ORIGINAL

H.756

Introduced by Committee on Education

Date:

Subject: Education; postsecondary schools; supervisory unions; school districts; union schools; unified union schools; school boards; technical center school districts; state board of education; commissioner of education; school treasurer; school district surplus; auditor's report; union school indebtedness; union school budget vote; liability insurance minimum; transportation expenditures; financial data; home study student records; unusual or unexpected special education expenses; school of dental hygiene; alcohol and drug abuse policy; teacher minimum salary

Statement of purpose: This bill proposes to add citations to law regarding registration of a postsecondary school so that it is clear that before registering a business name, the school must first apply for a certificate of approval from the state board of education; clarify that a supervisory union treasurer may be a school district treasurer; clarify how a school district may handle a surplus; allow a union school district to publish in its annual report a summary of an auditor's report instead of the entire auditor's report; update citations regarding union school indebtedness to comply with recent changes in law; align dates for union school district informational meetings with recent statutory changes

in Australian ballot voting requirements; remove a reference to a unified union school district which offers grades one through 12 because kindergarten is now mandatory; align regional technical center school district board powers and duties with those of other school districts; remove minimum liability insurance amounts required of school boards and authorize the commissioner of education to establish minimum liability insurance limits; codify transfer of the school of dental hygiene from the University of Vermont to the Vermont State Colleges as directed in the appropriations bill of 2003; codify reimbursement for school district transportation expenses as enacted in Act 60 of 1997 as amended; authorize the commissioner of education to allow a school district to submit corrections to data required to calculate state aid after the deadline in unusual or exceptional circumstances; clarify that records of home study students are not open for public inspection under the public records law; extend for two years the sunset on aid for unusual or unexpected special education expenses; repeal a requirement that school boards file a school and alcohol drug abuse policy with the commissioner of education; and repeal establishment of a minimum salary for teachers.

AN ACT RELATING TO MISCELLANEOUS CHANGES TO EDUCATION LAW

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

Sec. 1. 16 V.S.A. § 176(c) is amended to read:

(c) State board approval.

(1) Every postsecondary school which is subject to this section shall:

(A) apply for a certificate of approval from state board prior to registering its name with the secretary of state pursuant to ~~section 1621 of~~ Title 11, Title 11A, or Title 11B;

* * *

Sec. 2. 16 V.S.A. § 176a(c) is amended to read:

(c) State board approval. Every postsecondary school subject to this section shall:

(1) apply for a certificate of approval from the state board prior to registering its name with the secretary of state pursuant to ~~section 1621 of~~ Title 11, Title 11A, or Title 11B;

* * *

Sec. 3. 16 V.S.A. § 322(b) is amended to read:

(b) ~~A~~ Nothing shall preclude a supervisory union treasurer ~~may be~~ from also being a treasurer or deputy treasurer ~~for any school treasurer~~ for any school district within ~~his or her~~ the supervisory union if so voted by the electors for the school treasurer. Before ~~entering upon his or her duties as~~ beginning duty, a deputy treasurer ~~he or she~~ shall give a bond with corporate surety conditioned for the faithful performance of ~~his or her~~ duties in the same

amount and for the benefit of the same obligee as the bond required of the school treasurer.

Sec. 4. 16 V.S.A. § 567 is added to read:

§ 567. SURPLUS

If an audit conducted pursuant to subdivision 563(17) of this title or section 1681 of Title 24 reveals that a school district has surplus funds, the school board shall carry the funds into the next year as revenue unless authorized by the voters, at an annual or special meeting warned for the purpose, to:

(1) deposit the funds into a reserve fund established pursuant to 24 V.S.A. § 2804; or

(2) use the funds for a specific purpose.

Sec. 5. 16 V.S.A. § 706q(c)(5) is amended to read:

(5) ~~An~~ A summary of an auditor's report prepared pursuant to subchapter 5 of chapter 51 of Title 24. The summary shall include a list of the fiscal years which are audited by the auditors and a notice of the time when and the place where the full report of the auditor will be available for inspection and copying at cost. The union district clerk shall distribute copies of the annual report as provided by section 1173 of Title 24.

Sec. 6. 16 V.S.A. § 711d is amended to read:

§ 711d. IMPROVEMENTS, INDEBTEDNESS, BONDS, EARLY OR ABSENTEE VOTERS

Improvements may be made by a union school district for the purposes for which the district is established as provided in this subchapter, and indebtedness may be incurred for the improvements as provided by sections 1751 to ~~1785~~ 1786a of Title 24. Early or absentee voting in accordance with sections 121 to 147 of Title 17 shall be permitted on questions concerning bond issues of the union school district. The debt limit of the union school district shall be ten times the sum total of the education grand lists of the member districts composing the union, without diminution for any obligation incurred by a member district alone. The amount of indebtedness of a union school district incurred to finance any project approved under sections 3447 to 3456 of this title shall not be considered a part of the indebtedness of the union school district for purposes of determining its debt limit. Obligations incurred under sections 1751 to ~~1785~~ 1786a of Title 24, or as otherwise authorized in this subchapter by a union school district, shall be the joint and several obligations of the district and of each of the member districts composing it. However, as between the member districts, their share of such obligations shall be apportioned in the manner provided in this subchapter. Any joint or several liability incurred by a member district under the provisions of this subchapter

shall not be considered in determining its debt limit for its own separate purposes.

Sec. 7. 16 V.S.A. § 711e(f) is amended to read:

(f) If the proposed budget is rejected, the union district board shall prepare a revised budget. The board shall establish a date for vote on the revised budget, and shall take appropriate steps to warn a public informational meeting on the budget and the vote. The date of the public informational meeting shall be at least five days following the public notice. The date of the vote shall be at least seven days following the public notice. The vote on the revised budget shall be by Australian ballot and shall take place in the same locations that the first vote was taken. The budget shall be established if a majority of all votes cast are in favor. If the revised budget is rejected, the board shall repeat the procedure in this subsection until the budget is adopted.

Sec. 8. 16 V.S.A. § 722(a) is amended to read:

(a) In the event a union school district is organized to operate grades kindergarten through 12 ~~or grades one through 12,~~ it shall be known as a unified union district. On the date the unified union district becomes operative, it shall supplant all other school districts within its borders, and they shall cease to exist. A unified union district shall be eligible for state aid. State aid shall be awarded to the unified union district in an amount equal to the sum of the amounts that would be due each of the member districts, as

those districts existed on the date of formation of the unified union district, as if those districts were members of a union school district. The functions of the legislative branch of each preexisting district in determining each taxpayer's local share property tax amount of such district to pay the member district's unified union school assessment shall be performed by the mayor and board of aldermen of a city, the board of selectmen of a town or the trustees of an incorporated district as the case may be.

Sec. 9 16 V.S.A. § 1577(4) and (6) are amended to read:

(4) To keep the center buildings and grounds in good repair, suitably equipped, insured, and in safe and sanitary condition at all times. The center shall regulate or prohibit firearms or other dangerous or deadly weapons on school premises. A board's policies in this regard shall be, at minimum, consistent with section 1166 of this title and section 4004 of Title 13, relating to a student who brings a ~~weapon to~~ firearm to or possesses a firearm at school.

(6) To establish and maintain ~~an adequate system of financial~~ a system for receipt, deposit, disbursement, accounting, control, and reporting procedures that meets the criteria established by the state board pursuant to subdivision 164(15) of this title and that ensures all payments are lawful and in accordance with the budget adopted pursuant to terms approved by the state board. The board may authorize a subcommittee, a superintendent of schools, or a designated employee of the board to examine claims against the district for

center expenses, and draw orders for such as shall be allowed by it payable to the party entitled thereto. Such orders shall state definitely the purpose for which they are drawn, and shall serve as full authority to the treasurer to make such payments. It shall be lawful for a board to submit to its treasurer a certified copy of those portions of the board minutes, properly signed by the clerk and chair, or a majority of the board, showing to whom, and for what purpose, each payment is to be made by the treasurer, and such certified copy shall serve as full authority to the treasurer to make the payments as thus approved.

Sec. 10. 16 V.S.A. § 1756(b) is amended to read:

(b) Each board of school directors or supervisory union board of directors shall insure against the liability imposed upon it by this section in any insurance company organized in this state or in any insurance company of another state authorized by law to write such insurance in this state, or through participation in an intermunicipal insurance agreement established under subchapter 6 of chapter 121 of Title 24, with minimum coverage in the form of a comprehensive general liability policy including liability for the operation of owned and nonowned motor vehicles and including the employees as additional insureds ~~and with minimum limits of not less than $300,000.00 per person and $500,000.00 per occurrence for bodily injury and $50,000.00 per occurrence for property damage~~. The commissioner shall establish by rule

minimum limits per person, per bodily injury, and per occurrence for property damage.

Sec. 11. 16 V.S.A. § 2184 is added to read:

§ 2184. SCHOOL OF DENTAL HYGIENE

(a) The Vermont State Colleges shall establish and operate a school of dental hygiene for the training of dental hygienists. The colleges shall have the authority to grant certificates of graduation on the successful completion of a two-year course in dental hygiene.

(b) The general assembly shall appropriate funds to conduct a curriculum of a recognized school of dental hygiene to the state colleges.

(c) The colleges shall grant special tuition rates to residents of the state who agree to practice dental hygiene in the state for two years following graduation. The colleges shall give preference in admissions to eligible students who are residents of the state.

(d) The Vermont State Colleges are authorized and empowered to receive from any source sums donated for scholarships or general improvements and may cooperate with the federal government or any agency thereof in securing federal funds for dental hygiene education in the state.

Sec. 12. 16 V.S.A. § 4016 is added to read:

§ 4016. REIMBURSEMENT FOR TRANSPORTATION EXPENDITURES

(a) A school district which incurs allowable transportation expenditures shall receive a transportation reimbursement grant each year. The grant shall be equal to 50 percent of allowable transportation expenditures provided, however, that in any year the total amount of grants under this subsection shall not exceed the total amount of adjusted base year transportation grant expenditures. The total amount of base year transportation grant expenditures shall be $10,000,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. If in any year the total amount of the grants under this subsection exceed the adjusted base year transportation grant expenditures, the amount of each grant awarded shall be reduced proportionately. Transportation grants paid under this section shall be paid from the education fund and shall be added to adjusted education payment receipts paid under section 4011 of this title.

(b) In this section, "allowable transportation expenditures" means the costs of transporting students to and from school for regular classroom services and shall not include expenditures for transporting students participating in curricular activities that take place off the school grounds nor for transporting

students participating in cocurricular activities. The state board of education shall further define allowable transportation expenditures by rule.

(c) A district may apply and the commissioner may pay for extraordinary transportation expenditures incurred due to geographic or other conditions such as the need to transport students out of the school district to attend another school because the district does not maintain a public school. The state board of education shall define extraordinary transportation expenditures by rule. The total amount of base year extraordinary transportation grant expenditures shall be $250,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. Extraordinary transportation expenditures shall not be paid out of the funds appropriated under subsection (b) of this section for other transportation expenditures. Grants paid under this section shall be paid from the education fund and shall be added to adjusted education payment receipts paid under section 4011 of this title.

Sec. 13. 16 V.S.A. § 4030(c) is amended to read:

(c) The commissioner shall use data corrections regarding local education budget amounts submitted on or before June 15 prior to the fiscal year which begins the following July 1, in order to calculate the amounts due each school district under section 4027 of this title. However, the commissioner may use

data submitted after June 15 and prior to July 15 due to unusual or exceptional circumstances as determined by the commissioner.

Sec. 14. 1 V.S.A. § 317(c)(11) is amended to read:

(11) student records, including records of a home study student, at educational institutions or agencies funded wholly or in part by state revenue; provided, however, that such records shall be made available upon request under the provisions of the Federal Family Educational Rights and Privacy Act of 1974 (P.L. 93-380) and as amended;

Sec. 15. 11 V.S.A. § 825(c) is added to read:

(c) A person intending to operate a postsecondary school, as defined in sections 176 and 176a of Title 16, shall apply for a certificate of approval from the state board of education prior to registering a name under this section.

Sec. 16. 11 V.S.A. § 3005(e) is added to read:

(e) A person intending to operate a postsecondary school, as defined in sections 176 and 176a of Title 16, shall apply for a certificate of approval from the state board of education prior to registering a name under this section.

Sec. 17. 11 V.S.A. § 3402 is amended to read:

§ 3402. NAME

(a) The name of each limited partnership as set forth in its certificate of limited partnership:

(1) shall contain the words "Limited Partnership," or the letters "L.P.";

(2) may not contain the name of a limited partner unless it is also the name of a general partner or the corporate name of a corporate general partner, or the business of the limited partnership had been carried on under that name before the admission of that limited partner;

(3) may not be the same as, or deceptively similar to, the name of any corporation, limited liability company, limited liability partnership or limited partnership organized under the laws of this state or licensed or registered as a foreign corporation, limited liability company, limited liability partnership or limited partnership in this state; and

(4) may not contain the following words: "corporation," "incorporated," "limited" by itself, "limited liability company," "limited company," or the abbreviations "corp.," "inc.," or "ltd."

(b) A person intending to operate a postsecondary school, as defined in sections 176 and 176a of Title 16, shall apply for a certificate of approval from the state board of education prior to registering a name under this chapter.

Sec. 18. Sec. 9(a) of No. 117 of the Acts of the 1999 Adj. Sess. (2000) is amended to read:

(a) In fiscal years 2002 through ~~2004~~ 2006, the commissioner may use up to two percent of the funds appropriated for special education expenditures as that term is defined in subsection 2967(b) of Title 16 for the purpose of directly assisting school districts with special education expenditures of an

(4) 16 V.S.A. § 4027(a), relating to calculation of education payments and taxes.

(b) Sec. 20 of this act shall take effect on passage.

Sec. 18a. 32 V.S.A. § 5410(h) and (k) are amended to read:

(h) ~~Upon the~~ The filing of a new or corrected declaration or rescission of an erroneous declaration, before December 1 of the property tax year~~: any additional tax and interest collected by the municipality before December 1 shall be remitted to the state treasurer on December 1; any tax and interest collected after December 1 but before June 1 shall be remitted to the state treasurer on June 1 each year; and the~~ that is not reflected in the first education fund payment under 16 V.S.A. § 4028 for that fiscal year or in a municipality's first payment to the education fund under subsection 5402(c) of this title for that fiscal year shall be reflected in the final net payment to or from the education fund for that fiscal year. The municipality may retain one-eighth of one percent of the ~~total~~ tax collected. Any reduction in tax paid to a municipality due to a new, revised, or rescinded declaration shall be ~~refunded from the education fund to the municipality on December 10 each year, and then~~ paid by the municipality to the taxpayer no later than May 15 of the fiscal year. No later than June 1, each municipality shall provide to the state treasurer a list of taxpayers who filed late or corrected declarations or rescinded declarations, the amount of the change in education tax, and the amount of any interest and penalty billed the taxpayer.

(k) A municipality may retain any penalties and interest assessed and collected in accord with this section.

Sec. 19. Sec. 4(2) of No. 33 of the Acts of 2001, as amended by No. 46 of the Acts of 2003, is amended to read:

(2) If a governing board of a pilot project or a planning committee endorsed by the governing board does not apply for and receive approval of a new governance structure pursuant to Sec. 3 of this act by ~~July 1, 2004~~ July 1, 2006, the technical center service region shall be governed under the provisions of chapter 37, subchapter 3 of Title 16 after that date~~, except that the pilot project or planning committee may continue to operate under the waivers until June 30, 2005, provided that the current governing board and the school board of the host school district state in writing to the commissioner of education that they wish to do so~~.

Sec. 20. VOTE TO CREATE THE PATRICIA A. HANNAFORD REGIONAL TECHNICAL CENTER SCHOOL DISTRICT

(a) 16 V.S.A. § 1574 requires a vote to establish a regional technical center school district to be warned as a special meeting of each town school district, incorporated school district, unified union school district, and city school district within the technical center region. Further, 16 V.S.A. §§ 1574 and 1575 provide that, at the discretion of the planning committee for the district, ballots cast to establish a regional technical center school district may be either counted in each participating school district and the results certified to the commissioner by each clerk or commingled and counted at a central location by appointed members of each participating school district.

(b) The report of the planning committee to create the Patricia A. Hannaford Regional Technical Center School District prohibited ballots cast in the vote to adopt the governance structure from being commingled. The vote held on March 2, 2004 to establish the Patricia A. Hannaford Regional Technical Center School District was warned as a meeting of the three union high school districts rather than as a special meeting of each member school district. Votes were cast in each member school district as part of each union school district's annual meeting ballot, and the ballots were transported to a central location in each union school district and commingled. The commingled vote tallies were then certified to the commissioner of education by each of the three union school district clerks. Based on the certifications by the three clerks, the proposal to establish the new regional technical center school district passed by the total vote of 5,229 for the proposal and 2,201 against the proposal, with 246 spoiled or blank ballots.

(c) Notwithstanding the fact that the meeting was warned and conducted as part of three separate union district meetings rather than special meetings of each member school district, and notwithstanding the fact that the ballots were commingled rather than counted in each member school district and certified to the commissioner of education within ten days of the vote, the general assembly declares that the vote held on March 2, 2004 to adopt the governance structure shall be valid. Further, the commissioner of education shall be authorized pursuant to 16 V.S.A. § 1575 to declare the existing governance structure of the Patricia A. Hannaford Career Center to be void, the region to be designated a technical center school district, and the new governance system to be authorized, all as of the date specified in the report.

unusual or unexpected nature. These funds shall not be used for exceptional circumstances which are funded under section 2963a of Title 16. A decision of the commissioner as to eligibility for assistance and amount of assistance received shall be final. See P. 15a - 16a for Secs. 18a, 19 and 20

Sec. ~~19.~~ 21. REPEAL

The following are repealed:

(1) 16 V.S.A. § 1165(d), relating to filing of a school alcohol and drug abuse policy with the commissioner of education.

(2) 16 V.S.A. §§ 1792 and 1793, relating to minimum salaries for teachers.

(3) Subchapter 2 of chapter 7 of Title 18, including the subchapter title and §§ 351 – 354, relating to a school of dental hygiene. See P. 14a for (4)

Sec. ~~20.~~ 22. EFFECTIVE DATES

(a) Sec. 10 of this act shall take effect on January 1, 2005.

~~(b)~~ C See P. 14a for (b) The remainder of this act shall take effect on July 1, 2004.

5/6/04
GOVERNOR Date

ATTESTED TO:

WALTER E. FREED
SPEAKER OF THE HOUSE OF REPRESENTATIVES

Donald G. Milne
Clerk, House of Representatives

BRIAN E. DUBIE
PRESIDENT OF THE SENATE

ORIGINAL App. ? Sec 12

H.756

AN ACT RELATING TO MISCELLANEOUS CHANGES TO EDUCATION LAW.

HOUSE OF REPRESENTATIVES

March 9, 2004

Introduced by Committee on Education.

Read the first time and, under the rule, placed on the Calendar for notice tomorrow.

Clerk

Donald Mulder

PROOFREAD

_____House Passage
_____Final Passage

HOUSE OF REPRESENTATIVES
3/10, 2004
ENTERED ON THE CALENDAR FOR NOTICE.
William M. McGill
ASST. CLERK

HOUSE OF REPRESENTATIVES
3/11, 2004
TAKEN UP, READ THE 2ND TIME, AND 3RD READING ORDERED.
William M. McGill
ASST. CLERK

HOUSE OF REPRESENTATIVES
3/12/2004
READ THIRD TIME AND PASSED
William M. McGill
ASST. CLERK

HOUSE OF REPRESENTATIVES
3/12, 2004
UPON MOTION OF REP. Deen OF Westminster THE RULES WERE SUSPENDED AND THE BILL WAS ORDERED MESSAGED TO THE SENATE FORTHWITH.
William M. McGill
ASST. CLERK

SENATE CHAMBER
3/12, 2004
Read and referred to Committee on Education
Assistant Secretary

SENATE CHAMBER
4/7 2004
Entered on the Calendar for Notice.
Assistant Secretary

SENATE CHAMBER
4/7 2004
~~Appearing (pending entry) on the Calendar for Notice.~~ On motion of Senator Condos, the rules were suspended and the bill was taken up for immediate consideration.
Assistant Secretary

SENATE CHAMBER
4/7 2004
Thereupon, ~~pending the~~ the report of the Com... on motion of Sen Condos the r... further suspended and the committed to the Comm... Finance with the ... the Committee(s) on Education intact.
Assi...

SENATE CHAMBER
4/8, 2004
Bill, being on calendar for notice and carrying an appropriation, under the rule was referred to Committee on Appropriations.
Assistant Secretary

SENATE CHAMBER
4/14 2004
Entered on the Calendar for Notice.
Assistant Secretary

SENATE CHAMBER
4/15, 2004
Reported favorably with ~~recommendations~~/proposals of amendment. Read second time, ~~recommendations~~/proposals of amendment agreed to and third reading ordered.
on a roll call Yeas 24 Nap 0
Assistant Secretary

SENATE CHAMBER
4/16, 2004
Read third time and passed in concurrence with proposals of amendment.
Assistant Secretary

SENATE CHAMBER
4/16, 2004
On motion of Sen. Mazza rules were suspended and bill was ordered messaged to House forthwith
Assistant Secretary

HOUSE OF REPRESENTATIVES
4/20, 2004
ENTERED ON THE CALENDAR FOR NOTICE.
William M. McGill
ASST. CLERK

VT LEG 174532.1

HOUSE OF REPRESENTATIVES

4/21, 20 24

SENATE PROPOSAL OF AMENDMENT CONSIDERED AND CONCURRED IN

Nicole M. McDell

ASST. CLERK