

1 2 3	(Emergency) (New Draft of H.P. 1912, L.D. 1898) SECOND REGULAR SESSION
4 5 6	ONE HUNDRED AND TENTH LEGISLATURE
7 8	Legislative Document No. 2135
• 9 • 10	H. P. 2302 Reported by Representative Murphy from the Committee on Edu- cation and printed under Joint Rules No. 2. EDWIN H. PERT, Clerk
11 12 13	STATE OF MAINE
14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-TWO
17 18 19	AN ACT Governing the Closing of Public Elementary and Secondary School Buildings.
20 21 22	Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
23 24 25	Whereas, there is a need for districts to determine the receipts from the disposal of buildings before voting on the budget for the next fiscal year beginning July 1, 1982; and
26 27 28	Whereas, there is a need for other districts to have the ability to transfer buildings to the municipality in order to apply for federal block grants; and
29 30 31 32 33	Whereas, in the judgment of the Legislature these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immedi- ately necessary for the preservation of the public peace, health and safety; now, therefore,

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 20 MRSA §225, first ¶, as amended by PL 1981,
3 c. 464, §4, is further amended to read:

4 When it is necessary to hold a district meeting to 5 approve the issuance of bonds or notes for school construction projects as defined in section 3471, to 6 approve a 7 change in the selection of a school building site, to 8 approve a change in the method of sharing costs among the 9 member municipalities, to approve an agreement to add another municipality or municipalities to the School Admin-10 11 istrative District, to approve an agreement to transfer a 12 participating municipality to another School Administrative District, to approve an agreement to merge with another School Administrative District, or to approve a proposed 13 14 lease agreement with the Maine School Building Authority, or 15 16 authorize the school directors to to contract for the 17 schooling of secondary pupils, or to authorize the school 18 dispose of real property, or to accept or directors to 19 reject a prospective gift, the school directors shall be authorized to call such meeting as follows. 20

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21 Sec. 2. 20 MRSA §225, sub-§3, ¶E is repealed.

22 Sec. 3. 20 MRSA §306, first ¶, 3rd sentence, as 23 enacted by PL 1975, c. 510, §12, is repealed.

24 Sec. 4. 20 MRSA §306, 2nd ¶, as last amended by PL 25 1967, c. 425, §6-B, is repealed.

26 Sec. 5. 20 MRSA §307, as amended by PL 1971, c. 530, 27 §8, is repealed.

28 Sec. 6. 20 MRSA c. 502-B is enacted to read:

- 29 CHAPTER 502-B
- 30 CLOSING AND DISPOSITION OF PUBLIC
- 31 ELEMENTARY AND SECONDARY SCHOOL BUILDINGS

32 §3491. Definitions

For the purposes of this chapter, unless the context
 indicates otherwise, the following terms have the following
 meanings.

36 <u>1. School board. "School board" includes boards of</u>
 37 directors within School Administrative Districts, school

committees within other types of school administrative units 1 and cooperative boards within vocational regions. It shall 2 3 also include trustees of special school districts, as de-4 fined in section 4754. 2. School building. "School building" means, but is limited to, any real property or structure used or 5 6 not useful for schools and playgrounds, including facilities for 7 physical education. 8 School year. "School year" is the fiscal year com-9 3. mencing on July 1st and ending on June 30th. 10 11 §3492. Closing of a school building The closing of a school building by a school adminis-12 trative unit may only occur under the following conditions. 13 1. Replaced by new building. The school building has 14 been replaced by other school buildings as part of a school 15 construction project which has been approved by the State 16 Board of Education in accordance with chapter 502. 17 2. Condemned. The school building has been condemned 18 and ordered closed by local or state officials for health 19 20 and safety reasons. 3. Lack of need. The building has been deemed to be 21 22 unnecessary or unprofitable to maintain by the governing body of the administrative unit. Before a building may be closed under this subsection, a report shall be filed with the commissioner. The report shall contain, at a minimum, 23 24 25 26 the following: 27 A. Projection of the number of students in the affected area over the next 5 school years including a 28 projection of the educational programs which they will 29 30 need; 31 Manner in which the continuation of the educational Β. programs for the affected students will be provided; 32 33 C. Effective date on which the closing will take 34 place; 35 D. Projection of additional transportation or other 36 related services; 37 E. Existence of any other outstanding financial commitments, including debt service, related to the school 38

1 2	building along with a retirement schedule of payments to meet the commitments;
3	F. Proposed disposition of the school building;
4 5	G. Financial impact of closing the school building; and
6 7	H. Statement of reasons why the school building is being closed.
8 9 10	4. Voter approval. Before a school board may close a school building pursuant to subsection 3, voter approval shall be obtained as follows.
11 12 13 14	A. Elementary schools in School Administrative Dis- tricts and community school districts may only be closed if approved by the voters in accordance with sections 222-E and 381-A.
15 16 17 18 19 20 21 22 23 24	B. Secondary schools in School Administrative Dis- tricts and community school districts and either ele- mentary or secondary schools in other school adminis- trative units may be closed without voter approval, unless the school board is presented with a written petition, within 30 days of the board's decision to close the school, by 10% of the number of voters in the school administrative unit who voted at the last guber- natorial election, then a special referendum shall be called pursuant to:
25 26	(1) Section 225 for School Administrative Dis- tricts;
27 28 29 30 31 32 33	(2) Title 30, sections 2061 to 2065 for community school districts, except the school board shall issue a warrant specifying that the municipalities within the district place the petitioned article on the ballot, and shall prepare and furnish the required number of ballots for carrying out the election; and
34 35	(3) Titles 21 and 30, respectively, for cities and towns.
36 37	C. The article to be used shall be substantially in the following form:

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1	"Article: Shall the school committee of
2	(name of town)
3	(the board of directors of School Administrative Dis-
4	trict No.) be authorized to close ?
5	(name of school)
6	Yes No
7	The additional cost of keeping the school open has been
8	estimated by the school committee (board of directors)
9	to be \$
10 11	§3493. Disposal or other use of real property closed for school purposes
12	The following shall control the disposition or other
13	use of school buildings which have been closed pursuant to
14	section 3492.
15 16	1. Control. The school building shall remain under the control of the school board.
17	2. Lease, use of proceeds. The school board may lease
18	the building for its fair rental value if there is a reason-
19	able likelihood that the building will be needed again for
20	educational purposes.
21	A. Leases not to exceed 4 years may be entered and may
22	be renewed at the end of any lease period if the school
23	board determines there is still a reasonable likeli-
24	hood that the building will be needed again for educa-
25	tional purposes.
26 27	B. The proceeds from the lease shall be used in the following order:
28	(1) To cover the maintenance costs on the build-
29	ing;
30 31	(2) To reduce any outstanding indebtedness on the building; and
32 33 34	(3) To meet educational expenses which have been approved by the legislative body of the adminis-trative unit in the ordinary budgetary process.
35	C. Any renovations to a leased building must be com-
36	patible with its reuse as a school building.

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1	3. Transfer to municipality. The school board may
2	transfer control or ownership of the building which does not
3	have any anticipated use as a school building to the munici-
4	pal officers or inhabitants of the town or towns.
5 6 7	A. The receiving town or towns, if they accept the transfer, shall be liable for any outstanding indebtedness.
8	B. If the receiving town or towns are part of a School
9	Administrative District or a community school district,
10	then:
11	(1) If the building had been transferred by the
12	town or towns to the district, the district may
13	require the town or towns to pay the district any
14	debt service expended on the building by the dis-
15	trict over the 5 school years prior to the trans-
16	fer of the building to the town or towns, minus
17	their apportionment of that debt service; or
18 19 20 21 22 23 24 25	(2) If the building had been constructed by the district, the district may require the receiving town or towns to pay the district a sum equal to the fair market value of the building, minus the town or town's apportioned share in the building, to be determined in accordance with the cost sharing formula in effect at the time of the transfer.
26	4. Sale of school building. The school board of the
27	school administrative unit may sell the school building on
28	the open market if it determines that it will have no future
29	use for the building and they have offered to transfer con-
30	trol or ownership to the municipal officers of the town or
31	towns in which the building is located, and the municipal
32	officers have not accepted the transfer of control or owner-
33	ship to the municipal officers or the inhabitants of the
34	town or towns. If the school board is unable to sell the
35	school building on the open market after a reasonable period
36	of time, not to exceed 2 years, then it may attempt to sell
37	the building through sealed bids.
38	A. Sealed bids shall be solicited a minimum of 60 days
39	prior to being opened. Appropriate notices shall be
40	published in local news media.
41	B. The proceeds from the sale of the building shall be
42	disbursed in accordance with section 3494.
4 7	dispursed in accordance with section 3494.

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1 C. The school board of a school administrative unit 2 may convey title to any and all school buildings, 3 regardless of whether they are held in the names of the 4 inhabitants of a municipality, a School Administrative 5 District, a community school district, a vocational 6 region or a union school.

7 5. Demolition of building. If the school committee or board of directors determines that it has no future use for 8 building, if it determines the property could be better 9 а used for other educationally related purposes without the 10 building and if the legislative body of the unit approves, 11 the school committee or board of directors may demolish the 12 building on the site and retain the site. The school board 13 may also demolish the building if it has been condemned 14 bv officials health and safety reasons, 15 local or state for 16 regardless of whether the site will be retained or sold.

17 §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.

1. General. If the school building was built by the
 administrative unit, then the proceeds shall be used solely
 for educational purposes as approved by the unit's legis lative body in the normal budgetary approval process.

25 2. School Administrative District and community school district. If the building was transferred by a member town to a School Administrative District or a community school 26 27 district, the proceeds of the sale, minus any expenses related to the sale or any outstanding indebtedness, shall 28 29 be credited to the town in which the facility is located and 30 shall be used to offset the town's share of the educational 31 32 expenses for the district. If the school administrative district or the community school district has made major renovations or additions which would meet the definition of 33 34 35 a school construction project as set forth in section 3471, 36 the town shall be credited with only those proceeds of the sale which are attributable to the appraised value of 37 the original school building at the time of the sale. 38

39 <u>3. Outstanding indebtedness. If a building has out-</u> 40 standing indebtedness, then the proceeds of its sale shall 41 be used to retire the unit's debt service on the building 42 and the balance of the proceeds shall be placed in a sinking 43 fund to reduce future debt service payments. Any balance of 44 the proceeds after the debt has been retired may be used in 1 <u>accordance with the conditions set forth in subsections 1</u> 2 <u>and 2.</u>

3 <u>4. Part of school construction project. If the school</u> 4 <u>building has been replaced by a new building as part of a</u> 5 <u>school construction project, the proceeds from the sale or</u> 6 <u>lease of the building shall be used to retire the debt ser-</u> 7 <u>vice on the new building, unless the property has been</u> 8 transferred pursuant to subsection 2.

9 Sec. 7. 20 MRSA §3561, first 3 sentences, as amended 10 by PL 1967, c. 425, §19, are repealed.

11 Sec. 8. 20 MRSA §3562-C, as repealed and replaced by 12 PL 1979, c. 541, Pt. B, §26, is repealed.

13 **Emergency clause.** In view of the emergency cited in 14 the preamble, this Act shall take effect when approved.

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STATEMENT OF FACT

16 draft creates uniform criteria for the dis-This new 17 posal of school buildings. The requirement that a School Administrative District or community school district hold a 18 19 referendum before an elementary school building is closed is extended to the closing of secondary school buildings and to 20 21 the closing of schools in municipalities if requested by 10% 22 of the voters of the district. lf a building has been 23 closed, the school board may lease, transfer to the munici-pality in which it is located, sell or demolish the build-24 However, the school board must have the approval of 25 ina. the legislative body of the school unit before it can demol-26 27 ish the building and offer the building for transfer to the town in which it is located before it can be sold. legislative body of a School Administrative District of The 28 29 or а community school district is the district meeting and in a 30 31 municipal school district either the town council, city 32 council or town meeting.

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