Education Legislative Report

May 27, 2015 – Final Report

The General Assembly adjourned on Saturday, May 16th, after passing a comprehensive education reform bill, closing a $113 million budget gap, eliminating the philosophical exemption for vaccines, updating Vermont's child protection laws, and ensuring sustainable funding for dual enrollment programs. Bills that did not pass include a ban on teacher strikes and board imposition of contracts, paid sick leave, and a payroll tax to fund health care reform efforts.

The following education-related bills passed in 2015:

H.361 – Comprehensive Education Reform
S.9 - Child Protection Overhaul
H.480 - Miscellaneous Education
H.98 - Immunizations
S.44 - Universal Children's Higher Education Savings Accounts

Historic Education Governance Bill Passes

In the last week of the session, the House and Senate conferees on H.361 held many meetings to hammer out a compromise bill that reconciled the differences between the House and Senate passed versions of H.361. Once an agreement was reached, the bill was easily approved in both the House and Senate, with very little debate. H.361 is the result of months of testimony and analysis on the part of the House and Senate Education Committees, the Ways and Means and Finance Committees and the Appropriations Committees. It represents the most comprehensive reform of Vermont's education governance system since 1912, the year supervisory unions were created.

The final version of the bill reflects a policy approach that gives school officials a set of tools and incentives to lead conversations in their communities in order to create better educational systems designed to ensure greater equity of opportunity and efficiency of operations.

In addition to establishing a framework for moving to improved educational systems and sustainable governance structures, H.361 made some changes to the education funding formula and set the tax rates for FY 2016. One of the more controversial provisions of the bill relates to cost containment. The House version of H.361 contained 2% spending caps in FY 2018 and FY 2019 if overall statewide education spending

increased by more than 2.95% in FY 2017. The Senate version contained no formulaic cost-containment mechanism.

In a political environment where legislators sought to demonstrate near immediate cost savings to taxpayers, a last-minute compromise was reached among the conferees that modified the excess spending penalty for the next two fiscal years by creating an allowance for increases in education spending per school district. The allowance reflects prior year's education spending and provides for a greater increase in districts that spend less per pupil. If a school district approves spending in excess of the allowance, it will be taxed doubly on the amount in excess of the allowed amount. This mechanism is intended to hold the year over year increase in education spend at 2 percent. See more detailed explanation below.

A section-by-section summary of H.361 can be found here, and a two-page overview can be found here. **We strongly encourage you to review the section-by-section summary to ensure you have a thorough understanding of every provision of the bill.** What follows is a summary of the basic timelines of the governance provisions of the bill and an overview of the education finance provisions. Information about other miscellaneous provisions of the bill can be found in the section-by-section summary.

Transition to Preferred Education Governance Structures

The centerpiece of the legislation is an intent to move toward sustainable models of education governance in order to accomplish the following goals:

- *provide greater equity in the quality and variety of educational opportunities;*
- *lead students to meet or exceed the Education Quality Standards;*
- *maximize operational efficiencies through greater flexibility to manage, share and transfer resources; and,*
- *promote transparency and accountability.*

These outcomes should be delivered at a cost parents, voters and taxpayers value.

The bill identifies a preferred governance structure that is most likely to result in achieving the above goals. That structure is a single PreK-12 district serving at least 900 students within one of the four most common structures: a district that operates all grades PreK-12, a district that operates PreK-8 and tuitions 9-12, a district that operates PreK-6 and tuitions 7-12, or a district that pays tuition for all students grades PreK-12.

The bill acknowledges the complexity of our varied structures and geography by noting that in some cases the preferred structure is neither feasible nor the best means of achieving the goals. In some instances, supervisory unions may also meet the goals, particularly if all member districts consider themselves collectively responsible for the education of all resident students, the SU maximizes efficiencies by sharing resources

among member districts, the SU has the smallest number of school districts practicable, and it serves 1,100 or more students.

H.361 contemplates three key phases of governance-related activity between now and July 1, 2019:

Phase One: Accelerated Transition to Preferred Governance Structures
(June 2015 – June 2016)

Districts will receive enhanced homestead rate property tax incentives over five years if, prior to July 1, 2016, the electorate approves a plan to form a supervisory district by merging all member districts of a supervisory union into a single education district. The newly merged district must be responsible for the education of all resident PreK-12 students (either by operating all grades or operating the same elementary grades and tuitioning 7-12 or 9-12), have a minimum ADM of 900, be operational on or before July 1, 2017, and agree to provide data to the Secretary of Education in order to evaluate the impact of the merger on quality and cost.

The enhanced tax incentives in this phase include a homestead tax rate reduction of $.10/$.08/$.06/$.04/$.02 in the first five years of operation. In addition, the new district will keep any small schools grants currently being received by any of the merging districts; this grant will continue in perpetuity unless and until a merged district closes a school originally eligible to receive the grant. The district will receive a transition facilitation grant of $150,000, or 5% of the base education amount multiplied by the new district's ADM, whichever is less. The merged district will also be eligible to keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. Districts will be also exempted from the requirement to repay a portion of state construction aid upon sale of a school building.

Phase Two: Voluntary Transition to Sustainable Governance Structures
(June 2015 – July 2019)

For those districts that do not secure a vote of the electorate prior to July 1, 2016 or that will be unable to transition to a single district model of governance, H.361 creates a timeframe and incentives for local action between now and July of 2019.

Districts that meet the RED criteria (PreK-12 district with 1,250 ADM) or supervisory unions that meet the criteria established in Sections 15-17 of Act 156, (which include modified unified union school districts and supervisory unions with "side-by-side" districts –one that operates and one that tuitions some or all students,) will be eligible to receive incentives if they have a positive vote of the electorate by July 1, 2017 and become operational before July 1, 2019.

An extended timeline for incentives will be also available to districts that merge into a single district that is responsible for the education of all resident PreK-12 students (either by operating all grades or operating the same elementary grades and tuitioning 7-12 or 9-12) and have a minimum ADM of 900 (the "preferred" structure.) Those districts can receive the incentives so long as they become operational on or before July 1, 2019; there is no deadline for a vote of the electorate.

The tax incentives in this phase include a homestead tax rate reduction of $.08/$.06/$.04/$.02 in the first four years of operation. In addition, newly merged districts will keep any small schools grants currently being received by any of the merging districts; this grant will continue in perpetuity unless and until a merged district closes the school originally eligible to receive the grant. The new district or SU will also receive a transition facilitation grant of $150,000, or 5% of the base education amount multiplied by the new district's ADM, whichever is less. The newly formed entity will also be eligible to keep the 3.5% hold-harmless protection for declining enrollment, which otherwise will be eliminated in FY 2021. The bill also exempts newly-formed union school districts and joint contract schools from the statutory requirement to repay a portion of state construction aid upon sale of a school building.

Phase Three: Self-Assessment, Quality Reviews & Statewide Plan
(July 2017 – June 2019)

For those districts that do not agree to reorganize themselves prior to July 1, 2017, and will not do so by July 1, 2019, the law requires them to take certain actions prior to November 30, 2017. The school board must evaluate the district's current ability to meet the state's goals (established in Sec. 2 of the bill and listed in italics above) and must also meet with other school boards in the region. Based on that self-evaluation and those meetings, a district (or group of districts) must submit a proposal to either retain its current governance structure or form a different structure with other district(s) or otherwise act jointly (joint contract school, e.g.) to the Secretary and State Board of Education. The proposal should demonstrate how the district will be able to achieve the goals and must identify specific actions the district(s) will take to achieve the goals.

Note: Districts that do not engage in voluntary structural changes by July 1, 2017 will not be able to secure tax incentives. After July 1, 2019 these districts will only be able to retain their small schools grants if the State Board determines they are geographically isolated or can demonstrate academic excellence and operational efficiency. After July 1, 2020 these districts will also lose any 3.5% ADM hold-harmless protection.

The Agency of Education is directed to regularly review, evaluate and keep the State Board of Education apprised of statewide activity related to voluntary mergers, data and other information available from districts that participated in the accelerated merger plan, data collected in connection with the Education Quality Standards quality reviews and site visits, and proposals submitted by districts as described above. The information collected will form the basis for the Secretary's proposal to transition all districts into sustainable governance structures by July 1, 2019.

By June 1, 2018 the Secretary will publish (his or) her proposal and submit it to the State Board of Education. The State Board will review and analyze the Secretary's proposal, take testimony and ask for additional information from districts and supervisory unions. The State Board will publish a plan that realigns districts as necessary by November 30, 2018. The effective date of the transition under the plan is July 1, 2019. The plan will not apply to interstate school districts, career technical education districts, and any unified union school districts that voluntarily merge between June 30, 2013 and July 1, 2019.

Education Finance Provisions

Tax Rates: H.361 sets the tax rates for FY 2016 as follows: the non-residential rate is $1.535, the homestead rate is $0.99, and the applicable base percentage for residents who pay based on their income is 1.80%.

Cost Containment: H.361 makes significant changes to the excess spending penalty for FY 2017 and FY 2018 with the hopes of slowing statewide education spending growth to 2%. For these two years, the excess spending penalty is triggered if a district exceeds its own "allowable growth." Allowable growth is determined on a sliding scale, from 0% to 5.5%, depending on how much the district spent per equalized pupil in the prior year. The more the district spent per pupil in the prior year, the lower its allowable growth rate for the following year. Any amount spent in excess of the allowable growth rate will be double-taxed. The chart showing how the growth formula would work for FY 2017 can be found here.

Dollar Equivalent Yield Model: The bill replaces the base education amount currently used to calculate the base tax rates this year with a "dollar equivalent yield." The "dollar equivalent yield" is the amount of per pupil spending that could be supported each year by a fixed homestead base tax rate of $1.00 for taxpayers who pay based on the value of their property, and by a fixed applicable income percentage of 2.00% for taxpayers who receive an income sensitivity adjustment. The base education amount would no longer be used to calculate tax rates.

The Commissioner of Taxes would propose each dollar equivalent amount for the following fiscal year on or before December 1, but the General Assembly would establish each dollar equivalent annually. District specific homestead property tax rates would be higher or lower depending on the level of spending per equalized pupil relative to the amount raised by the dollar equivalent yield. Local rates would be set based on the amount they are spending above the dollar equivalent amount (the amount a $1.00 tax rate would "yield" from the Education Fund.) By way of example, if the $1.00 tax rate would yield $10,000, and a district presents a budget that has spending per equalized pupil at $15,000, then that district's tax rate would be $1.50.

Budget Warning Language: The bill requires the warning for a school district's proposed budget to state what the total budget means in terms of per equalized pupil spending and the percentage increase or decrease of per equalized pupil spending in relation to previous year.

ADM Hold-Harmless Provision: The bill would apply the current 3.5% calculation to a district's actual equalized pupils, rather than the prior year's inflated equalized pupils, which is current law. The new calculation would be phased in over three years for those districts that do require an adjustment to their ADM calculation based on a loss of more than 3.5% of their student population. In FY 2017, the district's equalized pupils will in no case be less than 90% of the prior year's equalized pupil count, and in FY 2018, the loss shall be no more than 80% of the prior year's equalized pupils.

The bill repeals the hold-harmless provision entirely effective July 1, 2020. However, it grandfathers districts that voluntarily merge into a preferred governance structure eligible for incentives under the bill on or before July 1, 2020, so that the hold-harmless provision would continue to apply to those districts.

Tax Penalties for Failure to Comply with Duties of SU's: The bill states that "after notice to the boards of the supervisory union and its member districts, the opportunity for a period of remediation, and the opportunity for a hearing," if the Secretary determines that a supervisory union or any of its member districts is not complying with any provision of 16 VSA §261a(a), then the homestead property tax rates will be increased by five percent in each district within the SU for each fiscal year the Secretary deems the districts to be out of compliance. If the Secretary determines that the failure to comply is solely the result of the actions of a single district, then the tax increase will apply only to the tax rates for that district. The effective date of this section is July 1, 2016; however, tax rates shall not be increased until FY 2018.

Implementation of H.361

H.361 creates a single limited-service position at the Agency of Education for the purpose of working directly with school districts and supervisory unions to provide information and assistance regarding fiscal and demographic projections and the

options available to address any necessary systems changes. The position is available for FY 2016 and 2017 only and is contingent on the AOE being able to find non-State funding for the position.

Implementation of the systems changes called for in H.361 will require significant support and guidance for school boards and administrators. Our Associations are committed to working with the AOE to ensure a comprehensive system of supports is available to support school officials as they lead these critical yet challenging changes to their systems.

Child Protection Bill Modifies Reporting Statute

In 2014, two tragic toddler deaths exposed some deficiencies in Vermont's system for preventing and responding to child abuse and neglect. In response, the General Assembly created a Joint Legislative Committee on Child Protection in order to study the issues and make recommendations for substantive reforms to the system. Those recommendations formed the basis for S.9, an act related to improving Vermont's system for protecting children from abuse and neglect.

The House and Senate versions of S.9 differed in a number of aspects, most notably in whether to create a new felony, failure to protect a child. The Senate's version of the bill included the new felony; the House's did not. The last week of the session saw multiple meetings of the House and Senate conferees in an attempt to resolve that issue and other differences between the two bills. The end result is a comprehensive bill that does not create a felony but does make some changes to the mandatory reporting and cruelty to a child statutes. The bill also increases information sharing among agencies by requiring DCF to share the records of its investigations with educators who are working directly with children who are the subject of a report.

S.9 modifies 33 V.S.A. 4913, the mandatory reporting statute, in several ways. First, it creates a numerated list of mandatory reporters so that it is easier to read than the preexisting statute that listed them in a single paragraph. Second, it changes the standard for reporting from "reasonable **cause to believe** that any child has been abused or neglected" to "reasonably **suspects** abuse or neglect of a child." Third, it eliminates the ability to "cause a report to be made" in order to satisfy the obligation; now all mandatory reporters will be required to make to make a report themselves, rather than assume a report has been made by someone else. Fourth, it clarifies that the report must be made within 24 hours "of the time information regarding the suspected abuse or neglect was first received or observed." Earlier versions of S.9 included higher penalties for mandatory reporters who fail to comply with this section; the final bill did not include those higher penalties.

An additional change to 33 V.S.A. 4913 includes a requirement that DCF share information with mandatory reporters. The new language states: "Upon request, the Commissioner shall provide relevant information contained in the case records

concerning a person's report to a person who: (A) made the report under subsection (a) of this section; and (B) is engaged in an ongoing working relationship with the child or family who is the subject of the report."

The bill also modifies 33 V.S.A. 4914 to require mandatory reporters to share "any information that might be helpful in establishing the cause of the injuries or reasons for the neglect as well as in protecting the child and assisting the family." Prior law directed a reporter to provide any information "the reporter believes" might be helpful.

The need for greater information sharing among agencies is also reinforced by changes made to 33 V.S.A. 4921, which requires DCF to disclose, upon request, investigation records and other related information with "educators working directly with the child or family who is the subject of the report or record." The Department may withhold information that could compromise the safety of the reporter or the child or family who is the subject of the report; or specific details that could cause the child to experience significant mental or emotional stress.

In providing records or information, the bill also authorizes the Department to provide other records related to its child protection activities for the child. The bill does limit dissemination of those records, however, only to those persons or agencies authorized to receive the information under the law. A person who intentionally violates these confidentiality provisions shall be fined not more than $2,000.00.

Rather than a felony for failure to protect a child, S.9 includes greater penalties for child cruelty where the cruelty results in death, serious bodily injury, or sexual conduct. In those cases, the person shall be imprisoned not more than ten years or fined not more than $20,000.00, or both. Cruelty to a child occurs when an individual causes a child unnecessary suffering or endangers his or her health because that individual willfully assaults, ill treats, neglects or abandons a child, or causes a child to be assaulted, ill-treated, neglected, or abandoned.

S.9 also makes a number of changes to other aspects of the child-protection system, including post-adoption contact orders, temporary care orders, and special investigative units that investigate instances when a child suffers bodily injury, death or cruelty. It also creates a Joint Legislative Child Protection Oversight Committee charged with overseeing the state's child protection system and providing legislative recommendations as needed.

Miscellaneous Ed Bill Establishes Expanded Learning Opportunities Fund

H.480, the miscellaneous education bill, was largely a vehicle to make a number of technical corrections to various education statutes. The most substantive changes to law made by this bill include changing the definition of elementary education to include prekindergarten, establishing an expanded learning opportunities fund and updating 16 V.S.A. § 2902 (educational support systems) to be consistent with the Education Quality Standards.

16 V.S.A. § 2902 currently requires all public schools to "develop and maintain an educational support system for students who require additional assistance in order to succeed or be challenged in the general education environment." At the time the law was originally enacted, the statute referenced aspects of what would be included in an educational support system because those aspects were not addressed anywhere else. Since that time, the State Board of Education and the Agency have adopted detailed rules and policies that reflect best practices.

H.480 makes numerous amendments to § 2902 to update the language and the required actions to reflect current best practice and the newly adopted rules for Education Quality Standards. For example, instead of an "educational support system for students who require additional assistance," the bill would require "a tiered system of academic and behavioral supports" for the students." The bill also substitutes the term "tiered system of support" for "educational support system," which aligns with the language in the recently adopted Education Quality Standards and reflects current understanding of support systems. In addition, this section removes many of the references to what should be included in a support system because the details are now provided in detail in other places. The requirement that every school have an educational support team remains intact.

H.480 also establishes an Expanded Learning Opportunities Special Fund for the purpose of funding expanded learning opportunities statewide. The bill charges the PreK-16 Council's ELO Working Group, in collaboration with the Secretary of Education, to identify and solicit grants, donations, and contributions from any private or public source for the purposes of funding an Expanded Learning Opportunities Grant Program (Program) or otherwise increasing access to expanded learning opportunities throughout Vermont. The group is also charged with providing recommendations to the Secretary regarding how the Program should be designed and administered. No funds may be disbursed out of the Special Fund until the General Assembly enacts legislation establishing a framework for awarding grants under the Expanded Learning Opportunities Grant Program. Those recommendations are due to the General Assembly in November of 2015.

The last significant change within H.480 is an amendment to the definition of elementary education in 16 V.S.A. 11(a)(3). The new definition includes "prekindergarten," which will allow school districts to include children in PreK in the ADM counts programs for the purposes of accessing federal dollars for broadband connectivity through the E-Rate program.

Philosophical Exemption for Vaccinations Eliminated

After much debate and passionate testimony on both sides of the issue, the House and Senate passed H.98, eliminating the philosophical exemption to the requirement (per 18 V.S.A. 1121) for children to be vaccinated in order to attend schools (public and independent) and child care facilities in Vermont. After eliminating the philosophical exemption, the sole exemptions to the vaccination requirement are for health-related reasons and religious beliefs. The effective date for the elimination of the exemption is July 1, 2016.

Under current Vermont Department of Health rules, a student may be admitted to school provisionally if a health care practitioner authorized to prescribe vaccines indicates the student is in the process of complying with all immunization requirements. Such provisional admission shall not exceed 6 months. The school must maintain a roster of provisionally admitted students and continue follow-up until requirements are met. In order to receive provisional admission, the student's parent or guardian must present a Department of Health-supplied form, signed by a health care practitioner authorized to prescribe vaccines, indicating the student is in the process of being immunized. The school must keep this form as part of the student's immunization record.

Current rules state that students not in compliance with all immunization requirements or eligible for provisional admittance shall not be allowed to enter or be retained in school. The school must notify the student's parent or guardian that the student is not in compliance as well as the steps needed to comply. School officials shall notify the Department of Health when a student is being excluded from school under these rules. Testimony submitted by the Agency of Education in the final days of the debate on H.98 indicated that school districts will not be required to provide educational services off-site for those students who do not comply with the state's immunization laws. The implementation date was extended by one year to 2016 in order to ensure school districts and families have adequate time to prepare and respond to the change.

Dual Enrollment Program Fully Funded by the Education Fund

In 2013 the Legislature passed the Act 77 Flexible Pathways Initiative, which included a provision to expand the statewide dual enrollment program, entitling all eligible publicly funded high school juniors and seniors in Vermont to two free college courses. Under Act 77, school districts are responsible for contributing 50 percent of dual enrollment costs for the first time in 2015. The changes made this year in the FY 2016 budget bill shift that contribution from local budgets to a direct payment from the education fund. According to the Agency of Education, this change will make it more efficient and save administrative costs, while also ensuring that all students have equal access to dual enrollment opportunities.

Without this change, every student who participates in dual enrollment will generate a bill for half of the cost of their course from the general fund and half of the cost from a

local budget. The Agency of Education expressed concerns throughout the session that the shift to have local districts pick up half the costs may lead some districts to either discourage students from taking advantage of this opportunity or to simply not advertise the opportunity so that fewer students will take the college courses.

Universal Children's Higher Education Savings Accounts Created

S.44 contains two separate elements related to higher education. The first changes the cap on early college enrollment that is currently set at 18 students per site at one of three Vermont State Colleges: Lyndon, Johnson and Castleton. The new limit is 54 among the three colleges; the bill charges the Chancellor of the Vermont State Colleges, in consultation with the Presidents of Johnson State College, Lyndon State College, and Castleton State College, with developing a system to divide the annual number of students enrolled in early college programs fairly among those three colleges and within the total maximum enrollment of 54.

The second element of the bill establishes a universal children's higher education savings account for every child born in the state of Vermont. The Vermont Student Assistance Corporation (VSAC) is charged with partnering with one or more foundations or other philanthropies to establish and fund the Vermont Universal Children's Higher Education Savings Account Program to expand educational opportunity and financial capability for Vermont children and their families.

Annually, beginning on January 1, 2016, VSAC shall deposit $250.00 into the Program Fund for each eligible child born that year. If the child has a family income of less than 250 percent of the federal poverty level at the time the deposit is made, VSAC shall make an additional deposit into the Program Fund for the child that is equal to the initial deposit. Families are encouraged to open a higher education investment savings account; if the family makes additional deposits on their child's behalf and earns less than 250 percent of the federal poverty level, VSAC will provide a dollar-for-dollar match up to $250.00 per year. Program funds can be accessed by beneficiaries who are between 18 and 29 years old and who are enrolled in a post-secondary institution; funds can be used for post-secondary education costs only.

Health Care Reform Stalls; Focus Shifts to Public Employees in 2016

2015 was supposed to be all about health care. Yet for all the hype, most of the story on health care is about what did not happen in the 2015 session. There was no increase in the health claims tax (which would have increased future VEHI rates), no change to the Employer Assessment (formally the Catamount Assessment), and no new payroll tax, which was proposed to address the Medicaid "cost-shift" the Governor set as a priority at the start of the session. The absence of tax increases in these areas is helpful to school districts, since FY 16 budgets are already set.

While no major health reform initiatives were enacted in the 2015 session, several actions were taken that will shape future reform efforts. The Green Mountain Care Board was given more authority to proceed with an "all-payer" waiver from the federal government, which would move Vermont away from a fee-for-service payment model and therefore closer to an eventual "single-payer" system. The General Assembly also requested cost estimates for providing universal primary care to all Vermonters, which is seen as a potential intermediary step toward Green Mountain Care. Initiatives were put in place to increase transparency for the consumer on the quality and cost of health care services, efforts designed to slow the increase in medical spending.

Most significantly, **the General Assembly delayed until 2018 (at the earliest) the ability of large employers (more than 100 employees) to purchase health plans on Vermont Health Connect (VHC).** A study of the impact of allowing large employers into VHC in 2018 will inform the final determination of whether large employers will be permitted to utilize VHC.

The Legislature remains concerned regarding the challenges with VHC operations. It put in place contingencies if the Exchange fails to meet its targets for improved operations, and created a mechanism for legislative oversight if there is a transition to some version of a federal exchange.

Finally, the General Assembly commissioned two studies related to transitioning public employees to health plans designed to avoid the federal excise tax. H.361 includes a set of findings stating that health care expenses are a major cause of increases in school budgets and education property taxes, and that until the State solves the problems associated with the cost of health care, it will be increasingly difficult for school districts to contain education spending and education property taxes.

Section 51 of H.361 states that on or before November 1, 2015 the Director of Health Care Reform in the Agency of Administration shall to report to the Health Reform Oversight Committee, the House and Senate Committees on Education, the House Committee on Health Care and the Senate Committee on Health and Welfare with options for the design of health benefits for school employees that will not trigger the excise tax and ways to administer those plans through VEHI, Vermont Health Connect or some other mechanism. The Director of Health Care Reform is required to consult with representatives from the VSBA, the Vermont-NEA, VEHI, VHC, the Office of the Treasurer and the Joint Fiscal Office.

In S.139, the Health Care bill, a similar study is required, although this study would look at all public employees, not just education employees. The Director of Health Care Reform is directed to identify options and considerations for providing health care coverage to all public employees, including State and judiciary employees, school employees, municipal employees, and State and teacher retirees, in a cost-effective manner that will not trigger the excise tax on high-cost, employer-sponsored health

insurance plans imposed pursuant to 26 U.S.C. § 4980I. One of the options to be considered shall be an intermunicipal insurance agreement, as described in 24 V.S.A. chapter 121, subchapter 6.

In conducting the study, the Director shall consult with representatives of the Vermont-NEA, the Vermont School Boards Association, the Vermont Education Health Initiative, the Vermont State Employees' Association, the Vermont Troopers Association, the Vermont League of Cities and Towns, the Department of Human Resources, the Office of the Treasurer, and the Joint Fiscal Office.

On or before November 1, 2015, the Director shall report his or her findings and recommendations to the House Committees on Appropriations, on Education, on General, Housing and Military Affairs, on Government Operations, on Health Care, and on Ways and Means; the Senate Committees on Appropriations, on Education, on Economic Development, Housing and General Affairs, on Government Operations, on Health and Welfare, and on Finance; and the Health Reform Oversight Committee.