



School Administrative Unit 70

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Dear Chair Stevens, Vice Chair Troiano, Ranking Member Murphy, and all other Members of the Committee on General, Housing and Military Affairs,

I write to you today with regard to House Bills 63 and 81 that are before your committee. As these bills address the next round of statewide negotiations for educators' healthcare options, there obviously will be significant impacts on the education fund and each town's citizens' ability to pay.

There are a number of common-sense proposals in H.63 that address issues with the negotiating process that became evident during the first round of deliberations. H.81 does not address these issues. I would like to call out a few of these areas of improvement that H.63 would provide, including:

1. In the event that negotiations must proceed to arbitration, the two sides must agree on an arbitration panel, rather than a single arbitrator. This panel, consisting of three members (one selected by the employees, one by the employers, and a third, neutral panelist designated by the Chair of the Vermont Labor Relations Board) will provide a more nuanced consideration of the final offers. Also, considering the very unique way in which Vermont's education fund is managed, each of these arbitrators should be from Vermont, or very familiar with Vermont's education funding system and, thus, the far-reaching impacts of their decision. (Section 5.a.3.B.ii.I)
2. Both sides must provide the arbitration panel with a full cost analysis of the impact of their proposal. Recognition of the impact of the requests should, obviously be a central tenet of the arbitration panel's determination, and provide a clear assessment of the affordability question for both parties. (Section 6.b.3.A and 6.b.3.B). The arbitration panel also should include these full cost estimates in their written decision with their explanation of the basis for their decision. (Section 6.b.4)
3. Finally, H.63 also addresses a loophole in cash-in-lieu payments, noting that they should not be received from one school district while the employee is receiving health insurance through a significant other in the employ of another school district. As we all pay into the same education fund, there is no reason that this type of "double-dipping" should be allowed. (Section 4.b.3.f.)

In the attached document, we provide an overview of the Norwich School District's healthcare funding over the past three years as exemplary of the effect of the last round of negotiations. When you take into consideration that our number of enrollee plans have been declining, the numbers clearly demonstrate an upward trend, one that we fear is not sustainable, in Norwich, or statewide.

Thank you for your consideration.

Thomas Candon
Norwich School Board, Chair