

**H.727 - proposed amendment to draft 2.1 – 04.26.2022**

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

2 NEW DISTRICTS WITH AN OPERATIONAL DATE ON OR

3 AFTER JULY 1, 2023

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

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

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

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

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

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

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

19 (b) Status report. On or before July 1, 2022, the new school district shall submit a written  
20 status report to the State Board detailing the actions the district has taken and will take to ensure  
21 that, as of its operational date, the district will be prepared to assume sole responsibility for the  
22 education of its students in prekindergarten through grade 12 in a manner that will meet  
23 educational quality standards as required by 16 V.S.A. § 165 and to ensure the provision of

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1       supervisory union services. The status report shall include a timeline indicating the date by  
2       which each action shall be complete.

3       **(c) Review and preparedness determination by State Board.**

4           **(1) Review.** The State Board shall consider the status report and provide the board of the  
5       new school district an opportunity to be heard at one or more of the Board's regularly scheduled  
6       meetings. The State Board may also take testimony from other entities including the union  
7       school district and the Secretary of Education. The State Board shall issue a determination of  
8       preparedness on or before September 1, 2022.

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

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

21                  **(A)** the State Board shall reverse and void earlier declarations approving withdrawal  
22      and reconstituting the new school district and the withdrawal action initiated pursuant to the  
23      former 16 V.S.A. § 724 is concluded; provided, however, upon order of the State Board, the new

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1       school district and its board may continue to exist for up to six months after the date of the State  
2       Board's determination for the sole purpose of completing any outstanding business that cannot  
3       legally be performed by another entity;

4           (B) the petitioning town shall be a town within the union district;  
5           (C) the State Board's determination of reasonable risk and the resulting consequences  
6       imposed by such a determination shall be final and shall conclude the withdrawal action initiated  
7       pursuant to the provisions of the former 16 V.S.A. § 724;

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

11          (E) the State Board may make any declarations and take any actions, including  
12       recording certifications with the Secretary of State, that are necessary to support the  
13       consequences outlined in this subdivision (c)(3).

14          (d) Repeal. This section is repealed on July 1, 2023.

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17      Sec. 6. WITHDRAWAL PROPOSALS ON WHICH THE STATE BOARD  
18           HAS NOT TAKEN ACTION; UNION DISTRICT CREATED BY  
19           THE ELECTORATE

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

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1       (1) the union district formed pursuant to the provisions of 16 V.S.A. §§ 706–706j that  
2       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 from the union  
4       district;

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

7       (4) the State Board of Education has not approved a final date of withdrawal and the  
8       assumption of full operations.

9       (b) Report and plan. At any time before July 1, 2022, the self-selected representatives of the  
10      petitioning town shall submit a written report and plan to the State Board, and shall indicate to  
11      the State Board that the documents are submitted pursuant to this section.

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

17      The report shall address:

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

22       (B) the financial advantages and disadvantages likely to result from withdrawal for the  
23       taxpayers in the proposed new school district and the taxpayers in the remaining towns within

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1     the union district and the ways in which they are preferable to those of continuing in the current  
2     governance structure;

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

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

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

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

18                 (c) Review and preparedness determination by State Board.

19                 (1) Review. The State Board shall consider the report and plan and provide the self-  
20     selected representatives of the petitioning town and the board of the union district an opportunity  
21     to be heard at the next regularly scheduled State Board meeting after receipt of the report and  
22     plan. The State Board may also take testimony from other individuals and entities including the

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1     Secretary of Education. The State Board shall issue a determination of preparedness as soon as  
2     possible after receipt of the report and plan but in no event later than August 1, 2022.

3       (2) Preparedness deemed likely; State Board of Education action. If the State Board  
4     determines that it is likely the proposed new school district, on the proposed operational date,  
5     will be prepared to assume full responsibility for the education of its resident students in a  
6     manner that substantially complies with educational quality standards as required by 16 V.S.A. §  
7     165 and that it is also likely supervisory union services will be available to the proposed new  
8     school district, then it shall vote to:

9           (A) approve the withdrawal proposal;

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

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

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

21        (3) Preparedness deemed unlikely. If the State Board determines there is a reasonable risk  
22     that the petitioning town will not be able to be prepared, on the proposed operational date, to  
23     assume full responsibility for the education of its resident students in a manner that substantially

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1   complies with educational quality standards as required by 16 V.S.A. § 165, and to ensure the  
2   provision of supervisory union services and that the criteria will not be met by postponing the  
3   operational date, then:

4           (A) the State Board shall declare that the petitioning town's proposal to withdraw  
5   initiated under the former 16 V.S.A. § 724 is denied;  
6           (B) the petitioning town shall remain a town within the union district;  
7           (C) the State Board's determination of reasonable risk and the resulting consequences  
8   imposed by such a determination shall be final and shall conclude the withdrawal action initiated  
9   pursuant to the provisions of the former 16 V.S.A. § 724; and  
10          (D) if voters residing in any town within the union district wish to initiate new  
11   withdrawal procedures, then they shall do so pursuant to the process set forth in Sec. 3, 16  
12   V.S.A. § 724, of this act.

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

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

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

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

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

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

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

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