

Education Legislative Report

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Town Meeting Day Results Show Support for Budgets and Act 46 Mergers

As of Town Meeting Day, 203 school districts voted on FY 2018 budgets. Budgets were approved in 186 communities and were defeated in 17, an approval rate of over 90%. Compared to prior years, the results this year were not out of the ordinary; 11 budgets were rejected on Town Meeting Day last year, and 20 were rejected in 2015.

Overall, communities in Vermont this year maintained their strong support for public schools. In districts where budgets were defeated, there was no unifying theme. Each town had its own set of circumstances that contributed to the budget defeat.

Town Meeting Day 2017 also saw a record number of merger proposals go before voters with 57 communities voting on unification plans. Voters in 38 towns in seven supervisory unions voted to merge 37 school districts to create six new unified districts. In many cases, towns that voted in support of merger did so with overwhelming margins, with one Northeast Kingdom proposal garnering 75% approval. Several unification proposals were defeated by slim margins, with one merger failing by a single vote.

The types of changes and opportunities contemplated by Act 46 require that school board members and administrators navigate some of the most challenging and significant issues facing public education today: declining enrollment, rising costs, leadership turnover, and growing inequity in student opportunity. Click [here](#) for an updated map of statewide merger activity.

The results of Town Meeting merger and budget votes reflect the confidence that Vermonters place in their local school officials, who devoted countless hours of work to develop merger plans and budgets that respond to the law and the needs of their community.

Senate Education Committee Finalizing Act 46 Adjustments Bill

Next week, the Senate Education committee will likely vote on a [bill](#) to adjust Act 46. The changes contemplated by the bill would give more flexibility to districts that, due to their operating/tuitioning structure or other specific circumstances, have not yet been able to craft or approve a merger proposal.

The first set of adjustments would modify requirements for the creation of an Act 156 “side-by-side.” Current law requires these structures to include at least one “side” that operates all grades, and for the merger of at least two districts on each “side.” The bill would eliminate the requirement that one “side” operate grades PK-12. The bill would also create a new side-by-side structure with three merging districts on one “side” and one unmerged district as the other “side.” The unmerged “side” must be a district that is geographically isolated or has an operating/tuitioning structure that is different from all adjoining school districts. The two “sides” must have different operating/tuitioning structures.

Next, the bill would extend timelines for districts in study committees that either had a merger proposal rejected by voters or that add a new district to a study committee after passage of the bill. In these instances, a study committee’s deadline for voter approval of a merger would be extended from July 1, 2017 until November 30, 2017. The bill would also extend the deadline for submitting an alternative structure, for those districts that meet the criteria above, from November 30, 2017 until January 31, 2017.

The bill would amend current law which conditions withdrawal from a union high school district upon voter approval of all other member districts of the union high school district. The bill would temporarily allow a member district to withdraw without approval of the remaining members if it meets the following criteria: the purpose of the withdrawal is to facilitate a merger satisfying the goals of Act 46, and the withdrawing district must receive the approval of its electorate and of the State Board. This temporary provision would sunset in 2019. This type of modification has potentially far-reaching implications. Our associations will work with the committee to ensure that this change applies only to districts that are members of union high schools but have operating/tuitioning structures different from the other members of the union high school district.

Finally, the bill would allow a district that forms a conventional merger prior to July 1, 2019 to

receive a \$150,000 transition facilitation grant. It would also provide a \$10,000 transition facilitation grant to districts that have already complied with Act 46, but that agree to take on an “orphan” district in their region at the request of the State Board pursuant to the final statewide plan. It would also allow a study committee to spend grant funds on community outreach and communication with voters in advance of a merger vote.

Major Changes to Act 166 Contemplated to Address Implementation Challenges

The first year of Act 166 implementation has seen a variety of challenges, some of which are associated with joint administration of the law by the Agency of Education and the Agency of Human Services. Other implementation challenges are reflective of regional differences in program capacity, availability and resources. As a result, the House Education Committee is considering a [bill](#) that would separate the provision of PreK to three and four year olds in public schools and the delivery of high quality child development programs for three and four year olds in private settings. Under the bill’s provisions, parents retain the ability to access the state-provided benefit for 3 and 4 years olds in either a public school program or through a private provider. However, school districts, and the Education Fund, are only obligated to cover the costs associated with programs administered by the school district.

Parents who select private programs would be eligible, based on income, for a child care development subsidy to cover all or part of the cost of enrolling a qualified student in a high quality program. These programs, as well as the administration of the subsidy, would be regulated by the Child Development Division of the Agency of Human Services.

Families opting to enroll a student in a public school PreK program would continue to be able to do so at no cost. Public schools operating a PreK program would count enrolled resident students in the district’s average daily membership and fund the program through the district budget. The Agency of Education would have oversight of the public school PreK programs. Under the bill’s provisions, schools could enroll nonresident students on a space-available basis, by using a lottery system.

Authority of State Board Remains a Focus of Senate Education Committee

Two bills before the Senate Education Committee continue to include [provisions](#) that would dramatically alter the composition and authority of the State Board of Education.

The move to curtail the Board's power is a response to potential revisions to State Board Rule 2200, which governs the approval of independent schools. It appears to have been triggered by the State Board's decision at its last meeting to delay a vote on initiating the rulemaking process on Rule 2200 until May.

The change would establish a designated seat on the ten-member State Board for a representative of independent schools. Independent school students constitute 3% of the total publicly-funded K-12 population. There are currently no other positions on the State Board specifically designated for any class or category.

The proposal would also reduce the terms State Board members from six years to four years. In addition, it would strike a current requirement that the Governor choose a nominee for Secretary of Education from among three candidates submitted to him or her by the State Board of Education.

Most significantly, the proposal would nullify all aspects of the current rulemaking process for Rule 2200. It would also prohibit any future rulemaking by the State Board that would apply requirements for independent schools similar to those applied to public schools.

The proposal would establish a study committee on rules for approval of independent schools. The committee would include multiple parties of interest, but would be tilted in favor of the independent schools.

The State Board's process for considering Rule 2200 changes has been dynamic - with many parties from across the education community weighing in. There are complex issues to be resolved. The two most controversial are a requirement that independent schools receiving public dollars provide special education services and have an open enrollment process for publicly funded students.

Representatives of the independent schools have opposed those provisions since deliberations started.

In our view, this action by the Senate Education Committee would negate the proper policy role of the State Board of Education. The State Board of Education has acted [within its statutory](#)

[authority](#) to promulgate rules governing the approval of independent schools. This process, which has been ongoing since November of 2015, has appropriately drawn attention to what obligations come when private, independent schools receive public education dollars. This critical discussion requires less, not more, politicization.