

1 Sec. 1. 16 V.S.A. § 1804 is added to read:

2 § 1804. EMPLOYMENT TRANSITION; NEW SCHOOL DISTRICT CREATED UPON WITHDRAWAL FROM A  
3 UNION SCHOOL DISTRICT

4 (a) Definitions. The definitions in Section 1801 of this subchapter shall not apply to this section. As  
5 used in this section:

6 (1) "Expanded district" means a school district:

7 (A) that was responsible for the education of students residing in a single town for some, but  
8 not all, grades, whether by operating all grades, tuitioning all grades, or operating some grades and  
9 paying tuition for others; and

10 (B) that, as the result of its withdrawal from a union elementary or union high school district  
11 pursuant to section 725 of this title, is solely responsible for the education of its resident students in all  
12 grades, prekindergarten through grade 12, whether by operating all grades, tuitioning all grades, or  
13 operating some grades and paying tuition for others.

14 (2) "New district" means:

15 (A) a school district created by withdrawal from a unified union school district pursuant to  
16 section 724 of this title that is responsible for the prekindergarten through grade 12 education of  
17 students residing in a single town, whether by operating all grades, tuitioning all grades, or operating  
18 some grades and paying tuition for others; or

19 (B) a school district responsible for the prekindergarten through grade 12 education of  
20 students residing in a single town, whether by operating all grades, tuitioning all grades, or operating  
21 some grades and paying tuition for others, that was formed when another town's withdrawal from a  
22 unified union school district resulted in dissolution of the union district; or

23 (C) an expanded district that did not operate any schools immediately prior to withdrawal  
24 and, after withdrawal, operates a school in one or more of the grades previously operated by the union  
25 district; or

26 (D) a school district created by withdrawal from a union elementary or union high school  
27 district pursuant to section 725 of this title if prior to withdrawal the withdrawing member was a  
28 member of both a union elementary school district and a union high school district, was not  
29 independently organized as a district responsible for the education of students in any grade, and did not  
30 have a town school district board.

1 (3) "Operational date" means the date on which a new district or an expanded district assumes  
2 full and sole responsibility for the education of its resident students in the grades for which the union  
3 district was previously responsible. "Initial operational year" and "second operational year" mean the  
4 year commencing on the operational date and the year immediately following the initial operational  
5 year, respectively.

6 (4) "Transitional period" means the period of time beginning on the day on which the State Board  
7 declares the creation and existence of the new district or the expanded district pursuant to subdivisions  
8 724(h)(2) or 725(h)(2) of this title and continuing until the new district's or newly expanded district's  
9 operational date.

10 (b) Negotiations council and recognized representatives of a new district. At its first meeting during  
11 the transitional period, the board of a new district shall:

12 (1) appoint a school board negotiations council for the new district for the purpose of  
13 negotiating with the representatives of future licensed and nonlicensed employees of the new district;  
14 and

15 (2) recognize the representative of the employees of the union school district as the recognized  
16 representative of the employees of the new district.

17 (c) Employment agreements for the initial and second operational years of a new district.

18 (1) After the new district's organizational meeting, the new district's school board negotiations  
19 council and the representative of the employees of the new district shall commence negotiations  
20 relating to the employment of licensed and nonlicensed employees in the initial operational year.  
21 Negotiations shall be conducted pursuant to the provisions of chapter 57 of this title for teachers and  
22 administrators and 21 V.S.A. chapter 22 for other employees. The negotiations council or councils  
23 representing employees of the union school district shall represent the employees of the new district  
24 unless and until the exclusive representative for employees of the new district designates new  
25 representatives to a negotiations council.

26 (2) If the parties do not ratify a new agreement at least 90 days prior to the new district's  
27 operational date, then the new district and its employees shall be governed by the terms of the  
28 collectively bargained agreement in place for the union district for the year preceding the initial  
29 operational year unless and until the parties agree otherwise.

1 (d) Non-probationary employees; changes to seniority and other provisions. For each new district  
2 and its employees, whether governed by an agreement in the initial operational year pursuant to  
3 subdivision (c)(1) or (c)(2)(A) of this section:

4 (1) an employee of the union district in the year preceding the initial operational year who was  
5 not a probationary employee of the union district at the conclusion of that year shall not be considered  
6 a probationary employee if employed by the new district in the initial operational year; and

7 (2) prior to the operational date, the board of the union district, the board of the new district,  
8 and the representative of the employees of the union district may negotiate a temporary memorandum  
9 of understanding to adjust provisions in the union district contract regarding seniority, reductions in  
10 force, layoff, and recall in order to assist the workforce needs of both the union district and the new  
11 district and the best interests of the licensed and nonlicensed employees they employ.

12 (e) Individual employment contracts not covered by a collective bargaining agreement. On its  
13 operational date, the new district shall assume the obligations of each existing individual employment  
14 contract, including accrued leave and associated benefits, of any union district employee not covered by  
15 a collective bargaining agreement who worked in the building located in the new district in the year  
16 preceding the initial operational year and who chooses to continue to work in the same capacity in that  
17 building in the initial operational year.

18 (f) Supervisory unions. If the State Board creates a new supervisory union to provide services to the  
19 new district and one or more other school districts, then the provisions of subsections (b) through (e) of  
20 this section shall apply to the transition of any employee who was employed by the union district in the  
21 year prior to the initial operational year to provide services typically provided by a supervisory union  
22 employee, if the employee is employed by the new supervisory union in the initial operational year to  
23 provide the same services, with the board of the new supervisory union assuming the responsibilities of  
24 the board of the new district as outlined in sections (b) through (e).

## 25 Sec. 2. APPLICATION OF EMPLOYMENT TRANSITION PROVISIONS

26 The provisions of Sec. 1 of this act shall also apply to any school district with an operational date on  
27 or after July 1, 2023 if the State Board of Education created the district as the result of a withdrawal  
28 action initiated pursuant to the terms of 16 V.S.A. § 721a or § 724 that were in effect on January 1,  
29 2022.