's board if withdrawal is approved. The nomination and election of the
8 initial members shall proceed pursuant to subdivision 730(a)(1) of this chapter
9 (election of board members under the proportional to town model by
10 Australian ballot). The term of office for each initial member shall be arranged
11 so that one term expires on the day of the second annual meeting of the
12 proposed new school district, one term expires on the day of the third annual
13 meeting, and one term expires on the day of the fourth annual meeting.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16 (i) Certification; Secretary of State. If the State Board declares the creation
17 and existence of a new school district pursuant to subdivision (h)(2) of this
18 section, then the Secretary of Education shall certify the adjustment of the
19 towns within the union district to the Secretary of State. When the Secretary of
20 State records the certification of the Secretary of Education, the towns within
21 the union district shall be adjusted accordingly; provided, however, that the

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

11 (j) Timing of action.

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

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

1 withdrawal process or the vote by the voters that concluded the initial
2 withdrawal action.

3 **Sec. 3. § 725. WITHDRAWAL FROM OR DISSOLUTION OF A**

4 **UNION ELEMENTARY OR UNION HIGH SCHOOL DISTRICT**

5 (a) Definition. As used in this section:

6 (1) "Petitioning district" means:

7 (A) a member district of a union elementary or union high school
8 district that seeks to withdraw from the union district pursuant to the
9 provisions of this section; or

10 (B) a town that is a member of both a union elementary school
11 district and a union high school district, is not independently organized as a
12 district that is responsible for the education of students in any grade, does not
13 have a town school district board, and that seeks to withdraw from a union
14 elementary or union high school district pursuant to the provisions of this
15 section.

16 (2) "New school district" means the petitioning district once the State
17 Board has declared it to be withdrawn from the union elementary or union high
18 school district.

19 (b) Withdrawal study committee.

20 (1) To initiate the process set forth in this section, the board of the
21 petitioning district shall submit a petition to the clerk of the union elementary

1 or union high school district indicating its desire to withdraw the petitioning
2 district from the union district and identifying at least three board members of
3 the petitioning district who will serve on a withdrawal study committee. The
4 board of the petitioning district shall submit the petition to the clerk of the
5 union school district after either a vote by the board of the petitioning district
6 or receipt of individual petitions signed by at least five percent of the voters
7 residing in the petitioning district and five percent of the voters residing in
8 each of the other member districts within the union school district, with each
9 member district having its own petition. The clerk of the petitioning district
10 shall submit each petition to the subject member district's clerk for verification
11 of the voting registration of the signors. Once each petition has been verified
12 by the subject district clerk, the board of the petitioning district shall append
13 the individual petitions to the withdrawal petition it sends to the clerk of the
14 union district.

15 (2) To initiate the process set forth in this section if the petitioning
16 district does not have a town school district board, the voters residing in the
17 petitioning district shall submit petitions to the clerk of the unified union
18 school district indicating the petitioners' desire to withdraw the petitioning
19 district from the union district. Individual petitions shall be signed by at least
20 five percent of the voters residing in the petitioning district and five percent of
21 the voters residing in each of the member districts within the union school

1 district, with each district having its own petition. The petitioning district shall
2 submit each petition to that district's clerk for verification of the voting
3 registration status of the signors. On a form created by the Secretary of State's
4 Office, and appended to each petition, shall be the names of three voters
5 residing in the petitioning district to serve on a withdrawal study committee
6 and a signed statement by each of the three named voters consenting to serve.
7 Once each petition has been verified by the subject district clerk, the
8 petitioning district shall submit the petitions to the clerk of the union school
9 district.

10 (3) Within 30 days after receiving the petition, the board of the union
11 district shall recognize the creation of the withdrawal study committee and
12 shall appoint a board subcommittee to serve as a liaison between the board and
13 the withdrawal study committee and to represent the interests of the union
14 district.

15 (4) Within 30 days after the board's appointment of the liaison
16 subcommittee, the superintendent of the union district shall convene the first
17 formal meeting of the withdrawal study committee. The study committee shall
18 elect one committee member to serve as Chair.

19 (5) Before beginning any analysis under subsection (c) of this section or
20 seeking technical or analytical services from the union district staff or
21 supervisory union staff, or both, the withdrawal study committee shall obtain a

1 letter of commitment from a supervisory union board to explore the provision
2 of supervisory union services if withdrawal is ultimately approved.

3 (6) 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 district from the union elementary
13 or union high school district:

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

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

17 (2) the educational advantages and disadvantages likely to result from
18 the continued inclusion of the petitioning district as a member district of the
19 union elementary or union high school district:

20 (A) on the students residing in the petitioning district; and

1 (B) on the students residing in the other member districts of the union
2 district;

3 (3) the financial advantages and disadvantages likely to result from the
4 proposed withdrawal of the petitioning district from the union elementary or
5 union high school district:

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

7 (B) on the taxpayers remaining in the union district if withdrawal is
8 approved;

9 (4) the financial advantages and disadvantages likely to result from the
10 continued inclusion of the petitioning district within the union elementary or
11 union high school district:

12 (A) on the taxpayers residing in the petitioning district; and

13 (B) on the taxpayers residing in the other member districts within the
14 union district;

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

16 (A) the proposed new school district; and

17 (B) the union elementary or union high school district if withdrawal
18 is approved;

19 (6) any other advantages and disadvantages of withdrawal, including
20 any advantages and disadvantages to the students and taxpayers of the region

21 and the State; and

1 (7) the potential source of supervisory union services for the proposed
2 new district, including discussions with the board of any supervisory union to
3 which the report of the withdrawal study committee might propose assignment
4 or the continuation of assignment.

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

6 (1) Report supporting withdrawal.

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

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

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

15 (I) support withdrawal; and

16 (II) do not support the continuation of the union elementary or
17 union high school district in its current configuration;

18 (ii) the proposed financial terms of withdrawal, including the
19 proposed ownership of buildings and other assets and the proposed
20 responsibility for financial and other contractual obligations, including debts;

1 (iii) a plan, including a detailed timeline, for the actions the
2 proposed new school district would take to ensure that, on the proposed
3 operational date, it could provide for the education of its students in the grades
4 for which the union elementary or union high school district is organized, in a
5 manner that will meet educational quality standards as required by section 165
6 of this title, and including, if applicable, the process by which the proposed
7 new school district would explore formation of a new union district with one or
8 more other school districts in the region and would integrate or condition any
9 votes to withdraw with votes on formation of a new union district;

10 (iv) a proposal, including analysis, for the source of supervisory
11 union services for the proposed new school district.

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

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

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

6 (B) the union elementary or union high school district board shall
7 invite the members of the withdrawal study committee to attend a regularly
8 scheduled meeting of the board to present the contents of the written statement
9 and to answer any questions posed by the board; and

10 (C) the withdrawal study committee shall cease to exist upon
11 adjournment of the union elementary or union high school district board's
12 meeting.

13 (e) Secretary and State Board.

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

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

20 (A) shall consider the report or reports and the Secretary's
21 recommendations;

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

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

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

8 (E) may request the members of the withdrawal study committee to
9 amend the report.

10 (3) State Board action.

11 (A) Advisory opinion with positive recommendation. If the State
12 Board finds that the withdrawal proposal contained in the report is in the best
13 interests of the State, the region, the students, and the school districts, and
14 aligns with the policy set forth in section 701 of this title, then the State Board
15 shall:

16 (i) issue an opinion recommending approval of the withdrawal
17 proposal;

18 (ii) provide a preliminary assessment of the source of supervisory
19 union services to the proposed new school district if withdrawal is approved by
20 the voters; and

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

3 (B) Advisory opinion with negative recommendation. If the State
4 Board finds that the withdrawal proposal contained in the report is not in the
5 best interests of the State, the region, the students, and the school districts or
6 does not align with the policy set forth in section 701 of this title, or both, then
7 the State Board shall:

8 (i) issue an opinion recommending disapproval of the withdrawal
9 proposal, including a written statement detailing the reasons supporting this
10 conclusion;

11 (ii) provide a preliminary assessment of the source supervisory
12 union services to the proposed new school district if withdrawal is approved by
13 the voters; and

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

16 (f) Vote of the electorate.

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

18 (A) Within 30 days after receipt of the State Board's written
19 recommendation, the superintendent shall file the withdrawal study
20 committee's report, the State Board's written recommendation, and any report
21 of the liaison subcommittee with the clerk of the union elementary or union

1 high school district and the district clerk of each of the member districts within
2 the union elementary or union high school district.

3 (B) Within 90 days after the clerk of the union district receiving the
4 reports and recommendations described in subdivision (A) of this subsection,
5 the voters of the union elementary or union high school district, including
6 those residing in the petitioning district, shall vote whether to approve
7 withdrawal as set forth in the report. The question shall be determined by
8 Australian ballot and shall proceed pursuant to sections 755 (warnings of union
9 elementary and union high school district meetings) and 757–759 (vote by
10 Australian ballot) of this chapter.

11 (C) Withdrawal from the union elementary or union high school
12 district shall occur if the question is approved by a majority vote of the union
13 district voters living in each of the member districts within the union
14 elementary or union high school district, including in the petitioning district. If
15 a majority of the voters in one or more member districts within the union
16 elementary or union high school district do not vote in favor of withdrawal,
17 then the proposed withdrawal shall not occur.

18 (D) Within 45 days after the vote or 15 days after a vote to reconsider
19 the original vote under 17 V.S.A. § 2661, whichever is later, the clerk of each
20 member district within the union elementary or union high school district shall
21 certify the results of the vote to the Secretary of Education, and the Secretary

1 shall advise the State Board of the certified results. Each clerk shall submit the
2 certification regardless of whether the voters in that district approved
3 withdrawal. The withdrawal study committee shall cease to exist when each
4 clerk has submitted a certification to the Secretary.

5 (E) If the petitioning district or one of the other member districts does
6 not have a town school district board, the legislative body or appropriate
7 officer of the town shall perform electoral functions, including warning
8 meetings and conducting the voting process, ordinarily performed by and in
9 member districts on behalf of a union school district.

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

11 (A) The superintendent shall file the withdrawal study committee's
12 report, the State Board's written recommendation, and any report of the liaison
13 subcommittee with the clerk of the union elementary or union high school
14 district and the district clerk of each of the member districts within the union
15 elementary or union high school district.

16 (B) The union district voters residing in the petitioning district shall
17 vote whether to withdraw from the union elementary or union high school
18 district pursuant to the terms set forth in the report.

19 (i) The question shall be determined by Australian ballot and shall
20 proceed pursuant to sections 755 (warnings of union elementary and union

1 high school district meetings) and 757–759 (vote by Australian ballot) of this
2 chapter.

3 (ii) The withdrawal proposal shall proceed to a vote in each of the
4 other member districts within the union elementary or union high school
5 district if approved by at least 60 percent of the union district voters residing in
6 the petitioning district present and voting yes or no on the warned question. If
7 this percentage is not met, then the proposed withdrawal shall not occur.

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

18 (D) If the union elementary or union high school district voters
19 residing in the petitioning district approve the withdrawal proposal pursuant to
20 subdivision (B) of this subdivision (f)(2), then, within 90 days after receiving
21 notice of the certification as required in subdivision (C) of this subdivision

1 (f)(2), the voters of the union elementary or union high school district residing
2 in each of the other member districts shall vote on the same day whether to
3 approve withdrawal of the petitioning district as set forth in the final report.

4 (i) The question shall be determined by Australian ballot and shall
5 proceed pursuant to sections 755 (warnings of union elementary and union
6 high school district meetings) and 757–759 (vote by Australian ballot) of this
7 chapter.

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

14 (E) Within 45 days after the vote in subdivision (D) of this
15 subdivision (f)(2) or 15 days after a vote to reconsider the original vote under
16 17 V.S.A. § 2661, whichever is later, the clerk of each of the other member
17 districts within the union elementary or union high school district shall certify
18 the results of the vote to the Secretary of Education, and the Secretary shall
19 advise the State Board of the certified results. Each clerk shall submit the
20 certification regardless of whether the voters in that member district approved

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

3 (F) If the petitioning district or one of the other member districts does
4 not have a town school district board, the legislative body or appropriate
5 officer of the town shall perform electoral functions, including warning
6 meetings and conducting the voting process, ordinarily performed by and in
7 member districts on behalf of a union school district.

8 (g) Election of potential board members. If the petitioning district does not
9 have a town school district board, on the day on which they vote whether to
10 approve withdrawal, the union district voters residing in the petitioning school
11 district shall also vote for three individual registered voters from the
12 petitioning district to serve as the initial members of the proposed new school
13 district's board if withdrawal is approved. The nomination and election of the
14 initial members shall proceed pursuant to subdivision 748(a)(1) of this chapter
15 (election of board members under the proportional to town model by
16 Australian ballot). The term of office for each initial member shall be arranged
17 so that one term expires on the day of the second annual meeting of the
18 proposed new school district, one term expires on the day of the third annual
19 meeting, and one term expires on the day of the fourth annual meeting.

20 (h) State Board's duties if withdrawal is approved. If the union elementary
21 or union high school district voters approve withdrawal pursuant to subsection

1 (f) of this section, then upon receiving notice from the Secretary pursuant to
2 subdivision (f)(1)(D) or (f)(2)(E) of this section, the State Board shall:

3 (1) declare the withdrawal approved as of the date of the Board's
4 meeting; provided, however, that withdrawal shall not be final until the date
5 identified in the voter-approved proposal of withdrawal;

6 (2) declare it to be the obligation of the new school district to assume
7 responsibility for the education of its residents in the grades for which the
8 union elementary or union high school district was previously responsible,
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 in the grades for which the union
12 elementary or union high school district was previously responsible on the date
13 identified in the voter-approved proposal of withdrawal; and

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

16 (i) providing for the education of its residents in the grades for
17 which it was organized prior to withdrawal;

18 (ii) convening an organizational meeting of the voters of the new
19 school district to prepare the district to assume its new responsibilities if the
20 petitioning district did not have a town school district board;

1 (iii) organizing the school board of the new school district if the
2 petitioning district did not have a town school district board;

3 (iv) preparing a proposed budget for the fiscal year beginning on
4 the identified operational date;

5 (v) approving the budget of the new school district for the fiscal
6 year beginning on the identified operational date; and

7 (vi) taking any other actions necessary, as district voters or as a
8 school board, for the new school district to assume full responsibility for
9 providing for the education of the district's resident students in the grades it is
10 now organized to provide for, on the identified operational date; and

11 (3) ensure a smooth transition of supervisory services, to be effective on
12 the district's identified operational date.

13 (i) Certification; Secretary of State. If the State Board declares it to be the
14 obligation of the new school district pursuant to subdivision (h)(2) of this
15 section to provide for the education of resident students who were formerly the
16 responsibility of the union elementary or union high school district, then the
17 Secretary of Education shall certify the adjustment of the member districts
18 within the union elementary or union high school district to the Secretary of
19 State. When the Secretary of State records the certification of the Secretary of
20 Education, the member districts within the union elementary or union high
21 school district shall be adjusted accordingly; provided, however, that the voter-

1 approved proposal of withdrawal shall establish the date on which withdrawal
2 shall be final, the new school district shall assume full and sole responsibility
3 for the education of its residents in the grades for which it is now organized,
4 and the union school district shall no longer have responsibility for the
5 education of those students. Not more than 14 days after the date the Secretary
6 of Education certifies the adjustment, the Secretary of State shall file a certified
7 copy of the recorded certification with the clerk of the union elementary or
8 union school district and the clerk for new school district. Filing a certified
9 copy with the clerks shall be prima facie evidence of full compliance with the
10 requirements for adjusting the union school district by withdrawal as set forth
11 in this section.

12 (j) Timing of action.

13 (1) The voters residing in any member district within a union elementary
14 or union high school district shall not initiate the withdrawal process set forth
15 in this section within the first year after the latter of the operational date of a
16 newly formed union elementary or union high school district or, if applicable,
17 the operational date of a union elementary or union high school district
18 adjusted pursuant to subsection (h) of this section.

19 (2) If a petitioning district's action to withdraw from a union elementary
20 or union high school district is unsuccessful, then the voters residing in that
21 member district shall not initiate a new withdrawal action under this section

1 until two years after either a withdrawal study committee votes not to approve
2 advancement of the withdrawal process or the vote by the voters that
3 concluded the initial withdrawal action.

4 **Sec. 4. WITHDRAWAL ACTIONS APPROVED BY STATE BOARD;**

5 **NEW DISTRICTS WITH AN OPERATIONAL DATE ON OR**

6 **AFTER JULY 1, 2023**

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

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

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

15 (3) the State Board established the new school district's operational date
16 as July 1, 2023 or after;

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

18 (5) the voters of the towns within the union district voted to approve the
19 financial terms of withdrawal negotiated by the boards of the new school
20 district and the union district; and

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

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

12 (c) State Board review and findings.

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

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

1 services, then the new school district, the union district, and, if applicable, the
2 supervisory union or unions shall continue to take all actions necessary to
3 prepare for the realignment of duties on the operational date.

4 (3) Preparedness deemed unlikely.

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

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

17 (C) Prior to the operational date and after public discussion and any
18 board deliberations:

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

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, the board of the new school
3 district shall warn a vote to request the State Board to reverse its declaration
4 approving withdrawal and reconstituting the new school district. The vote
5 shall be held before the October 1 prior to the operational date.

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

7 (II) 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) of this subsection (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 16 V.S.A. § 724 is
20 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 the State Board reverses and voids
6 its 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) Repeal. 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 16 V.S.A. § 724) are deemed
19 to authorize withdrawal from a unified union school district created by the
20 State Board of Education in its “Final Report of Decisions and Order on

1 Statewide School District Merger Decisions Pursuant to Act 46, Secs. 8(b) and
2 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
5 16 V.S.A. § 724 if each of the following actions occurred prior to the effective
6 date of Sec. 3 of 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
12 No. 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.

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 determination and vote to approve withdrawal. The
21 State Board shall determine if it is likely or unlikely the proposed new school

1 district, on the proposed operational date, will be prepared to assume full
2 responsibility for the education of its resident students in a manner that
3 substantially complies with educational quality standards as required by
4 16 V.S.A. § 165 and also whether it is likely or unlikely that supervisory union
5 services will be available to both the proposed new school district and the
6 union district on the operational date. If the State Board determines
7 preparedness is unlikely, it shall issue a written advisory statement detailing
8 the factors underlying its conclusion, which shall be posted on its website.

9 Upon making its preparedness determination, the State Board shall vote to:

10 (A) approve the withdrawal proposal;

11 (B) approve any motion necessary for the withdrawal process to
12 proceed pursuant to subsection (d) of this section, including a motion to create
13 a new school district as of the date of the motion in order to enable the election
14 of members to the board of the proposed new school district, negotiation and
15 voter approval of a withdrawal agreement pursuant to the former 16 V.S.A.
16 § 724(c), and preparation to assume full responsibility for the education of
17 resident students on the operational date;

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

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

3 (d) Actions necessary to be fully operational. After the State Board makes
4 its determination of preparedness and approves the withdrawal process
5 pursuant to subdivision (c)(2) of this section, then the new school district, the
6 union district, and, if applicable, the supervisory union or unions shall take all
7 actions necessary to be fully operational on the operational date. At a
8 minimum, the required necessary actions shall include:

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

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

18 (3) approval by the voters of each town within the union district of the
19 negotiated proposed financial terms of withdrawal in order to comply with the
20 requirements of the former 16 V.S.A. § 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 all actions necessary to
11 address the collectively bargained rights of employees of the current
12 employing entity.

13 (e) Preparedness deemed unlikely.

14 (1) If the State Board determines preparedness is unlikely and issues a
15 written advisory statement detailing the factors underlying its conclusion
16 pursuant to subdivision (c)(2) of this section, it shall electronically transmit the
17 advisory statement to the board of the new school district upon its election.

18 (2) Upon receipt of the advisory statement, the board of the new school
19 district shall post the document on its website and schedule the contents as a
20 topic for public discussion at a special or regular board meeting.

1 (3) Prior to the operational date and after public discussion and any
2 board deliberations:

3 (A) The board of the new school district may continue to take all
4 actions necessary to prepare for the realignment of duties on the operational
5 date.

6 (B) On its own motion, or if petitioned to do so by at least five
7 percent of the voters in the new school district, the board of the new school
8 district shall warn a vote to request the State Board to reverse its declaration
9 approving withdrawal and reconstituting the new school district. The vote
10 shall be held before the October 1 prior to the operational date.

11 (i) The question shall be decided by Australian ballot.

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

20 (4) If the new school district requests the State Board to take action
21 under subdivision (3) of this subsection, then:

1 (A) the State Board shall reverse and void earlier declarations
2 approving withdrawal and reconstituting the new school district and the
3 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is
4 concluded; and

5 (B) the union school district shall continue to be solely responsible
6 for the education of the students residing in the town that petitioned for
7 withdrawal; provided, however:

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

12 (ii) the State Board may make any declarations and take any
13 actions, including recording certifications with the Secretary of State, that are
14 necessary to support the consequences outlined in this subdivision (e)(4).

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

17 (1) The processes outlined in this section shall apply to an action of a
18 member school district to withdraw from a union elementary or union high
19 school district if the five elements set forth in subdivisions (A)–(E) of
20 subdivision (a)(2) 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, the
3 terms used in subsections (a) through (e) 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.

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

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

14 **Sec. 6. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD**
15 **HAS NOT TAKEN ACTION; UNION DISTRICT CREATED BY**
16 **THE ELECTORATE**

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

1 (1) the union district formed pursuant to the provisions of 16 V.S.A.
2 §§ 706–706j that were in effect prior to the effective date of Sec. 3 of this act;

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

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

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

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

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

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

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

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

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

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

20 (2) Plan. The plan shall describe the actions that the petitioning town
21 has taken and will take to ensure that, as of its proposed operational date, the

1 proposed new district will be prepared to assume sole responsibility for the
2 education of its students in prekindergarten through grade 12 in a manner that
3 will meet educational quality standards as required by 16 V.S.A. § 165,
4 including the actions necessary to transition to the proposed method by which
5 supervisory union services would be provided. The plan shall include a
6 timeline indicating the date by which each action will be complete. At a
7 minimum, the plan and timeline should include the actions identified in
8 subsection (d) of this section.

9 (c) State Board review and action.

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

14 (2) Preparedness determination and vote to approve withdrawal. The
15 State Board shall determine if it is likely or unlikely the proposed new school
16 district will be prepared to assume full responsibility for the education of its
17 resident students in a manner that substantially complies with educational
18 quality standards as required by 16 V.S.A. § 165 and whether it is likely or
19 unlikely that supervisory union services will be available to the proposed new
20 school district on the operational date. If the State Board determines
21 preparedness is unlikely, it shall issue a written advisory statement detailing

1 the factors underlying its conclusion, which shall be posted on its website.

2 Upon making its preparedness determination, the State Board shall 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 16 V.S.A.
9 § 724(c), and preparation to assume full responsibility for the education of
10 resident students 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 (d) Actions necessary to be fully operational. After the State Board makes
18 its determination of preparedness and approves the withdrawal process
19 pursuant to subdivision (c)(2) of this section, then the new school district, the
20 union district, and, if applicable, the supervisory union or unions shall take all

1 actions necessary to be fully operational on the identified operational date. At
2 a minimum, the required necessary actions shall include:

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

9 (2) negotiation by the board of the new school district and the board of
10 the union district of the proposed financial terms of withdrawal in order to
11 comply with the requirements of the former 16 V.S.A. § 724(c);

12 (3) approval by the voters of each town within the union district of the
13 negotiated proposed financial terms of withdrawal in order to comply with the
14 requirements of the former 16 V.S.A. § 724(c);

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

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

21 and

1 (6) all other actions necessary to transition from one school district to
2 two districts and, if applicable, to transition from a supervisory district
3 structure to a supervisory union structure, including any actions necessary to
4 address the collectively bargained rights of employees of the former employing
5 entity.

6 (e) Preparedness deemed unlikely.

7 (1) If the State Board determines preparedness is unlikely and issues a
8 written advisory statement detailing the factors underlying its conclusion
9 pursuant to subdivision (c)(2) of this section, it shall electronically transmit the
10 advisory statement to the board of the new school district upon its election.

11 (2) Upon receipt of the advisory statement, the board of the new school
12 district shall post the document on its website and schedule the contents as a
13 topic for public discussion at a special or regular board meeting.

14 (3) Prior to the operational date and after public discussion and any
15 board deliberations:

16 (A) 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.

19 (B) On its own motion, or if petitioned to do so by at least five
20 percent of the voters in the new school district, the board of the new school
21 district shall warn a vote to request the State Board to reverse its declaration

1 approving withdrawal and reconstituting the new school district. The vote
2 shall be held before the October 1 prior to the operational date.

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 (4) If the new school district requests the State Board to take action
13 under subdivision (3) of this subsection, then:

14 (A) 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 16 V.S.A. § 724 is
17 concluded; and

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

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

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

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

10 (1) The processes outlined in this section shall apply to an action of a
11 member school district to withdraw from a union elementary or union high
12 school district if the four elements set forth in subdivisions (1)–(4) of
13 subdivision (a) are met.

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

18 (A) “Petitioning town” means the member district of the union
19 elementary or union high school district that initiated the withdrawal process
20 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
21 effective date of Sec. 3 of this act.

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

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

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

7 **Sec. 7. WITHDRAWAL PROPOSALS; NO FINAL RATIFICATION**

8 **VOTES**

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

14 (1) the union district formed pursuant to the provisions of 16 V.S.A.
15 §§ 706–706j that were in effect prior to the effective date of Sec. 3 of this act;

16 (2) a vote in the petitioning town to approve a withdrawal proposal was
17 warned to occur on or before June 1, 2022; and

18 (3) the voters of each of the other towns within the union district have
19 not voted whether to ratify the withdrawal proposal prior to the effective date
20 of this section or they each voted but the votes are not final prior to the
21 effective date.

1 (b) Vote of the other towns within the union district. If the voters in the
2 petitioning town vote to approve withdrawal, then within 90 days after the
3 town clerks in the other towns within the union district receive notice from the
4 Secretary of State pursuant to the former 16 V.S.A. § 724(b) that the vote in
5 the petitioning town is final, the voters of the other towns within the union
6 district shall vote whether to ratify the withdrawal proposal. The question shall
7 be determined by Australian ballot and shall proceed pursuant to Sec. 3,
8 16 V.S.A. § 737 (warnings of unified union school district meetings) and
9 §§ 739–741 (vote by Australian ballot) of this act. The ballots shall not be
10 commingled.

11 (1) Vote not to ratify withdrawal. If a majority of the voters in one or
12 more towns within the union district do not vote in favor of withdrawal, then
13 the proposed withdrawal shall not occur. The voters residing in any town
14 within the union district may initiate new withdrawal procedures pursuant to
15 the process set forth in Sec. 3, 16 V.S.A. § 724, of this act.

16 (2) Vote in favor of withdrawal. If a majority of the voters in all towns
17 within the union district vote in favor of withdrawal, then the withdrawal
18 process shall proceed pursuant to subsections (c)–(f) of this section.

19 (c) Report and plan. Within 30 days after the ratification votes of the other
20 towns within the union district are final, the self-selected representatives of the
21 petitioning town shall submit a written report and plan to the State Board.

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

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

12 (B) the financial advantages and disadvantages likely to result from
13 withdrawal for the taxpayers in the proposed new school district and the
14 taxpayers in the remaining towns within the union district and the ways in
15 which they are preferable to those of continuing in the current governance
16 structure;

17 (C) the likely operational and financial viability and sustainability of
18 the proposed new school district and the union district after withdrawal of the
19 petitioning town;

1 (D) 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 (E) the potential source of supervisory union services for the new
5 school district and, if appropriate, for the union district, including discussions
6 with the board of any supervisory union to which the petitioning town
7 proposes assignment.

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

18 (d) State Board review and action.

19 (1) Review. The State Board shall consider the report and plan and shall
20 provide the self-selected representatives of the petitioning town and the board

1 of the union district an opportunity to be heard. The Board may, in its
2 discretion, take testimony from other individuals and entities.

3 (2) Preparedness determination and vote to approve withdrawal. The
4 State Board shall determine if it is likely or unlikely the proposed new school
5 district will be prepared to assume full responsibility for the education of its
6 resident students in a manner that substantially complies with educational
7 quality standards as required by 16 V.S.A. § 165 and whether it is likely or
8 unlikely that supervisory union services will be available to the proposed new
9 school district on the operational date. If the State Board determines
10 preparedness is unlikely, it shall issue a written advisory statement detailing
11 the factors underlying its conclusion, which shall be posted on its website.

12 Upon making its preparedness determination, the State Board shall vote to:

13 (A) approve the withdrawal proposal;

14 (B) approve any motion necessary for the withdrawal process to
15 proceed pursuant to subsection (d) of this section, including a motion to create
16 a new school district as of the date of the motion in order to enable the election
17 of members to the board of the proposed new school district, negotiation and
18 voter approval of a withdrawal agreement pursuant to the former 16 V.S.A.
19 § 724(c), and preparation to assume full responsibility for the education of
20 resident students on the operational date;

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

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

7 (e) Actions necessary to be fully operational. After the State Board makes
8 its determination of preparedness and approves the withdrawal process
9 pursuant to subdivision (c)(2) of this section, then the new school district, the
10 union district, and, if applicable, the supervisory union or unions shall take all
11 actions necessary to be fully operational on the identified operational date. At
12 a minimum, the required 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 operational
17 date shall be to prepare for the district to assume sole responsibility for the
18 education of resident students on that date;

19 (2) negotiation by the board of the new school district and the board of
20 the union district of the proposed financial terms of withdrawal in order to
21 comply with the requirements of the former 16 V.S.A. § 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 16 V.S.A. § 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 (f) Preparedness deemed unlikely.

17 (1) If the State Board determines preparedness is unlikely and issues a
18 written advisory statement detailing the factors underlying its conclusion
19 pursuant to subdivision (c)(2) of this section, it shall electronically transmit the
20 advisory statement to the board of the new school district upon its election.

1 (2) Upon receipt of the advisory statement, the board of the new school
2 district shall post the document on its website and schedule the contents as a
3 topic for public discussion at a special or regular board meeting.

4 (3) Prior to the operational date and after public discussion and any
5 board deliberations:

6 (A) The board of the new school district may continue to take all
7 actions necessary to prepare for the realignment of duties on the operational
8 date.

9 (B) On its own motion, or if petitioned to do so by at least five
10 percent of the voters in the new school district, the board of the new school
11 district shall warn a vote to request the State Board to reverse its declaration
12 approving withdrawal and reconstituting the new school district. The vote
13 shall be held before the October 1 prior to the operational date.

14 (i) The question shall be decided by Australian ballot.

15 (ii) Within 45 days after the vote or 15 days after a vote to
16 reconsider under 17 V.S.A. § 2661, whichever is later, the clerk of the new
17 school district shall certify the results of the vote to the Secretary of State who
18 shall record the certificate and give notice of the vote to the clerk of the union
19 district, the clerks of each of the other towns within the union district, and the
20 Secretary of Education. The clerk of the new school district shall submit the

1 certification regardless of whether the voters in the district voted to petition the
2 State Board to reverse its declarations.

3 (4) If the new school district requests the State Board to take action
4 under subdivision (3) of this subsection, then:

5 (A) the State Board shall reverse and void earlier declarations
6 approving withdrawal and reconstituting the new school district and the
7 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is
8 concluded; and

9 (B) the union school district shall continue to be solely responsible
10 for the education of the students residing in the town that petitioned for
11 withdrawal; provided, however:

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

16 (ii) the State Board may make any declarations and take any
17 actions, including recording certifications with the Secretary of State, that are
18 necessary to support the consequences outlined in this subdivision (e)(4).

19 (g) Application of this section to withdrawal from a union elementary or
20 union high school district.

1 (1) The processes outlined in this section shall apply to an action of a
2 member school district to withdraw from a union elementary or union high
3 school district if the four elements set forth in subdivisions (1)–(4) of
4 subdivision (a) are met.

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

9 (A) “Petitioning town” means the member district of the union
10 elementary or union high school district that initiated the withdrawal process
11 pursuant to the provisions of 16 V.S.A. § 721a that were in effect prior to the
12 effective date of Sec. 3 of this act.

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

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

18 (h) Repeal. This section is repealed on July 1, 2024.

19 **Sec. 8. TEMPORARY MORATORIUM ON UNION SCHOOL DISTRICT**

20 **SCHOOL CLOSURES**

1 (a) Notwithstanding any provision of law to the contrary, a union school
2 district shall be prohibited from closing a school building within its district
3 unless the school building closure has already been accounted for in the fiscal
4 year 2023 school budget; the closure is necessary to protect the health and
5 safety of students; the school district is unable to adequately staff the school
6 building at issue; the closure is approved by the district voters residing in the
7 town in which the building is located; or keeping the school building open
8 would be detrimental to the educational opportunities of the students in the
9 school building. For the purposes of this section, “closing a school building “
10 means the district ceases to use the building to provide direct education for a
11 majority of the grades operated within the building on or before July 1, 2022.

12 (b) This section is repealed on July 1, 2023.

13