

1 Committee: EDU "Majority Report" Amd for EDU Review
2 LA: PDM Vote: 10-1 on OTP-AM motion @ 1/11/08 WS
3 LR # and item number: 332402
4 New Title?: No ;
5 Add Emergency?: No
6 Date: 1/15/08
7 File Name: G:\COMMITTEES\EDU\AMENDMTS\123rd2nd\LD 1932 EDU Maj Rpt 1-11-07.doc (1/15/28 10:25 AM)
8

9 COMMITTEE AMENDMENT "." TO LD 1932, An Act To Amend the Laws
10 Regarding School Funding
11

12 Amend the bill by striking out all of section 1 and inserting the following:

13 'Sec. 1. 20-A MRSA §1305-C, as enacted by PL 2007, c. 240, Pt. XXXX, §11, is
14 amended to read:

15 **§1305-C. Mandatory budget validation and cost center summary budget form**

16 Notwithstanding any other law, school administrative district budgets developed after
17 January 1, 2008 must conform to the format and referendum procedures for regional
18 school units as set forth in sections ~~1305-A and 1305-B~~ 1485 and 1486. A school
19 administrative district is deemed to be a regional school unit solely for the purpose of
20 developing a budget pursuant to sections 1485 and 1486.'

21
22 Amend the bill after section 1 by inserting the following:

23
24 ***** Note: "Non-underlined text is current law provided as context *****

25
26 **§ 1451. Regional school units**

27 It is declared the policy of the State to provide sufficient resources to support the
28 reorganization of school administrative units into regional, state-approved units of school
29 administration to provide:

- 30 **1. Opportunity.** Equitable educational opportunity for all students to demonstrate
31 achievement of the content standards of the State's system of learning results established
32 in section 6209;
33
34 **2. Programs.** Rigorous academic programs that meet the requirements of the system of
35 learning results established in section 6209 and that prepare students for college, careers
36 and citizenship;
37
38 **3. Delivery.** Uniformity in the delivery of academic programs that meet the
39 requirements of the system of learning results established in section 6209;
40
41 **4. Tax rates.** A greater uniformity of tax rates for the support of schools;
42
43 **5. Sustainability.** The efficient use of limited resources in order to achieve long-term

1 sustainability and predictability in the support of public schools;

2
3 **6. Public funds.** Effective use of the public funds expended for the support of public
4 schools by means of:

5 A. The creation of cost-efficient organizational structures; and

6 B. Administrative structures and efficiencies that permit the organized and regular
7 delivery of uniform state-sponsored professional development programs to promote
8 coherence and consistency in the understanding and application of the State's standards-
9 based system for continuous improvement in student achievement;

10
11 **7. School choice.** The preservation of opportunities for choice of schools; and

12
13 **8. Services.** The maximization of opportunities to deliver services that can more
14 effectively be provided in larger districts than from within smaller units or individual
15 schools. Regional school units shall provide kindergarten to grade 12 public education,
16 in accordance with this Title, and shall develop and implement policies that address
17 efficiencies in administration, educational programming and the sharing of community
18 resources for the continuous improvement of student achievement and the preparation of
19 students for college, careers and citizenship. The core functions for which the regional
20 school unit is responsible include without limitation the following:

21
22 A. Central office functions, including:

23 (1) Accounting, payroll and financial management;

24 (2) Collective bargaining and contract administration;

25 (3) Personnel and human services;

26 (4) Provision of insurance and workers' compensation;

27 (5) Legal, medical and public health services; and

28 (6) Maintenance of a substitute teacher pool.

29
30 B. Support services and purchasing, including:

31 (1) Transportation, route planning and vehicle maintenance;

32 (2) Energy, plant and facilities management;

33 (3) Food service purchasing and dietary planning;

34 (4) Management of information technology systems;

35 (5) Computer and software purchasing; and

1 (6) Bulk purchasing of consumables and fuel.

2

3 C. Curriculum management, including:

4 (1) Curriculum development and alignment;

5 (2) Oversight and adoption of standardized tests and common
6 assesments;

7 (3) Professional development programming;

8 (4) Bulk purchasing of texts and instruction material; and

9 (5) Staff technology training and support.

10 D. Specialty instruction, including:

11 (1) Career and technical education;

12 (2) Supplemental instruction for music, art, second language, and
13 development of library and research skills;

14 (3) Enrichment for gifted and talented students;

15 (4) Coordination of advanced placement course opportunities; and

16 (5) Career guidance and college placement counseling.

17

18 E. Remediation services, including:

19 (1) Special intervention systems for remediation in reading and
20 mathematics (literacy and numeracy);

21 (2) Instruction in English as a second language;

22 (3) Management of special education including the development of
23 Individual Educational Plans and provision of special services;

24 (4) Provision of hospital and homebound instruction;

25 (5) Adult education, alternative education and graduate equivalency
26 programs; and

27 (6) Assisting colleges in remediation for post-secondary students.

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F. Central administration, including:

- (1) Establishing a common school calendar;
- (2) Creating course sharing opportunities through the asynchronous transfer mode system, the Internet and other media;
- (3) Coordinating calendars and schedules to facilitate course sharing; and
- (4) Preserving existing rights of choice among public and private schools and home school settings.

§ 1478. Local schools committees

A regional school unit board may create local school committees and specify their powers and duties.

1. Delegation to municipalities. A regional school unit must provide the core services and functions identified in section 1451 but may otherwise permit a member municipality to excercise any powers or duties that are not so reserved. The core functions provided by a regional school unit may be supplemented at the expense of any member municipality.

2. Budget responsibility. Any municipality that owns or oversees a school shall present its proposed budget for that school to the regional school unit in time for including the costs of that school in the comprehensive unit budget. Proposed costs that are not adopted by the regional school unit may be separately appropriated by the municipality.

3. Title to property. A school overseen by a municipality may be owned either by the municipality or by the regional school unit provided that in either case there is a clear allocation of responsibilities.

§ 1479. Program

A regional school unit shall maintain a program that includes kindergarten to grade 12.

§ 1481. Finances

1 Notwithstanding any provisions of law to the contrary, a municipality within a regional
2 school unit may raise money and direct the spending of the funds, to a school serving
3 children from kindergarten to no higher than grade 8.

4
5
6 Amend the bill after section 1 by inserting the following to read:

7
8 **Sec. 2. 20-A § 1461-A** is enacted to read:

9 **20A § 1461-A. Transitional powers and duties of the regional school unit board**

10 From the period of election of the regional school board of directors to July of the
11 regional school unit’s first operational year, the regional school unit board shall establish
12 interim rules of procedures and shall elect officers who shall serve until officers are
13 elected at a meeting following the operational date of the region. The regional school
14 unit board’s powers and duties during this period shall include:

- 15
16 A. Selection of a superintendent for the regional school unit in accordance with
17 section 1051 to carry out the duties specified in 1055. During the interim
18 period, the salary, office and other expenses of the superintendent, as well as
19 the costs of the regional school unit board, including insurance, shall be
20 allocated to the school administrative units by the cost-sharing formula
21 included in the reorganization plan.
- 22
23 B. Preparation of the annual budget for the first operational year of the regional
24 school unit in time for its presentation and consideration by the initial
25 regional school unit board of directors. Specific duties may be assigned to
26 existing personnel with the approval of the employing school administrative
27 unit. The initial board shall complete the budget development process and
28 recommend a budget for consideration. The budget format, approval
29 procedures and assessments for the regional school unit’s first operational
30 year budget shall be in accordance with this chapter.
- 31
32 C. Authorization to take all other actions provided under state law to prepare for
33 the regional school unit to become operational on July 1 for the first
34 operational year; including the authority to open and maintain accounts, to
35 incur expenses to be allocated among the regional school units’ member
36 school administrative units in accordance with their reorganization plan; and
37 to file applications for school construction projects and revolving renovation
38 fund loads and other available funding.
- 39
40 D. Authorization to expend start-up funds for the regional school unit. A school
41 administrative unit within the regional school unit may serve as a fiscal agent
42 and may expend any start-up funds on behalf of the new regional school unit
43 prior to the regional school unit’s operational date without calling for a
44 special meeting of the local legislative body.
- 45

1 Amend the bill in section 3 in §1481-A in subsection 3 in paragraph A in
2 subparagraph (2) by striking out all of the first 3 lines (page 2, lines 15 to 17 in L.D.) and
3 inserting the following:

4 ‘(2) Under an alternate method of cost sharing, municipalities in a unit shall
5 share costs based on:’

6 Amend the bill in section 3 in §1481-A in subsection 3 by inserting after paragraph A
7 the following:

8 ‘B. A process of amending the cost-sharing formula must be included in the
9 reorganization plan.’

10
11 Further amend the bill by inserting after section 1 the following:

12 ‘Sec. ?. 20-A MRSA §1472-A and 1472-B are enacted to read:
13

14 **20A § 1472-A. Election of initial board of directors**

15 Within 30 days of the issuance of a certificate of organization for the regional
16 school unit by the State Board of Education, the members of the school boards of the
17 school administrative units within the regional school unit shall conduct a joint meeting
18 for the purposes of electing an interim secretary of the regional school unit and
19 determining a date for the election of the initial board of directors of the regional school
20 unit. The interim secretary shall notify the municipal officers of the member
21 municipalities of the regional school unit of the date of the election. The election shall be
22 conducted in accordance with Title 30-A Chapter 121 of the Maine Revised Statutes, as
23 amended by Section 1473(2) of this chapter, except that the election duties of the
24 secretary and the board of directors of the regional school unit shall be performed by the
25 interim secretary. The duties of the interim secretary shall include:

- 26
27 1. Notification of the municipal officers of the date of the election;
28 2. Furnishing nomination papers as least 10 days before the deadline for filing
29 nomination papers;
30 3. Receipt of completed nomination papers in accordance with 20-A MRSA
31 Section 1473;
32 4. Preparation and distribution of election ballots in with 20-A MRSA Section
33 1473;
34 5. Receipt of town clerk’s certification of the results of the voting in each member
35 municipality;
36 6. Tabulation of the town clerk’s certification of the results of the voting in each
37 municipality;
38 7. Accepting any recount petitions that may be filed pursuant to 20-A MRSA
39 Section 1473; and
40 8. Totaling the votes cast for each candidate and notifying the clerks in each
41 municipality, the candidates, and the Commissioner of Education of the final

1 results of the voting and the names and addresses of the persons elected as
2 directors.

3
4 In accordance with section 1473 subsection 1, the clerk of each municipality within the
5 regional school unit shall forward the names and addresses of the directors elected to
6 represent that municipality to the State Board of Education with other data with regard to
7 their election as the State Board of Education may require. On receipt of the names and
8 addresses of all of the directors, the State Board of Education shall set a time, place and
9 date for the first meeting of the directors and give notice to the directors I writing, sent by
10 registered or certified mail, return receipt requested, to the address provided by the
11 municipalities.

12
13 **20A § 1472-B. Initial staggered terms.** Notwithstanding the Maine Revised
14 Statutes, Title 20-A, section 1471, subsection 2, the initial directors elected to a regional
15 school unit board of directors shall meet and draw lots for the length of term specified as
16 follows.

17 **1. Municipalities with annual elections.** In municipalities with annual elections,
18 1/3 of the directors serve one-year terms, 1/3 of the directors serve 2-year terms and 1/3
19 of the directors serve 3-year terms. If the number of directors is not evenly divisible by 3,
20 the first remaining director serves a 3-year term and the 2nd a 2-year term.

21 **2. Municipalities with biennial elections.** In municipalities with biennial elections,
22 1/2 of the directors serve 4-year terms and 1/2 of the directors serve 2-year terms. If the
23 number of directors is not divisible by 2, the remaining director serves a 4-year term.

24 The directors shall serve their terms as determined at the organizational meeting and
25 an additional period until the next regular election of the municipalities. Thereafter, the
26 directors’ terms of office are as established in accordance with the provisions of Title 20-
27 A, section 1471.

28 Amend the bill by inserting after section 3 the following:

29 ‘Sec. 4. 20-A MRSA §1482-A and 1482-B are enacted to read:

30
31 **20A § 1482-A. Budget meeting**

32
33 The regional school unit board shall hold a regional school unit budget meeting
34 at a time it determines.

35
36 **1. Warrant.** The budget meeting shall be called by a warrant. The warrant
37 shall:

38
39 A. Be signed by a majority of the board of directors;

40
41 B. Specify the time and place of the meeting;

42

1 C. Include the proposed school budget and other articles the regional school unit
2 board chooses to place before the voters, excluding authorization to borrow
3 money for school construction purposes;

4
5 D. Specify the state and local shares of the state-local allocation and local
6 leeway and additional expenditures without state participation; and

7
8 E. Be directed to a resident of the regional school unit by name ordering the
9 resident to notify all voters within the regional school unit to assemble at the
10 time and place appointed.

11
12 **2. Notice.** An attested copy of the warrant shall be posted by the person to
13 whom it is directed in some conspicuous public place in each of the municipalities within
14 the regional school unit at least 7 days before the meeting. The person who gives notice
15 of the meeting shall make a return of the posting on the warrant stating the manner of
16 notice in each municipality and the time when it was given.

17
18 **3. Requested articles.** If requested by a written petition of at least 10% of the
19 number of voters voting for the gubernatorial candidates in the last gubernatorial election
20 in each municipality within the regional school unit, the board of directors shall place
21 specific articles, not in conflict with existing state statutes, in the warrants for
22 consideration at the next annual regional school unit budget meeting. To be included in
23 the warrant a petition shall be received by the board of directors at least 15 days before
24 the date set for the budget meeting. When placed on the warrant, the articles shall be
25 considered before action relating to the appropriation of money for the operation of
26 schools.

27
28 **20A § 1482-B. Meeting procedures**

29 The following procedures shall be used at a regional school unit meeting.

30
31
32 **1. Election of moderator.** The secretary of the board of directors, or when
33 absent, the chairman of the regional school unit board, shall open the meeting and call
34 for the election of a moderator, receive and count votes for moderator and swear in the
35 moderator.

36
37 **2. Appointing ballot clerks.** The moderator shall appoint from the certified
38 voting list the ballot clerks necessary for the efficient operation of the meeting. The
39 clerks shall be sworn in by the moderator.

40
41 **3. Budget consideration.** The budget shall be thoroughly explained. The voters
42 shall have an opportunity to be heard. The voters may change only items dealing with:

43
44 A. The expenses necessary to operate the regional school unit;

45
46 B. Appropriations for the reserve fund; or

47
48 C. Appropriations for the contingency fund and school construction purposes.

1
2 4. Approval. A majority vote of those voters present and voting shall be
3 necessary for the approval of the annual budget.

4
5 5. Voting lists. Registration of voters for the annual budget meeting shall be
6 held in each member municipality in accordance with Title 21-A, section 122.

7
8 A. Prior to the annual budget meeting, the municipal clerks of the member
9 municipalities shall supply to the board of directors a certified corrected copy of
10 the registered voters of their municipality.

11
12 B. The lists shall be used in determining the voters who are eligible to vote at
13 the annual budget meeting.

14
15 6. Written ballot. An article must be voted on by written ballot if at least 10%
16 of those present and voting vote to use a written ballot. The department, in consultation
17 with municipal and school officials and with organizations representing those officials,
18 shall develop and distribute guidelines to assist regional school unit budget meeting
19 moderators in explaining and implementing this subsection.

20
21 Amend the bill after section 3 and inserting the following:

22 Sec. ?? 20-A § 1506 is amended as follows:

23 **20-A § 1506. Debt liability**

24
25 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
26 following terms have the following meanings.

27
28 A. "Existing debt" means any bond, note, loan agreement, lease-purchase
29 agreement or other debt instrument issued prior to ~~July 1, 2008~~ July 1 of the first
30 operational year for the purposes of funding public schools, or for refinancing such
31 debt, that remains outstanding at the time of a reorganization pursuant to this
32 chapter. "Existing debt" does not include routine payables or commercial contract
33 obligations.

34
35 B. "Original education unit" means:

36
37 (1) A previous education unit that has existing debt; or

38
39 (2) A municipality that has existing debt incurred on behalf of a previous
40 education unit.

41
42 C. "New unit" means a regional school unit created or established pursuant to this
43 chapter.
44

1 **2. Liability remains with original unit.** Existing debt held by an original
2 education unit remains the obligation of that original education unit after reorganization
3 pursuant to this chapter. An original education unit may not be finally dissolved while
4 any existing debt held by the original education unit remains outstanding. All aspects of
5 an original education unit’s administrative or political organization may be merged into a
6 new unit or otherwise modified to accomplish the purposes of this chapter but its existing
7 debt and its right to secure payment of such debt from income streams that existed at the
8 time of the issuance of such debt may not be affected or altered except as authorized by
9 this section.

10
11 A. A new unit may agree to pay the existing debt of an original education unit that
12 is included within the new unit. If the new unit pays the existing debt, the original
13 education unit is relieved of paying that debt, but, in the event that the new unit fails
14 to pay any amount of the existing debt, the original education unit remains
15 responsible for the deficiency. The original education unit shall ensure that timely
16 payments of existing debt are made, regardless of whether the new unit has agreed
17 to make the debt payments. An original education unit may contract with a new unit
18 for the administration of, transfer or delegate to and a new unit may accept and
19 exercise on behalf of the original education unit for the remaining term of any
20 existing debt all those powers and duties reasonable and necessary for the payment
21 of existing debt of the original education unit.

22
23 B. Notwithstanding any other provision of law or any provision of any trust
24 agreement, a new unit may use any sinking fund or other money set aside by the
25 original education unit to pay an existing debt to pay that debt.

26
27 C. A new unit may issue bonds or other debt instruments for the purpose of
28 refinancing or retiring the existing debt of an original education unit. The issuance
29 of such bonds or other debt must be in accordance with applicable procedural
30 requirements, including the procedural requirements of section 1490.

31
32 **3. No impact on state debt subsidies.** A change in any administrative or
33 political organization resulting from the creation of a new unit may not affect any state
34 subsidy with respect to existing debt or the relative portion of any such debt paid or
35 reimbursed by the State except as provided in this subsection.

36
37 A. The original education unit may continue to pay its existing debt obligations in
38 due course as though no new unit had been created and its choice to do so may not
39 reduce or otherwise affect the level of state assistance or subsidy with respect to that
40 existing debt.

41
42 B. If the original education unit and the new unit choose to refinance the existing
43 debt, the state subsidy or assistance with respect to the debt must be determined as
44 of the date of the new issuance and must be based on that refinancing and not on
45 any previous subsidy or assistance calculation related to the existing debt.

46
47 **4. Debt of original education units.** After ~~July 1, 2008~~ July 1 of the first
48 operational year, for each original education unit with existing debt that has reorganized

1 into a new unit, if the new unit has not agreed to assume liability to pay that existing debt,
2 the regional school unit board shall serve as agent for purposes of that existing debt and
3 has full authority to:

- 4
- 5 A. Sue and be sued in the name of the original education unit with respect to the
6 existing debt;
- 7
- 8 B. Determine the debt service due each fiscal year on any existing debt;
- 9
- 10 C. As applicable, allocate to each member of the original education unit the
11 member's share of the annual debt service for the existing debt of the original
12 education unit in addition to each member's share of costs of the new unit;
- 13
- 14 D. Collect the allocation for debt service on the existing debt from the original
15 education unit or, as applicable, from each member of the original education unit in
16 addition to each member's share of costs of the new unit;
- 17
- 18 E. Pay the debt service on the existing debt of the original education unit when due;
19 and
- 20
- 21 F. Take all other actions necessary and proper with respect to the existing debt.
- 22

23 Allocations between members of the original education unit to pay the debt service for
24 the existing debt must be made on the basis of the cost-sharing formula of the original
25 education unit in effect on July 1, 2007, as applied to the year of allocation. In the case of
26 state-subsidized debt service, the provisions of subsection 3 apply. Amounts to pay the
27 debt service on the existing debt of the original education units must be included in the
28 budget that the regional school unit board of a new unit submits for approval. If the
29 original education unit is divided between different new units that have not agreed to
30 assume liability to pay the existing debt, the commissioner shall require that the
31 reorganization plan of one of those new units provide for that new unit to serve as agent
32 for purposes of the existing debt of the original education unit. That new unit, as agent,
33 has the authority provided by this subsection, except that the new unit shall notify the
34 other new units containing members of the original education unit of the amounts they
35 must assess and collect from their members who were members of the original education
36 unit, and those other new units shall perform the functions in subsection 4, paragraphs C
37 and D with respect to their members, and shall pay the appropriate amounts over to the
38 new unit serving as agent.

39

40 **5. Bonds to complete school construction and renovation.** If the legislative
41 body of an original education unit has authorized the issuance of bonds for a school
42 construction project or a minor capital project, but that original education unit has not yet
43 issued all of the authorized permanent bonds for that project, the board of the new unit
44 that includes all the members of the original education unit shall issue bonds or notes
45 necessary to finance the completion of that project and to refund temporary notes that the
46 original education unit issued in anticipation of permanent bonds for that project. No
47 further action by the legislative body of the new unit is required. The bonds at any time
48 outstanding for the project may not exceed the amount authorized by the legislative body

1 of the original education unit except to the extent necessary to refund temporary notes on
2 a current basis. Bonds or notes issued by the regional school unit board to complete
3 projects of an original education unit and to refund temporary project notes of an original
4 education unit must be issued in the name of the original education unit and otherwise
5 must be in the form and be subject to the procedural requirements provided by section
6 1490 except as provided by this subsection. Upon issuing debt in accordance with this
7 subsection, the regional school unit board shall serve as agent of the original education
8 unit for purposes of that debt and has the same authority as is provided in subsection 4 for
9 existing debt.

10 Further amend the bill after section 3 to read:

11 'Sec. #. 20-A MRSA §1512, sub§6 is amended to read:

12 **6. Multiple municipalities.** If a school proposed for closure is an ~~elementary~~ a
13 school that serves students from more than one municipality, the article set forth in
14 subsection 1 must be submitted to the voters in each of the municipalities that sent all
15 ~~elementary~~ students from that municipality to the school. If the article is approved by a
16 majority of the voters in each of the municipalities, the school is not closed and the
17 municipalities share in the costs under this section in the same proportion as they share
18 the current operating costs of the school.

19
20 Amend the bill by striking out all of section 4 and inserting the following:

21 'Sec. 4. 20-A MRSA §1701-C, as enacted by PL 2007, c. 240, Pt. XXXX, §16, is
22 amended to read:

23 **§1701-C. Mandatory budget validation and cost center summary budget form**

24 Notwithstanding any other law, community school district budgets developed after
25 January 1, 2008 must conform to the format and referendum procedures for regional
26 school units as set forth in sections 1701-A and 1701-B 1485 and 1486. A community
27 school district is deemed to be a regional school unit solely for the purpose of developing
28 a budget pursuant to sections 1485 and 1486.

29 **Sec. 5. 20-A MRSA §2307**, as enacted by PL 2007, c. 240, Pt. XXXX, §21, is
30 amended to read:

31 **§2307. School budgets**

32 Notwithstanding any other law, municipal school budgets developed after January 1,
33 2008 must follow the same school budget requirements as regional school units pursuant
34 to chapter 103-A, except as described in paragraphs A and B. A municipal school unit is
35 deemed to be a regional school unit solely for the purpose of developing a budget
36 pursuant to chapter 103-A.'

37 A. In charter municipalities the budget meeting required by section 1485, subsection
38 3 shall be a meeting of the municipal council or other municipal legislative body
39 established by the charter with authority to approve the budget; and
40

1 B. In charter municipalities where the municipal charter confers upon a municipal
2 council or other municipal legislative body the authority to determine the total
3 amount of the school budget and confers upon the school committee or school board
4 the authority to direct the expenditure of those funds for school purposes, the
5 municipal council or other municipal legislative body shall have authority over the
6 total amount of the school budget to be submitted to the budget validation referendum
7 the school committee or school board shall have authority over the allocation of the
8 approved school budget among the cost centers of the cost center summary budget
9 format.

10 Amend the bill by inserting after section 10 the following:

11 ‘**Sec. 11. 20-A MRSA §15688, sub-§3-A, ¶C**, as amended by PL 2007, c. 240,
12 Pt. XXXX, §30, is further amended to read:

13 C. For a school administrative district, community school district or regional school
14 unit composed of more than one municipality, the unit's contribution to the total cost
15 of education is the lesser of:

- 16 (1) The total cost as described in subsection 1; and
17 (2) The sum of the totals calculated for each member municipality pursuant to
18 paragraph B, subparagraph (2), ~~plus the total calculated pursuant to paragraph B-~~
19 ~~1 if applicable.’~~

20 Amend the bill by inserting after section 11 the following unallocated section to read:

21
22 **Sec. ??.** PL 2007 c 240 Part XXXX-36(6)(A)(7) is amended as follows:
23

24 **6. Parameters.** In developing a reorganization plan for school administrative units
25 in existence on the effective date of this Part, the governing bodies of school
26 administrative units shall work within the following parameters.

27 A. The proposed regional school unit must serve not fewer than 2,500 students,
28 except where circumstances relating to the following factors justify an exception:

- 29 (1) Geography, including physical proximity and the size of the current school
30 administrative unit;
31 (2) Demographics, including student enrollment trends and the composition and
32 nature of communities in the regional school unit;
33 (3) Economics, including existing collaborations to be preserved or enhanced and
34 opportunities to deliver commodities and services to be maximized;
35 (4) Transportation;
36 (5) Population density, including the rural nature of our communities;

1 (6) Other unique circumstances including the need to preserve existing or
2 developing relationships, meet the needs of students, maximize educational
3 opportunities for students and ensure equitable access to rigorous programs for
4 all students; or

5 (7) If, after performing due diligence to develop a regional plan that meets the
6 2,500 students enrollment requirement, a school administrative unit is unable to
7 achieve the enrollment goal due to the decision of geographically proximate
8 school administrative units to participate in a different regional unit.

9 When circumstances justify an exception to the requirement of 2,500 students,
10 the unit must serve at least 1,200 students, except for offshore islands and schools
11 operated by tribal school committees, which may serve fewer than 1,200
12 students. Notwithstanding this requirement, the Commissioner may authorize a
13 unit to serve fewer than 1,200 students but not less than 1,000 students in isolated
14 rural communities if the proposed regional school unit meets the following
15 criteria:

16 a. The proposed regional school unit is comprised of three or more school
17 administrative units in existence prior to July 1, 2008;

18 b. The member municipalities of the proposed regional school unit are
19 surrounded by approved regional school units and there are no other
20 school administrative units available to join the proposed regional school
21 unit;

22 c. The member municipalities of the proposed regional school unit must
23 include two or more isolated small schools that are eligible for an
24 isolated small school adjustment pursuant to section 15683, subsection 1
25 paragraph F.

26 d. In cases where the Commissioner denies the creation of a regional school
27 unit that is less than 1,200 but more than 1,000 students, the school
28 administrative units may appeal to the State Board of Education.

29 B. The proposed unit, viewed in conjunction with surrounding proposed units, may
30 not result in one or more municipalities being denied the option to join a regional
31 school unit.

32 C. The plan must provide comprehensive programming for all students from
33 kindergarten to grade 12 and must include at least one publicly supported secondary
34 school;

35 D. The plan must be consistent with the policies set forth in Title 20-A, section

1 1451;

2 E. The plan may not displace teachers or students or close any schools existing and
3 operating during the school year immediately preceding reorganization, except as
4 permitted under section 1512; and

5 F. The plan must address how the school administrative unit will reorganize
6 administrative functions, duties and noninstructional personnel so that the projected
7 expenditures of the reorganized school unit in fiscal year 2008-09 for system
8 administration, transportation, special education and facilities and maintenance will
9 not have an adverse impact on the instructional program.

10

11 Further amend the bill by inserting an unallocated section designated as Sec. ## to
12 read.

13

14 Sec. ?? is enacted as follows:

15

16 **Sec. ??.** Delay of budget validation referendum process for fiscal year 2008-09.

17 Notwithstanding Maine Revised Statutes, Title 20-A, section 1305-C, 1701-C and 2307,
18 the provisions of Title 20-A, section 1486, subsections 1 to 3 is delayed until the
19 development of school budgets after January 1, 2009 for the 2009-2010 school budgets.
20 The municipal school unit’s municipal officers or the governing body of a school
21 administrative district or community school district shall determine whether the school
22 administrative unit may utilize the budget validation referendum process for their 2008-
23 09 school budgets.

24

25 Further amend the bill by relettering or renumbering any nonconsecutive Part letter or
26 section number to read consecutively.

27

SUMMARY

28 This amendment is the majority report of the Joint Standing Committee on Education
29 and Cultural Affairs.

30 1. The amendment delays the implementation of the budget validation referendum
31 process for school administrative districts, community school districts and municipal
32 school units until fiscal year 2009-10 to coincide with the formation of the 2009-2010
33 school budgets for new regional school units that are organized pursuant to Public Law
34 2007, chapter 240, Part XXXX. The amendment also allows school administrative
35 districts, community school districts and municipal school units the option of using the
36 budget validation referendum process for the formation of 2008-09 school budgets.

37 2. The amendment clarifies the authorization provided to regional planning
38 committees to negotiate a cost-sharing agreement for those costs of a proposed regional
39 school unit that are in addition to the local contribution required pursuant to the Maine
40 Revised Statutes, Title 20-A, section 15690.

1 3. The amendment repeals a cross-reference to the unit of law that is repealed in the
2 bill regarding the requirement that each municipality that is a member of a new regional
3 school unit contribute a minimum of 2 mills of the municipality's property fiscal capacity
4 to the total cost of education of the new regional school unit.

5 4. The amendment also includes language inadvertently left out of the bill regarding
6 the requirement that the reorganization plan include a process for amending the cost-
7 sharing formula.

8 5. The amendment clarifies the roles of the municipal officers and the school
9 committee for municipal schools units whose municipal charter gives authority to
10 approve the school budget to the municipal officers; and establishes the requirements for
11 calling a budget meeting and the procedures for the budget meeting

12 6. The amendment also clarifies the relationship between the regional school unit
13 board and the local school that seeks to raise additional funds for an elementary school or
14 a secondary school that is owned or managed by the member municipality. The
15 amendment also removes two references to “elementary” school in the school closure
16 provisions to clarify that “secondary” schools are also subject to these requirements.

17 7. The amendment also allows the Commissioner of Education to provide a waiver
18 for so-called "donut hole" school units that have less than 1,200 students and also have no
19 reasonable reorganization partners and; and provides that waiver must be based on certain
20 criteria (DOE will provide language on criteria).

21 8. The amendment also clarifies the assumption of pre-existing debt that is
22 transferred to the new regional school unit after July 1, 2008; change date since most
23 regional school units will not organize until July 1, 2009 (Spencer will provide language
24 for review).

25 9. The amendment also provides regional school unit boards with the legal authority
26 to receive and spend state and local funds, including funds for the election of regional
27 school unit board members and to fire a superintendent (see #6 from P. Mills).

For Informational Purposes Only –

Make 20-A MRSA § 1461(5) and XXXX-36 section 8 consistent (SRK #9) – (This is not on EDU list – should it wait for a later EDU “Committee bill”?):

Sec. ?-?. 20-A § 1461 is amended as follows:

20A § 1461. Formation of a regional school unit; reorganization planning and approval

5. Referendum on reorganization plan. The municipal officers of each municipality in a proposed reorganized school administrative unit shall place a warrant article substantially as follows on the ballot of a municipal referendum conducted in accordance with the referendum procedures applicable to the school administrative unit of which the municipality is a member.

“Article: Do you favor approving the school reorganization plan prepared by the (insert name) Reorganization Planning Committee to reorganize (insert names of affected school administrative units) into a regional school unit, with an effective date of (insert date)?

Yes No”

The following statement must accompany the article:

“Explanation:

A “YES” vote means that you approve of the (municipality or school administrative unit) joining the proposed regional school unit which will be provided with the following incentives:– The financial penalties under the Maine Revised Statutes, Title 20-A, section 15696 to the existing school administrative units will no longer apply to the proposed regional school unit.”

More favorable consideration in approval and funding of school construction projects; and

Eligibility for additional financial support for reorganization costs.

A “NO” vote means that you do not approve of the (municipality or school administrative unit) joining a regional school unit, which will result in the existing (municipality or school administrative unit) receiving the following penalties:

Less favorable consideration in approval and funding of school construction

1 projects: and

2 A reduction in state funding of education costs in an amount estimated to be
3 \$ _____ for school year 200_____ and \$ _____ for school year 200_____ , with ongoing
4 penalties for continued failure to join an approved regional school unit. Reductions
5 in state education funding will result in an increased mill rate expectation to meet
6 the local share of education costs.”

7 XXXX-36 section 8 to compare to 20-A MRSA § 1461(5) (SRK #9):

8
9 **Part XXXX-36 section 8:**

10 **8. Referendum on reorganization plan.** The municipal officers of each
11 municipality in a proposed reorganized school administrative unit shall place a warrant
12 article substantially as follows on the ballot of a municipal referendum conducted in
13 accordance with the referendum procedures applicable to the school administrative unit
14 of which the municipality is a member. A referendum must be held on or before January
15 15, 2008 for a reorganization plan that was submitted by December 15, 2007 and that the
16 Commissioner of Education found meets the requirements of this Part. A referendum
17 must be held on June 10, 2008 for any plan received or revised after December 15, 2007
18 and subsequently found by the Commissioner of Education to meet the requirements of
19 this Part.

20 "Article: Do you favor approving the school administrative reorganization plan
21 prepared by the (insert name) Reorganization Planning Committee to reorganize
22 (insert names of affected school administrative units) into a regional school unit,
23 with an effective date of _____?"

24 Yes/No"

25 The following statement must accompany the article:

26 "Explanation:

27 A "YES" vote means that you approve of the (municipality or school administrative
28 unit) joining the proposed regional school unit, which will be provided with the
29 following incentives:

30 More favorable consideration in approval and funding of school construction
31 projects; and

32 Eligibility for additional financial support for reorganization costs.

33 A "NO" vote means that you do not approve of the (municipality or school
34 administrative unit) joining a regional school unit, which will result in the existing

COMMITTEE AMENDMENT “ ” to S.P. 741, L.D. 1932

- 1 (municipality or school administrative unit) receiving the following penalties:
- 2 Less favorable consideration in approval and funding of school construction
3 projects; and
- 4 A reduction in state funding of education costs in an amount estimated to be
5 \$_____ for school year 200_ and \$_____ for school year 200_, with the
6 possibility of ongoing penalties for continued failure to join an approved regional
7 school unit. Reductions in state education funding will likely result in an increased
8 mill rate expectation to meet the local share of education costs.”
- 9 The Department of Education shall pay the cost of a referendum conducted before
10 or on January 15, 2008.