

## **A True Reality Check on the School Consolidation Bill**

From the MDI Study Group

June 1, 2007

The school consolidation bill reported out of the Appropriations Committee on May 31 is 60 pages long. In the waning days of the legislative session, state lawmakers are now asked to read, understand, and vote on all 60 pages of this bill in a mere five or six days. Most of them lack any first-hand knowledge about how education is actually provided in this state. Worse, they have been subjected to months of misleading, and in some cases false, information about the nature of the issues the bill purports to address. And now, at the eleventh hour, they confront obvious misstatements about what is in the bill as they attempt to determine how it will work in practice.

There is simply no way a legislator in these circumstances can understand the damage this bill is capable of inflicting on both education and the life of communities -- particularly small communities -- in our state.

We have read this bill and studied and discussed it. We have done so having a long, first-hand acquaintance with education, and with collaboration among communities resulting in an efficient administration and a high-quality, cohesive educational K-12 system. Ours has not been a top-down, blunt-force process driven by the Augusta education bureaucracy, but one of compromise and cooperation among small communities with disparate interests. And it has worked very well.

This bill, if passed, will destroy that. We want to tell you why and how, so that all who vote on this bill will clearly understand its effects in our classrooms and in our communities, and can be held responsible for the damage it will do if they vote for it and it is enacted.

The governor's decision to embed this bill in the budget has far-reaching implications, not the least of which is the allowance of so little time for consideration and opportunity to suggest changes that would make it more effective as a cost-saving mechanism and less destructive of education. At this late date we believe there is no alternative but to remove it from the budget and reject it.

### **WHO WE ARE**

This description is based on the Regional School Unit (RSU) the Commissioner has proposed for us -- the communities on Mount Desert Island and our neighbor, Trenton. Up until now, School Union 98 has consisted of the MDI communities -- Bar Harbor, Mount Desert, Tremont, and Southwest Harbor -- and three outer island communities: Cranberry Isles, Frenchboro, and Swans Island. Trenton, with its own elementary school, has traditionally sent the majority of its students as tuition students to MDI High School. The union is characterized by:

- \* considerable differences between municipalities in population size and property valuation
- \* each town with its own elementary school funded by the town
- \* a joint high school, with costs shared through a funding formula combining student population and property values
- \* a common curriculum across all elementary schools
- \* a consistent teacher contract across all schools.

- \* a central office consisting solely of essential personnel: superintendent, business manager, special education director, curriculum director, IT manager, and a teacher leader who works with new teachers
- \* almost no state subsidy except for special education

While there is undoubtedly room for additional efficiency, Union 98 works well and provides both a high-quality education. At the same time, local control over K-8 education encourages the kind of parental involvement known for improving education and reducing discipline problems.

**THE ILLUSORY TOWN VOTE ON CONSOLIDATION** (Sec. A-13, subch 2:5, p. 52)

This is government by decree, not democracy. The referendum, in which the ballot wording makes clear that a "no" vote will trigger a loss of state subsidies (for us about \$1.4 million, for others, a lot more), determines only who a town partners with, not the fact that it is guaranteed to lose local governance. And it should be noted that the Commissioner of Education has final say about the arrangements (Sec. A-36, p. 37-42; Sec. A-13 subch 2/1461:7, p. 53)

**SCHOOL UNIONS OUTLAWED** (Secs. A-19 to 20, p. 31)

Our union actually functions well. As a model it could well be applied to other communities in the state. Opponents of unions argue they are inefficient and can't be made efficient. That is a false assertion. While any organization can be inefficient, regardless of its structure, there is no evidence to suggest that a different structure would serve Union 98 better than our current system. We know this, in part, because less than a year ago we studied the pros and cons of becoming an SAD. We concluded our towns would not profit from that change.

**END OF HYBRID FUNDING MECHANISM** (Sec. A-13, subch 3/1481, p. 13)

Because of the diversity of size and property valuation on MDI, our union required a hybrid form of cost allocation for the high school, achieved through much work and a special act of the Legislature. The bill purports to retain such arrangements, but it also nullifies them if they are modified, and moving from our union to the proposed RSU would require modification.

**COST ALLOCATION SOLELY BY STUDENT POPULATION** (Sec. A-28, p. 33)

Bar Harbor is by far the largest among our towns, but its costs have been kept down by the hybrid funding mechanism -- the town of Mount Desert has a much higher valuation. Once student population becomes the sole determinant, Bar Harbor's share of costs will rise \$880,000. It is not clear Bar Harbor would be able or willing to shoulder this. This will almost certainly result in budget cuts beyond even those required by the bill, and it puts small towns at the mercy of larger ones (see Loss of Local Governance, below).

**PROPERTY VALUES AND THE 2-MIL MINIMUM** (Sec. A-29/3-A/B1, p. 34)

The Town of Mount Desert's high valuation has caused its contribution to the high school to be relatively high on a per-pupil basis. A population-based mechanism would seem to offer relief. But the high valuation has produced a mil rate of about 1.2 for education spending. By contrast, the bill mandates a minimum 2 mil rate, with the surplus shared among the other members of the RSU. This would cost Mount Desert an extra \$1.2 million, also resulting in budget cuts beyond even those required by the bill.

**LOSS OF LOCAL GOVERNANCE & LOCAL BUDGETARY/SPENDING CONTROL**  
(Sec. A-13, subch 2:9:B, p. 54; Sec. A-23, subch. 3:1472, p. 5)

The bill abolishes local school boards. Although it permits the RSU board to recreate local advisory boards, these boards could have no budgetary authority and exist only at the pleasure of the RSU. Therefore, all control of local schools lies in the RSU board, in which the various permitted voting methods are essentially proportional to population, favoring high-enrollment, low-valuation towns.

Bar Harbor's size guarantees that by combining with any one of our medium-sized towns it could outvote all other towns. The potential for this kind of raw power politics is enormous, given the harsh realities of the cuts being proposed in the bill (Secs. A-24 to 26, pp. 32-34, see below) and the extra \$36.5 million cut in GPA funding, and is virtually guaranteed to eliminate the cooperative relationships that have been established here. The same dynamic is likely to play out in other similar districts, in which the smaller communities will be at the mercy of the larger communities

Any community with serious school maintenance issues will be at the whim of the financial situation and relative priorities of an RSU in which it may have relatively little say.

In short, the people in any town in an RSU no longer can control the quality or cost of the education in their local elementary school.

**SCHOOL CLOSURES INEVITABLE** (Sec. A-13, subch 6:1512, p. 30, and Sec. A-23, p. 32)

The bill purports not to close any schools. However, the bill's large cuts will inevitably create pressure to close smaller (and thus relatively expensive) schools. The bill requires a vote at a town referendum to close a school, but also requires ballot language stating that failure to close the school will require the payment of an amount equal to the savings that would result from closing the school -- in addition to the town's normal share. Even if the school survives this lopsided language, the financial dynamics and budgetary power of the RSU may well squeeze it into nonexistence. Despite repeated assertions to the contrary, such foreseeable outcomes will be the direct responsibility of those who vote to pass this bill.

**REQUIRED CUTS FLY IN THE FACE OF REALITY** (Secs. A-24 to 27, pp. 32-33)

A arbitrary 5% cut in transportation spending in the face of rapidly rising fuel prices may require -- as in some Massachusetts towns -- that students be charged a fee for riding buses, or for bus maintenance to be deferred. An arbitrary 5% cut in building maintenance spending in an RSU where a school has a serious maintenance problem could have serious repercussions, or cause postponement of needed regular maintenance. And this is all on top of the \$36.5 million GPA across-the-board cut.

A cut of administrative function expenditures to 50% of Essential Programs and Services (EPS) level in a union like ours, which runs a lean but educationally productive central office at 166% of EPS, would mean a 70% cut, leaving room for virtually none of the educational leadership staff (see above) who have made the high quality of our education possible.

**THE "MINIMUM" EPS AS A HARD MAXIMUM AND THE ILLUSION OF "TRANSPARENCY"** (Sec. A-13 subch 4/1485, p. 15; Sec. A-13 subch 4/1486:3, p. 17)

EPS was conceived as the minimum amount of education spending needed to produce adequate Maine Learning Results. It is now being severely cut back, in violation of its intended purpose. This constitutes a clear abandonment of the aim of this consolidation legislation as professed in Sec. A-13 subch 1/1451 -- to offer "equitable opportunity for all students to demonstrate achievement of the content standards of the State's system of learning results."

Eighty percent of Maine school districts have traditionally voted, often in town meetings, to exceed EPS. To do so under the new bill, however, requires a referendum, in which the ballot wording explicitly states that voting NO will reduce property taxes for education, while not permitting any statement of why a YES vote would be advisable or even necessary -- as one legislator commented, "a choice between apple pie and a rock." The absence of budget consideration at a town meeting leaves no opportunity for an explanation of the budget to those voting on it, all the more important given that the budget must be presented to those voters in a mind-numbing mass of itemized figures that experience tells us will be ignored by the majority of busy people.

**TAKE THE SCHOOLS, LEAVE THE DEBT** (Sec. A-13, subch 2:8, p. 53-54)

The bill purports to require an RSU to shoulder the construction debt related to any property it takes from a previous district. However, it leaves a huge loophole by not requiring this for construction debt incurred without state subsidy. All the construction debt in our potential RSU falls into this category. Accordingly, the new RSU may take any or all of our local elementary schools and leave the individual towns with the construction debt.

**SCHOOL CHOICE** (Sec. A-13 subch 3/1479, p. 12)

School choice is preserved for those towns that historically have tuitioned their students to a high school located in another town. The choice will not be available to others in the RSU. In our case, Trenton students would be members of our RSU, but would be free to attend another high school (that is, not MDI High School) while our RSU would be obligated to pay that tuition expense.

**IN SUMMARY**

This bill would not have the positive effects it so emphasizes in Sec. A-13 subchapter 1 section 1451 on page 2. Instead, for many schools and districts, and in many ways, some obvious, some subtle, some immediate, some evident only later, it will have drastically negative affects all over the state on the quality of education and the relationship of communities to their schools. All this in the name of net property tax relief, the claims for which, when looked at on the ground, are very dubious. For the welfare of this state and our children, this bill must be killed, and a realistic and targeted approach for increasing efficiency adopted instead.

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