

1 H.727

2 Senators Perchlik, Campion, Chittenden, Hardy, Hooker, Lyons, and  
3 Terenzini move to amend the proposal of amendment of the Committee on  
4 Education as follows:

5 First: By striking out Sec. 4, withdrawal actions approved by State Board;  
6 new districts with an operational date on or after July 1, 2023, in its entirety  
7 and inserting in lieu thereof a new Sec. 4 to read as follows:

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

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

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

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

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

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

1           (5) the voters of the towns within the union district voted to approve the  
2           financial terms of withdrawal negotiated by the boards of the new school  
3           district and the union district; and

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

7           (b) Vote of the board of the new school district; operational date. Before  
8           July 1, 2022, the board of the new school district shall vote whether to move  
9           forward with preparing for the operational date in effect on July 1, 2022  
10           (current operational date) or whether to extend the operational date by one  
11           year. If the school board votes to extend the operational date, the operational  
12           date shall be extended to one year from the current operational date (new  
13           operational date). The board of the new school district shall notify the State  
14           Board and clerk of the union district of its decision and operational date on or  
15           before July 1, 2022. The State Board shall then review the preparedness of the  
16           new school district pursuant to subsection (c) or (d) of this section depending  
17           on the operational date. The decision of the State Board shall be final  
18           regardless of whether it occurs in 2022 or 2023.

19           (c) Operational date in effect as of July 1, 2022; State Board review and  
20           action.

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

12           (2) State Board review and action. The State Board shall consider the  
13           status report and provide the board of the new school district an opportunity to  
14           be heard at a meeting located in the new school district. The State Board may  
15           also take testimony from other entities including the union school district and  
16           the Secretary of Education. The State Board shall issue a determination of  
17           preparedness based on the review and report on or before September 1, 2022.

18           (A) Preparedness deemed likely. If the State Board determines that it  
19           is likely the new school district will be prepared on the current operational date  
20           to assume full responsibility for the education of its resident students in a  
21           manner that substantially complies with educational quality standards as

1 required by 16 V.S.A. § 165 and to ensure the provision of supervisory union  
2 services, then the new school district, the union district, and, if applicable, the  
3 supervisory union or unions shall continue to take all actions necessary to  
4 prepare for the realignment of duties on the operational date.

5 (B) Preparedness deemed unlikely. If the State Board determines  
6 there is a reasonable risk that the new school district will not be able to be  
7 prepared on the current operational date to assume full responsibility for the  
8 education of its resident students in a manner that substantially complies with  
9 educational quality standards as required by 16 V.S.A. § 165, and to ensure the  
10 provision of supervisory union services, then:

11 (i) the State Board shall reverse and void earlier declarations  
12 approving withdrawal and reconstituting the new school district and the  
13 withdrawal action initiated pursuant to the former 16 V.S.A. § 724 is  
14 concluded; provided, however, upon order of the State Board, the new school  
15 district and its board may continue to exist for up to six months after the date  
16 of the State Board’s determination for the sole purpose of completing any  
17 outstanding business that cannot legally be performed by another entity;

18 (ii) the petitioning town shall be a town within the union district;

19 (iii) the State Board’s determination of reasonable risk and the  
20 resulting consequences imposed by such a determination shall be final and

1 shall conclude the withdrawal action initiated pursuant to the provisions of the  
2 former 16 V.S.A. § 724;

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

6 (v) the State Board may make any declarations and take any  
7 actions, including recording certifications with the Secretary of State, that are  
8 necessary to support the consequences outlined in this subdivision (2)(B).

9 (d) Extension of operational date; State Board review and action.

10 (1) Notification to State Board. If the board of the new school district  
11 voted to extend the operational date to one year from the operational date in  
12 effect on July 1, 2022, then the board shall notify the State Board of Education  
13 of the new operational date pursuant to subsection (b) of this section and shall  
14 continue to take all actions necessary to prepare for the realignment of duties  
15 on the new operational date. The State Board may ask for updates from the  
16 board of the new school district on preparedness efforts at any point before its  
17 regular July 2023 meeting.

18 (2) Report. On or before the regular July 2023 State Board meeting, the  
19 new school district shall submit a written status report to the Board detailing  
20 the actions the district has taken and will take to ensure that as of its new  
21 operational date the district will be prepared to assume sole responsibility for

1 the education of its students in prekindergarten through grade 12 in a manner  
2 that will meet educational quality standards as required by 16 V.S.A. § 165 and  
3 to ensure the provision of supervisory union services. The status report shall  
4 include a timeline indicating the date by which each action shall be complete.

5 (3) State Board review and action. The State Board shall consider the  
6 status report and provide the board of the new school district an opportunity to  
7 be heard at a meeting located in the new school district. The State Board may  
8 also take testimony from other entities including the union school district and  
9 the Secretary of Education. The State Board shall issue a determination of  
10 preparedness based on the review and the report on or before September 1,  
11 2023.

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

20 (B) Preparedness deemed unlikely. If the State Board determines  
21 there is a reasonable risk that the new school district will not be able to be

1 prepared on the new operational date to assume full responsibility for the  
2 education of its resident students in a manner that substantially complies with  
3 educational quality standards as required by 16 V.S.A. § 165 and to ensure the  
4 provision of supervisory union services, then:

5 (i) 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; provided, however, upon order of the State Board, the new school  
9 district and its board may continue to exist for up to six months after the date  
10 of the State Board’s determination for the sole purpose of completing any  
11 outstanding business that cannot legally be performed by another entity;

12 (ii) the petitioning town shall be a town within the union district;

13 (iii) the State Board’s determination of reasonable risk and the  
14 resulting consequences imposed by such a determination shall be final and  
15 shall conclude the withdrawal action initiated pursuant to the provisions of the  
16 former 16 V.S.A. § 724;

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

1                   (v) the State Board may make any declarations and take any  
2                   actions, including recording certifications with the Secretary of State, that are  
3                   necessary to support the consequences outlined in this subdivision (3)(B).

4                   (e) Repeal. This section is repealed on July 1, 2024.

5                   Second: By striking out Sec. 6, withdrawal proposals on which the State  
6 Board has not taken action; union district created by the electorate, in its  
7 entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

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

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

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

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

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

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

4           (b) Decision regarding timing of State Board review. At any time before  
5           July 1, 2022, the self-selected representatives of the petitioning town shall  
6           decide whether to begin a State Board of Education review of their withdrawal  
7           proposal in July of 2022 or July of 2023 and shall transmit their decision and  
8           proposed operational date to the State Board of Education and the clerk of the  
9           union district. The State Board shall review the withdrawal proposal only  
10           once. If the review of the withdrawal proposal occurs in 2023, the State Board  
11           may ask for updates from the self-selected members of the petitioning town on  
12           preparedness efforts prior to the final withdrawal proposal review. The  
13           decision of the State Board shall be final regardless of whether it occurs in  
14           2022 or 2023.

15           (c) Report and plan. On or before the second Wednesday of July in the  
16           year in which the review will occur, the self-selected representatives of the  
17           petitioning town shall submit a written report and plan to the State Board and  
18           shall indicate to the State Board that the documents are submitted pursuant to  
19           this section.

20           (1) Report. The report shall describe the analysis that has been  
21           performed by the petitioning town to evaluate the likely strengths and

1 challenges for the proposed new school district and for the reconfigured union  
2 district if withdrawal is approved and the ways in which withdrawal would  
3 enable both districts to provide for the education of their respective resident  
4 students in a manner that will meet educational quality standards as required  
5 by 16 V.S.A. § 165. The report shall address:

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

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

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

18 (D) any other advantages and disadvantages of withdrawal, including  
19 any advantages and disadvantages to the students and taxpayers of the region  
20 and the State; and

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

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

15           (d) Review and preparedness determination by the State Board.

16           (1) Review. The State Board shall consider the report and plan and  
17           provide the self-selected representatives of the petitioning town and the board  
18           of the union district an opportunity to be heard at a meeting held at a location  
19           within the petitioning town. The State Board may also take testimony from  
20           other individuals and entities, including the Secretary of Education and any  
21           supervisory union that has been identified as a potential source of supervisory

1 union services for the proposed new school district. The State Board shall  
2 issue a determination of preparedness as soon as possible after receipt of the  
3 report and plan but in no event later than September 1, 2022 or September 1,  
4 2023, as applicable, based on the decision of the self-selected representatives  
5 of the petitioning town made pursuant to subsection (b) of this section.

6 (2) Preparedness deemed likely; State Board of Education action. If the  
7 State Board determines that it is likely the proposed new school district on the  
8 proposed operational date will be prepared to assume full responsibility for the  
9 education of its resident students in a manner that substantially complies with  
10 educational quality standards as required by 16 V.S.A. § 165 and that it is also  
11 likely supervisory union services will be available to the proposed new school  
12 district, then it 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 (e) 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           (3) Preparedness deemed unlikely. If the State Board determines there  
8           is a reasonable risk that the proposed new school district will not be able to be  
9           prepared on the proposed operational date to assume full responsibility for the  
10           education of its resident students in a manner that substantially complies with  
11           educational quality standards as required by 16 V.S.A. § 165 and to ensure the  
12           provision of supervisory union services, and that the criteria will not be met by  
13           postponing the operational date, then:

14           (A) the State Board shall declare that the petitioning town’s proposal  
15           to withdraw initiated under the former 16 V.S.A. § 724 is denied;

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

17           (C) the State Board’s determination of reasonable risk and the  
18           resulting consequences imposed by such a determination shall be final and  
19           shall conclude the withdrawal action initiated pursuant to the provisions of the  
20           former 16 V.S.A. § 724; and

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

4           (e) Preparedness deemed likely; next steps. If the State Board approves the  
5           withdrawal process pursuant to subdivision (d)(2) of this section, then the new  
6           school district, the union district, and, if applicable, the supervisory union or  
7           unions shall take all actions necessary to be fully operational on the identified  
8           operational date. At a 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 operational  
13           date shall be to prepare for the district to assume sole responsibility for the  
14           education of resident students on that date;

15           (2) negotiation by the board of the new school district and the board of  
16           the union district of the proposed financial terms of withdrawal 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 any actions necessary to  
11           address the collectively bargained rights of employees of the former employing  
12           entity.

13           (f) Repeal. This section is repealed on July 1, 2025.

14           Third: By striking out Sec. 7, withdrawal proposals; no final ratification  
15           votes, in its entirety and inserting in lieu thereof a new Sec. 7 to read as  
16           follows:

17           Sec. 7. WITHDRAWAL PROPOSALS; NO FINAL RATIFICATION

18                   VOTES

19           (a) Application of this section. This section shall apply solely to a  
20           withdrawal action initiated by a town within a union district (petitioning town)  
21           pursuant to the provisions of 16 V.S.A. § 724 that were in effect prior to the

1 effective date of Sec. 3 of this act (former 16 V.S.A. § 724) if each of the  
2 following actions occurred prior to that date:

3 (1) the union district formed pursuant to the provisions of 16 V.S.A.  
4 §§ 706–706j that were in effect prior to the effective date of Sec. 3 of this act;

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

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

11 (b) Vote of the other towns within the union district. If the voters in the  
12 petitioning town vote to approve withdrawal, then within 90 days after the  
13 town clerks in the other towns within the union district receive notice from the  
14 Secretary of State pursuant to the former 16 V.S.A. § 724(b) that the vote in  
15 the petitioning town is final, the voters of the other towns within the union  
16 district shall vote whether to ratify the withdrawal proposal. The question shall  
17 be determined by Australian ballot and shall proceed pursuant to Sec. 3,  
18 16 V.S.A. § 737 (warnings of unified union school district meetings) and  
19 §§ 739–741 (vote by Australian ballot) of this act. The ballots shall not be  
20 commingled.

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

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

9           (c) Decision regarding timing of State Board review. Within 30 days after  
10           the ratification votes of the other towns within the union district are final, the  
11           self-selected representatives of the petitioning town shall decide whether to  
12           undergo a State Board of Education review of the withdrawal proposal in 2022  
13           or 2023 and shall transmit their decision and proposed operational date to the  
14           State Board of Education and clerk of the union district. In accordance with  
15           the decision of the self-selected representatives of the petitioning town  
16           regarding the year in which the withdrawal proposal shall be reviewed, the  
17           State Board, in consultation with the self-selected representatives, shall  
18           determine the date the final withdrawal proposal review will begin and  
19           transmit the date to the self-selected representatives of the petitioning town and  
20           the clerk of the union school district. The State Board shall review the  
21           withdrawal proposal only once. If the review of the withdrawal proposal

1 occurs in 2023, the State Board may ask for updates from the self-selected  
2 members of the petitioning town on preparedness efforts prior to the final  
3 withdrawal proposal review. The decision of the State Board shall be final  
4 regardless of whether it occurs in 2022 or 2023.

5 (d) Report and plan. On or before the date set by the State Board to begin  
6 the final withdrawal proposal review, the self-selected representatives of the  
7 petitioning town shall submit a written report and plan to the State Board and  
8 shall indicate to the State Board that the documents are submitted pursuant to  
9 this section.

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

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

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

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

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

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

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

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

5 (e) Review and preparedness determination by the State Board.

6 (1) Review. The State Board shall consider the report and plan and  
7 provide the self-selected representatives of the petitioning town and the board  
8 of the union district an opportunity to be heard at a meeting held at a location  
9 within the petitioning town. The State Board may also take testimony from  
10 other individuals and entities including the Secretary of Education and any  
11 supervisory union that has been identified as a potential source of supervisory  
12 union services for the proposed new school district. The State Board shall  
13 issue a determination of preparedness as soon as possible after receipt of the  
14 report and plan but in no event later than 90 days after the date set by the State  
15 Board to begin the final withdrawal proposal review.

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

1 likely supervisory union services will be available to the proposed new school  
2 district, then it 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 (f) 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 (3) Preparedness deemed unlikely. If the State Board determines there  
18 is a reasonable risk that the proposed new school district will not be able to be  
19 prepared on the proposed operational date to assume full responsibility for the  
20 education of its resident students in a manner that substantially complies with  
21 educational quality standards as required by 16 V.S.A. § 165 and to ensure the

1 provision of supervisory union services, and that the criteria will not be met by  
2 postponing the operational date, then:

3 (A) the State Board shall declare that the petitioning town’s proposal  
4 to withdraw initiated under the former 16 V.S.A. § 724 is denied;

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

6 (C) the State Board’s determination of reasonable risk and the  
7 resulting consequences imposed by such a determination shall be final and  
8 shall conclude the withdrawal action initiated pursuant to the provisions of the  
9 former 16 V.S.A. § 724; and

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

13 (f) Preparedness deemed likely; next steps. If the State Board approves the  
14 withdrawal process pursuant to subdivision (e)(2) of this section, then the new  
15 school district, the union district, and, if applicable, the supervisory union or  
16 unions shall take all actions necessary to be fully operational on the identified  
17 operational date. At a minimum, the required necessary actions shall include:

18 (1) election of initial school board members by the voters of the new  
19 school district, whose terms of office shall be arranged so that one each expires  
20 on the day of the second, third, and fourth annual meeting of the new school  
21 district and whose sole responsibility until the new school district’s operational

1 date shall be to prepare for the district to assume sole responsibility for the  
2 education of resident students on that date;

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

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

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

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

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

21 (g) Repeal. This section is repealed on July 1, 2025.