

1 H.630

2 Introduced by Representatives Holcombe of Norwich, Graning of Jericho, and

3 Brady of Williston

4 Referred to Committee on

5 Date:

6 Subject: Education; regional boards of cooperative education services;

7 specialized education settings; shared services; shared purchasing;

8 counties

9 Statement of purpose of bill as introduced: This bill proposes to allow and
10 encourage school districts to create boards of cooperative education services to
11 provide shared education services and access grants on a county level.

12 An act relating to boards of cooperative education services

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 * * * Findings and Purpose * * *

15 Sec. 1. FINDINGS AND PURPOSE

16 (a) The General Assembly finds that:

17 (1) Vermont's school districts are small by national and regional
18 standards, which denies them some of the benefits of scale.

19 (2) Some education services are higher in cost or intensity but lower in
20 incidence, such as specialized services for students with some low incidence

1 disabilities, making it more efficient and affordable to collaborate to ensure
2 quality education is available in every region, for every child.

3 (3) Market concentration means single districts cannot rely on
4 competitive bidding to reduce costs and improve quality. Districts often all
5 have separate contracts for the same service, with the same vendor or vendors,
6 which is an avoidable duplicative cost.

7 (4) For services that all districts need, such as professional development
8 and specialized settings for students with extraordinary needs, collaboration at
9 the county level ensures that the highest quality expertise and programming
10 can be shared at scale in ways that benefit all students and districts.

11 (5) Collaborative management of some functions would yield the same
12 outcome but at a lower price and with fewer demands on administrative time,
13 such that districts can spend proportionally less of every dollar on
14 noninstructional administrative tasks or duplicative services and capabilities.

15 (6) Examples of functions that can be challenging or less affordable
16 given the small size of Vermont's districts are:

17 (A) applying for State and other grants;

18 (B) supporting staff and educator pipelines;

19 (C) supporting transformation of operations or implementation of
20 new State initiatives or quality standards;

1 (D) providing high quality, evidence-based professional development
2 in a coherent and consistent way;

3 (E) providing or ensuring access to specialized settings for students
4 with unique needs or highly specialized needs;

5 (F) managing prekindergarten programs to ensure equitable access to
6 high quality prekindergarten programs;

7 (G) managing afterschool and extended learning to ensure all
8 students have access to opportunity and can thrive;

9 (H) procurement of services to support education, from food service
10 to transportation, given the lack of enough vendors to ensure competitive
11 bidding; and

12 (I) providing appropriate support and education for English learners.

13 (7) Municipal collaboratives serve the purpose of representative
14 democracy and provide for coordinated municipal action but in ways that
15 simplify the process of accessing the tools of municipal government, including
16 municipal grants and bonds.

17 (b) The purpose of this act is to allow and encourage school districts to
18 create boards of cooperative education services to maximize the impact of
19 available dollars through collaborative funding; reduce duplication of
20 programs, personnel, and services; and contribute to equalizing educational
21 opportunities for pupils in diverse schools.

1 Sec. 2. 16 V.S.A. chapter 10 is added to read:

2 CHAPTER 10. BOARDS OF COOPERATIVE EDUCATION SERVICES

3 § 601. CREATION OF BOARD OF COOPERATIVE EDUCATION

4 SERVICES

5 (a) Whenever the boards of two or more school districts within the same
6 county desire to establish a board of cooperative education services for the
7 purpose of providing shared education services as set forth in this chapter and
8 have so certified to the Secretary of Education and other interested boards by
9 appropriate resolution, the superintendents of any two of the interested school
10 district boards may call a meeting of the duly appointed representatives of the
11 interested boards. The interested boards shall seek from the Secretary of
12 Education any aid and assistance that may be reasonably required, to the end
13 that a proper plan of organization for the board of cooperative education
14 services shall be accomplished. At this meeting, the boards that have
15 previously and respectively adopted resolutions so authorizing may enter into a
16 proposed agreement to form a board of cooperative education services, which
17 proposed agreement shall set forth the names of the participating school
18 districts and the following:

19 (1) the mission, purpose, and focus of the board of cooperative
20 education services;

1 (2) the programs or services to be offered by the board of cooperative
2 education services;

3 (3) the financial terms and conditions of membership of the board of
4 cooperative education services, including a limit on the amount of cumulative
5 surplus revenue that may be held by the board at the end of a fiscal year;

6 (4) the detailed procedure for the preparation and adoption of an annual
7 budget;

8 (5) the method of termination of the board of cooperative education
9 services and the withdrawal of member school districts;

10 (6) the procedure for admitting new members and for amending the
11 collaborative agreement;

12 (7) the powers and duties of the board of directors of the board of
13 cooperative education services to operate and manage the education
14 collaborative; and

15 (8) any other matter not incompatible with law that the member school
16 districts consider necessary to the formation of the board of cooperative
17 education services.

18 (b)(1) At a subsequent meeting, the boards that have approved participation
19 in a board of cooperative education services shall agree upon the number of
20 members that are to compose the cooperative board, except that there shall be

1 not less than five board members, and each participating board shall be entitled
2 to at least one member on the board of cooperative education services.

3 (2) Each participating school district board shall then appoint its
4 assigned number of representatives, and one alternate for each, from its
5 membership, or it may appoint the superintendent of the school district's
6 supervisory union as one of its assigned number of representatives.

7 (3) As a term of office expires or a member of the board of cooperative
8 services resigns from, is removed from, or leaves the member's role in the
9 corresponding member district, a replacement to the board of cooperative
10 education services shall be appointed by the participating school district board
11 within 30 days after the expiration date. When other vacancies occur, they
12 shall be filled by appointment by the respective school district boards within
13 30 days from the date on which the vacancy occurs.

14 (c) A board of cooperative education services shall meet at least quarterly.
15 A quorum shall consist of a simple majority of those members serving on a
16 board of cooperative education services. In the absence of a regular member,
17 the alternate, if present, may be counted toward the required quorum and
18 assume the duties of the regular member.

19 (d) There shall be not more than one board of cooperative education
20 services in each county. School districts shall not be part of more than one
21 board of cooperative education services. If a school district is located in more

1 than one county, the school board shall decide which board of cooperative
2 education services to join.

3 (e) The Agency of Education shall promote the use of boards of
4 cooperative education services as providers of education services and programs
5 for local school districts and shall include consideration of grant applications
6 that include the use of education collaboratives for the purpose of procuring
7 services and programs.

8 § 602. ORGANIZATION OF BOARD OF COOPERATIVE EDUCATION

9 SERVICES; OFFICERS

10 At its first meeting, the members of the board of cooperative education
11 services appointed pursuant to section 601 of this title shall elect from their
12 membership a chair, vice-chair, clerk, and a treasurer whose terms of office are
13 for two years, unless their terms of office as board members expire earlier, in
14 which case the officership shall similarly expire. The duties of the chair, vice-
15 chair, clerk, and treasurer of the board of cooperative education services are
16 the same as set forth for similar offices of school boards.

17 § 603. POWERS OF BOARDS OF COOPERATIVE EDUCATION

18 SERVICES

19 (a) In addition to any other powers granted by law, the board of cooperative
20 education services shall have the following specific powers, to be exercised in
21 its discretion in a way that best serves the regional needs of its members:

1 (1) to operate specialized therapeutic programs for students with
2 extraordinary needs;

3 (2) to operate career technical education programs;

4 (3) to provide English learner services;

5 (4) to provide services for students with high-intensity, low-frequency
6 needs;

7 (5) to contract for food, transportation, and health services on a regional
8 level; and

9 (6) to provide regional coordination of professional development and
10 educator pipelines.

11 (b) A board of cooperative education services shall not be required to offer
12 all services authorized under subsection (a) of this section.

13 (c) A board of cooperative education services may employ an executive
14 director who shall serve under the general direction of the board and who shall
15 be responsible for the care and supervision of the board of cooperative
16 education services. The executive director shall not serve as a board member,
17 officer, or employee of any related for-profit or nonprofit organization.

18 § 604. FINANCING, BUDGETING, AND ACCOUNTING

19 (a) The board of cooperative education services shall establish and manage
20 a fund to be known as an education collaborative fund. All monies contributed
21 by the member school districts and all grants or gifts from the federal

1 government, State government, charitable foundations, private corporations, or
2 any other source shall be paid to the board of cooperative education services
3 and deposited into the fund.

4 (b) The board of cooperative education services shall appoint a treasurer
5 who may be a treasurer of a school district belonging to the board. The
6 treasurer may, subject to the direction of the directors of the board of
7 cooperative education services, receive and disburse all money belonging to
8 the board without further appropriation. The treasurer shall be sworn in before
9 entering the duties of the office. The board shall ensure that its blanket bond
10 covers a newly appointed treasurer before the treasurer enters upon the duties
11 of the office. In lieu of a blanket bond, the collaborative may choose to
12 provide suitable crime insurance coverage.

13 (c) Each board of cooperative education services shall adopt and maintain a
14 financial accounting system, in accordance with generally accepted accounting
15 principles and Governmental Accounting Standards Board principles, and any
16 supplemental requirements prescribed by the State Board of Education, in
17 consultation with the State Auditor.

18 (d) Annually, each board of cooperative education services shall prepare
19 financial statements, including:

20 (1) a statement of net assets;

21 (2) a statement of revenues, expenditures, and changes in net assets; and

1 (3) such supplemental statements and schedules as may be required by
2 State Board rule.

3 (e) A board of cooperative education services shall adopt a budget prior to
4 the beginning of the fiscal year for which the budget is adopted.

5 (f) A board of cooperative education services may, upon approval of its
6 members, negotiate or contract with any person, corporation, association, or
7 company for a loan not to exceed the difference between the anticipated
8 revenues for the current fiscal year for the budget of the board of cooperative
9 education services and the amount credited to date to said budget in order to
10 pay current obligations. Such loan shall be liquidated within six months
11 thereafter from monies subsequently credited to said budget. The total
12 principal, interest, and fees to be paid on such loan shall not exceed the total
13 amount of the authorized budget for the same length of time.

14 § 605. MATCHING POWER

15 The board of cooperative education services shall be authorized to use the
16 contributions from the participating members to match State and federal funds,
17 or funds from any other agencies when applicable, when the acceptance of
18 financial assistance from such other agencies requires matching of funds as a
19 condition of participating in services authorized by law.

1 § 606. STATE AND FEDERAL PAYMENTS

2 Any State or federal financial assistance that would accrue to an individual
3 supervisory union or school district if it were performing a service performed
4 under the direction of a board of cooperative education services shall be
5 apportioned by the appropriate State or federal agency to the participating
6 school districts on the basis of the proportionality of the contributions of the
7 participating school districts to the performance of the service or upon the
8 basis of proportionality otherwise set forth by law.

9 § 607. BUILDINGS AND FACILITIES

10 (a) A school district that is participating in a cooperative service agreement,
11 when authorized by a vote of the eligible electors of the district, may contract
12 for bonded indebtedness for the purpose of purchasing sites, constructing
13 buildings or other structures, and equipping buildings that are necessary for the
14 operation of a cooperative education service program. The district that
15 contracts for bonded indebtedness may charge the other members participating
16 in the cooperative service agreement for the use of the building and equipment.
17 The rental proceeds may be applied to the retirement of said bonded
18 indebtedness. This section shall not be construed to create liability for
19 retirement of such bonded indebtedness upon the other members participating
20 in the cooperative service agreement.

1 (b) The school boards of the school districts participating in a cooperative
2 service agreement may jointly, separately, or, after approval of each
3 participating school board, as a board of cooperative education services
4 construct, purchase, or lease sites, buildings, and equipment for the purpose of
5 providing the facilities necessary for the operation of a cooperative service
6 program at any appropriate location, whether within or outside a school district
7 providing the money for the facilities.

8 § 608. CORPORATE STATUS OF BOARDS OF COOPERATIVE
9 EDUCATION SERVICES

10 Each board of cooperative education services shall be a body corporate and
11 in its name may hold title to personal property for any purpose authorized by
12 law, sue, and be a party to contracts for any purpose authorized by law.

13 § 609. EMPLOYMENT

14 (a) A board of cooperative education services shall be considered to be a
15 public employer and may employ personnel, including educators, to carry out
16 the purposes and functions of the board.

17 (b) No person shall be eligible for employment by the board of cooperative
18 education services as an educator unless the person is appropriately licensed by
19 the Standards Board for Professional Educators, pursuant to chapter 51 of this
20 title.

1 § 610. SCHOOL FOOD AUTHORITY

2 (a) A board of cooperative education services is authorized to maintain,
3 equip, and operate a food service facility as a school food authority.

4 (b) A board of cooperative education services that elects to operate as a
5 school food authority may seek, accept, and expend gifts, grants, and donations
6 to facilitate its operations as a school food authority.

7 § 611. STATE BOARD OF EDUCATION; RULES

8 The State Board of Education shall adopt rules pursuant to 3 V.S.A.
9 chapter 25 pertaining to boards of education cooperative education services as
10 may be necessary to carry out this chapter.

11 Sec. 3. TRANSITION

12 (a) On or before July 1, 2025, each school district shall consider and vote
13 on the desirability of establishing a board of cooperative education services
14 pursuant to 16 V.S.A. chapter 10. There shall be not more than one board of
15 cooperative service established in each county. School boards that vote to
16 establish a board of cooperative education services shall hold an organizational
17 meeting pursuant to 16 V.S.A. § 601 on or before July 1, 2026.

18 (b) On or before July 1, 2027, the Secretary of Education shall review the
19 boards of cooperative education services as they exist, or are anticipated to
20 exist, on that date. On or before November 1, 2027, the Secretary shall issue a

1 written report to the General Assembly and the State Board of Education with
2 the following information and recommendations:

3 (1) the number of boards of cooperative education services in existence
4 on July 1, 2027, including the names of member districts and services
5 provided;

6 (2) the number of school districts that are not members of boards of
7 cooperative education services, by county, and information on why such
8 school districts have not joined a board of cooperative education services; and

9 (3) recommendations for expansion of the membership and powers of
10 boards of cooperative education services, including recommendations for
11 whether membership in such boards shall be mandatory.

12 * * * Conforming Revisions * * *

13 Sec. 4. 16 V.S.A. § 563 is amended to read:

14 § 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

15 The school board of a school district, in addition to other duties and
16 authority specifically assigned by law:

17 * * *

18 (33) May establish or join a board of cooperative education services
19 pursuant to chapter 10 of this title.

1

* * * Effective Date * * *

2

Sec. 5. EFFECTIVE DATE

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This act shall take effect on July 1, 2024.