VERMONT
AGENCY OF EDUCATION
ACT 46 OF 2015

Fact Sheet

Goals:

Act 46 is designed to encourage and support local decisions and actions that:

- Provide substantial equity in the quality and variety of educational opportunities statewide;
- Lead students to achieve or exceed the State's Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly;
- Maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff;
- Promote transparency and accountability; and
- Are delivered at a cost that parents, voters, and taxpayers value.

In addition, Act 46 cautions that governance changes should "be mindful of any other district in the region that may become geographically isolated."

Although the State intends that all school boards will continually work toward achieving the stated goals, Act 46 acknowledges that the means to achieve the goals will vary depending on the specific circumstances of districts or regions.

Three Phases of Voluntary Merger Incentives:

Act 46 creates a multi-year process that provides three phases of incentives for school districts that voluntarily merge into the most common governance models, including a supervisory union with multiple merged member districts. The three phases are:

- Phase 1 – Accelerated Mergers: Phase 1 provides incentives to a new district that is formed by the merger of all districts within a single supervisory union and that meets certain additional criteria, including becoming operational as a supervisory district by July 1, 2017. (Act 46, Sec. 6)
- Phase 2 – REDs and RED Variations: Phase 2 incorporates the processes and incentives for a RED (Act 153 of 2010) and its three variations, including a Side-by-Side Merger (Act 156 of 2012). Consequently, Phase 2 provides incentives for governance changes into a supervisory union with multiple merged member districts – an "alternative structure" as envisioned in Act 46 (Sec. 5(c)). Incentives in Phase 2 are nearly identical to those in Phase 1.
- Phase 3 –Conventional Mergers: Phase 3 provides incentives to a new district formed by the merger of two or more districts that meets certain additional criteria, including being operational as a supervisory district by July 1, 2109. (Act 46, Sec. 7)

What Act 46 Does:

- Provides tools boards can use to better align shared resources behind core goals.
- Provide some protection to small districts that currently are unable to control costs or shield themselves from fluctuations in ADM.
- Gives systems that need to make changes some tools to do so. If you are a small district, this is a great opportunity to partner with other small districts to achieve some scale.
- By moving some systems quickly, provides Vermont with a group of mergers we can study to determine what works, what doesn't, where savings and program improvements can be found. We can then share this knowledge with other systems that are thinking about partnering.
- Leaves systems that are already working well alone.
- For districts that are unsure, provides more time to review their situation and review the better data we will make available through Education Quality Reviews before committing to a course of action.
- Gives the State Board of Education the tools to help very small districts that are not viable on their own and risk losing any local control, but can't find anyone with whom to partner.
- Puts pressure on systems to control their growth in per pupil spending, without forcing automatic cuts of the kind that can damage schools and hurt students.

Schools are encouraged to measure quality and equity in the realms of academic achievement, personalization, safe school climate, high quality staffing, fiscal efficiency, and other components of the Education Quality Standards rules of the State Board of Education.

What Act 46 Does <u>Not</u> Do:

- Encourage or require closure of schools – including small schools.
- Restrict or repeal the authority of school districts to continue to pay tuition.
- Change the amount or manner in which a district pays tuition for its students, or the manner in which voters decide whether their district will pay tuition.