

SECOND REGULAR SESSION		
	ONE HUNDRED AND TENTH	H LEGISLATURE
Legislative	e Document	No. 1898
Joint Rule	oved for introduction by the Legislat 26. rred to the Committee on Education.	
Presented	by Representative Locke of Sebec.	
	STATE OF MAINE	E
	IN THE YEAR OF OUP	
	AN ACT Governing the Closi Elementary and Secondary Sch	
Sec	ncted by the People of the State c. 1. 20 MRSA §225, first ¶, a §4, is further amended to read:	
approve tion proj change approve a member another istrative participat District,	a change in the method of sha municipalities, to approve a municipality or municipalities District, to approve an ag ting municipality to another	es for school constru- 3471, to approve hool building site, aring costs among tl an agreement to ac to the School Admin greement to transfer School Administrativ to merge with anothe

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1 directors to dispose of real property, or to accept or 2 reject a prospective gift, the school directors shall be 3 authorized to call such meeting as follows. 4 Sec. 2. 20 MRSA §225, sub-§3, ¶E is repealed. 5 Sec. 3. 20 MRSA §306, first ¶, 3rd sentence, as enacted by PL 1975, c. 510, §12, is repealed. 6 Sec. 4. 20 MRSA §306, 2nd ¶, as last amended by PL 7 1967, c. 425, §6-B, is repealed. 8 Sec. 5. 20 MRSA §307, as amended by PL 1971, c. 530, 9 10 §8, is repealed. 11 Sec. 6. 20 MRSA c. 502-B is enacted to read: 12 CHAPTER 502-B CLOSING AND DISPOSITION OF PUBLIC 13 14 ELEMENTARY AND SECONDARY SCHOOL BUILDINGS 15 §3491. Definitions 16 For the purposes of this chapter, unless the context indicates otherwise, the following terms have the following 17 18 meanings. 1. School board. <u>"School board" includes</u> 19 boards of 20 directors within School Administrative Districts, school committees within other types of school administrative units 21 and cooperative boards within vocational regions. 22 23 2. School building. "School building" means, but is not limited to, any structure used or useful for schools and 24 25 playgrounds, including facilities for physical education. 3. School year. "School year" is the fiscal year com-26 27 mencing on July 1st and ending on June 30th. 28 §3492. Closing of a school building 29 The closing of a school building by a school adminis-30 trative unit may only occur under the following conditions. 31 1. Replaced by new building. The school building has been replaced by other school buildings as part of a school 32 33 construction project which has been approved by the State 34 Board of Education in accordance with the provisions of 35 chapter 502.

1 2 3	2. Condemned. The school building has been condemned and ordered closed by local or state officials for health and safety reasons.
4 5 6 7 8 9 10 11	3. Lack of need. The building has been deemed to be unnecessary or unprofitable to maintain by the governing body of the administrative unit. The closing under this subsection shall be subject to the approval of the commis- sioner in accordance with rules adopted by the commissioner. The rules shall require the presentation of a proposal to the commissioner for the closing of the building which shall include, but not be limited to, the following criteria:
12 13 14 15	A. Projection of the number of students in the affected area over the next 5 school years including a projection of the educational programs which they will need;
16 17	B. Manner in which the continuation of the educational programs for the affected students will be provided;
18 19	C. Effective date on which the closing will take place;
20 21	D. Projection of additional transportation or other related services;
22 23 24 25	E. Existence of any other outstanding financial com- mitments, including debt service, related to the school building along with a retirement schedule of payments to meet the commitments;
26	F. Proposed disposition of the school building;
27 28	<u>G. Financial impact of closing the school building;</u> and
29 30	H. Statement of reasons why the school building is being closed.
31 32 33 34 35 36 37 38 39 40	4. Voter approval. If the school board acts to close a school building pursuant to subsection 3, then the voters of a member town within a School Administrative District or a community school district may appeal the closing in accor- dance with the provisions set forth in section 222-E. In a municipality which is not part of a School Administrative District or a community school district, the school board, in conjunction with the municipal officers, shall call and hold a special referendum on the question of whether the school building should be closed if the school board is pre-

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1 2 3	sented with a written petition by 10% of the number of voters in the municipality who voted at the last gubernato- rial election.
4 5	<u>§3493. Disposal or other use of real property closed for</u> <u>school purposes</u>
6 7 8	The following shall control the disposition or other use of school buildings which have been closed pursuant to section 3492.
9 10	<u>1. Control. The school building shall remain under the control of the school board.</u>
11 12 13 14	2. Lease, use of proceeds. The school board may lease the building for its fair rental value if there is a reason- able likelihood that the building will be needed again for educational purposes within the next 5 school years.
15 16 17 18	A. The fair rental value of the building and the eli- gibility of potential lessees shall be established in accordance with rules adopted by the commissioner, which shall include the following criteria:
19 20 21	(1) Provisions to assure that the lease of the building will not unduly compete with the private sector; and
22 23 24 25 26	(2) Requirement that the building be leased to organizations or individuals whose goals and objectives are oriented to the social needs of the municipality or the administrative unit in which the building is located.
27 28	B. The proceeds from the lease shall be used in the following order:
29 30	(1) To cover the maintenance costs on the build- ing;
31 32	(2) To reduce any outstanding indebtedness on the building; and
33 34 35	(3) To meet educational expenses which have been approved by the legislative body of the adminis-trative unit in the ordinary budgetary process.
36 37	C. Any renovations to a leased building must be com- patible with its reuse as a school building.

1 3. Transfer to municipality. The school board may transfer control or ownership, or both, of the building which does not have any anticipated use as a school building 2 3 4 to the municipal officers or inhabitants of the town or 5 towns. A. The receiving town or towns, if they accept the 6 transfer, shall be liable for any outstanding indebted-7 8 ness. 9 B. If the receiving town or towns are part of a School Administrative District or a community school district, 10 then the receiving town or towns shall pay the district 11 any debt service which was expended by the district 12 over the 5 school years prior to the transfer of the 13 building to the town or towns minus their apportionment 14 of that debt service. 15 4. Sale of school building. The school board of the 16 school administrative unit may sell the school building on the open market if it determines that it will have no future 17 18 use for the building and the municipal officers of the town 19 or towns in which the building is located do not request 20 that control or ownership be transferred to the municipal 21 officers or the inhabitants of the town or towns. If the 22 school board is unable to sell the school building on 23 the open market after a reasonable period of time, not to exceed 24 2 years, then it may attempt to sell the building through 25 26 sealed bids. A. The value of the building to be sold on the open 27 market shall be determined in accordance with rules 28 29 adopted by the commmissioner. B. The process for the solicitation of sealed bids shall be in accordance with rules adopted by the com-30 31 32 missioner. C. The proceeds from the sale of the building shall be 33 34 disbursed in accordance with section 3494. D. The school board of a school administrative unit is 35 authorized to convey title to any and all school build-36 ings regardless of whether they are held in the 37 names of the inhabitants of a municipality, School Adminis-38 trative District, community school district 39 or voca-40 tional region. 41 5. Demolition of building. The school board may demolish a building on the site and retain the site if the 42

1 property could be used for other educationally related pur-2 poses without the building. The school board may also 3 demolish the building if it has been condemned by local or 4 state officials for health and safety reasons regardless of 5 whether the site will be retained or sold.

- 6 §3494. Proceeds from sale of school building
- The proceeds from the sale of school buildings, which
 were not transferred pursuant to section 3493, subsection 3,
 shall be utilized in the following manner.
- 10 <u>1. General. If the school building was built by the</u> 11 <u>administrative unit, then the proceeds shall be used solely</u> 12 for educational purposes as approved by the unit's legis-13 lative body in the normal budgetary approval process.
- 14 2. School Administrative District and comunity school 15 district. If the building was transferred by a member town a School Administrative District or a community school 16 to district, then the proceeds of the sale, minus any expenses 17 18 to the sale or any outstanding indebtedness, shall related be credited to the town in which the facility is located and 19 20 shall be used to offset the town's share of the educational 21 expenses for the district in the school year immediately 22 following the sale of the building.
- 23 3. Outstanding indebtedness. If a building has outstanding indebtedness, then the proceeds of its sale shall be used to retire the unit's debt service on the building 24 25 and the balance of the proceeds shall be placed in a sinking 26 27 fund to reduce future debt service payments in accordance 28 with rules adopted by the commissioner. Any balance of the proceeds after the debt has been retired may be used in ac-29 cordance with the conditions set forth in subsections 1 and 30 31 2.
- 32 4. Part of school construction project. If the school 33 building has been replaced by a new building as part of a 34 school construction project, then the proceeds from the sale 35 or lease of the building shall be used to retire the debt 36 service on the new building, unless the property has been 37 transferred pursuant to subsection 2.
- 38 Sec. 7. 20 MRSA §3561, first 3 sentences, as amended 39 by PL 1967, c. 425, §19, are repealed.
- 40 Sec. 8. 20 MRSA §3562-C, as repealed and replaced by 41 PL 1979, c. 541, Pt. B, §26, is repealed.

1	STATEMENT OF FACT
2 3 4 5	This bill would govern the closing of public elementary and secondary school buildings, the control of those build- ings, the disposition of those buildings and the use of the proceeds from the sale of closed school buildings.
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