

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

M
R. of S.

L.D. 1921

2

DATE: 4-28-04

(Filing No. S-558)

4

6

Reproduced and distributed under the direction of the Secretary of the Senate.

8

10

STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND SPECIAL SESSION

12

14

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422, L.D. 1921, Bill, "An Act To Encourage Voluntary Efficiency in Maine's School Systems and Related Costs Savings"

16

18

Amend the amendment in section 2 by striking out all of the subchapter 1 headnote (page 1, lines 44 to 47 in amendment) and inserting in its place the following:

20

22

' SUBCHAPTER 1

24

REGIONAL SCHOOL DISTRICTS AND REGIONAL COOPERATIVES'

26

28

Further amend the amendment in section 2 in that part designated "§3701." in the first paragraph in the 4th to 6th lines (page 2, lines 5 to 7 in amendment) by striking out the following: "and provision of assistance by consulting school units to school administrative units seeking to reduce their education costs"

30

32

34

36

Further amend the amendment in section 2 in that part designated "§3702." by striking out all of subsection 1.

38

40

Further amend the amendment in section 2 in that part designated "§3702." by striking out all of subsection 2 and inserting in its place the following:

42

'2. Exceptional circumstances. "Exceptional circumstances" means an unforeseen condition or conditions regarding which a regional school district or regional cooperative lacks discretion, authority or other means of control.'

44

R. of S.

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422,
L.D. 1921

2 Further amend the amendment in section 2 in that part
designated "§3702." by renumbering the subsections to read
4 consecutively.

6 Further amend the amendment in section 2 by striking out all
of that part designated "§3703." and inserting in its place the
8 following:

10 '§3703. Authorization for regional delivery of public education
12 services

14 A school administrative unit may enter into an agreement
with another school administrative unit or units to form or
intend to form a regional school district or regional cooperative
and otherwise cooperate and participate in the development and
formation of a regional school district or regional cooperative
under this chapter. A school administrative unit may also enter
into an agreement with a municipality or county to form or intend
to form a regional cooperative. An agreement pursuant to this
section must provide that each school administrative unit
combined to form a regional school district retains all its debt
obligations that existed on the effective date of the agreement.
An agreement pursuant to this section to form a regional
cooperative under this chapter must specify the date for
commencement of operations, subject to and following final
approval by the commissioner under section 3705, subsection 3.'

28 Further amend the amendment in section 2 in that part
30 designated "§3704." by striking out all of subsections 4 to 7.

32 Further amend the amendment in section 2 in that part
designated "§3705." by striking out all of subsection 3 and
34 inserting in its place the following:

36 '3. Final approval. The commissioner shall grant final
38 approval of a regional cooperative if:

40 A. The participating entities request final approval under
this subsection;

42 B. The commissioner determines that the proposed regional
cooperative meets the criteria of subsection 1; and

44 C. The school administrative units to be combined to form
the regional cooperative have each approved an agreement
that addresses continuity of employment and employment
benefits and rights of all bargaining units within the
proposed regional cooperative.

50

R. of S.

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422,
L.D. 1921

At the time the commissioner issues final approval, the commissioner shall set the date designated in the agreement pursuant to section 3703 to commence operations of the regional cooperative as the date for initiation of operations by the regional cooperative.'

Further amend the amendment in section 2 in that part designated "~~§3705.~~" in subsection 4 in paragraph B in the last 2 lines (page 8, lines 46 and 47 in amendment) by striking out the following: "section 3707, subsection 3, paragraphs B and C" and inserting in its place the following: 'section 3706, subsection 1, paragraphs B and C'

Further amend the amendment in section 2 in that part designated "~~§3705.~~" in subsection 4 in the last blocked paragraph in the last line (page 9, line 4 in amendment) by striking out the following: "section 3707, subsection 3" and inserting in its place the following: 'section 3706, subsection 1'

Further amend the amendment in section 2 by striking out all of that part designated "~~§3706.~~"

Further amend the amendment in section 2 by striking out all of that part designated "~~§3707.~~" and inserting in its place the following:

'§3707. Financial incentives

1. Regional cooperatives. Except as otherwise provided by section 3705, subsection 4, a regional cooperative for which the commissioner has issued final approval under section 3705, subsection 3:

A. Has legal authority as a fiscal entity functionally equivalent to that of a school administrative unit;

B. Is entitled to receive reimbursement from the State for 5 consecutive years of an amount equal to a percentage of the total cost of salary and benefits of one 1/4-time equivalent regional staff member for a regional cooperative with an aggregate resident student population of 1,500 or more or equal to a percentage of the total cost of salary and benefits of one 1/2-time equivalent regional staff member for a regional cooperative with an aggregate resident student population of 2,500 or more in accordance with the following schedule:

(1) In the first year, 100%;

(2) In the 2nd year, 80%;

2 (3) In the 3rd year, 60%;

4 (4) In the 4th year, 40%; and

6 (5) In the 5th year, 20%;

8 C. Is eligible to receive assistance in the purchase of
10 regionwide services software;

12 D. Is eligible to receive state assistance for providing
14 regional services training programs; and

16 E. If located in a geographically isolated area as defined
18 by the state board, may be eligible to receive incentives
20 under paragraphs B, C and D if approved by the commissioner.

22 2. Funding priority. Regional cooperatives that have
24 received final approval under this subchapter are eligible for
26 funding in priority order according to their respective dates of
28 final approval as follows:

30 A. At the beginning of fiscal years 2004-05 and 2005-06,
32 the department shall calculate the amount available from the
34 Fund for the Efficient Delivery of Education Services for
36 the aggregate 5-year commitment to regional cooperatives
38 under subsection 1, paragraph B. The department shall
40 provide its calculations and determination under this
42 paragraph to the state board by September 15th of each
44 fiscal year;

46 B. In issuing final approval under section 3705, subsection
48 3, the commissioner shall notify the regional cooperative
50 whether, based on the department's calculations and
determination pursuant to paragraph A, the Fund for the
Efficient Delivery of Education Services has adequate funds
to provide the aggregate 5-year amount of financial
assistance for which the regional cooperative would
otherwise be eligible under subsection 1, paragraph B;

C. Except as otherwise provided by paragraph D, a regional
cooperative is eligible to receive only that amount of
assistance that is available after provision of funds to
previously approved regional cooperatives; and

D. In no event may the amount disbursed or committed from
the Fund for the Efficient Delivery of Education Services
for approved regional cooperatives exceed 1/3 of the total
amount transferred to the fund pursuant to section 3724.'

50

R.O.S.

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422, L.D. 1921

2 Further amend the amendment in section 2 in that part
designated "~~§3709.~~" in the first paragraph in the 3rd and 4th
4 lines (page 15, lines 44 and 45 in amendment) by striking out the
following: "3708 and certification of consulting school units
pursuant to section 3706" and inserting in its place the
6 following: '3707'

8 Further amend the amendment in section 2 in that part
designated "~~§3722.~~" in the first paragraph in the 2nd and 3rd
10 lines (page 16, lines 16 and 17 in amendment) by striking out the
following: ", any funds reimbursed to the fund pursuant to
12 section 3704, subsection 5"

14 Further amend the amendment in section 2 by striking out all
of those parts designated "~~§3724.~~", "~~§3725.~~" and "~~§3726.~~" and
16 inserting in their place the following:

18 **'§3724. Transfers to fund**

20 The State Controller shall transfer from the amount
appropriated for general purpose aid for local schools to the
22 fund the following amounts on the first day of each of the
following state fiscal years:

24 1. Fiscal year 2004-05. In fiscal year 2004-05, \$1,000,000
26 of the total amount appropriated for general purpose aid for
local schools; and

28 2. Fiscal year 2005-06. In fiscal year 2005-06, \$2,000,000
30 of the total amount appropriated for general purpose aid for
local schools.

32 **§3725. Disbursement**

34 1. Regional cooperatives. The department shall make
36 disbursements on the first day of initiation of operation from
the fund to eligible regional cooperatives in amounts provided
38 for and for the period specified by section 3706, subsection 1.
Those amounts must be determined by the commissioner in an annual
40 statement provided to the State Controller prior to disbursement.

42 2. Technical assistance. The department shall annually
make disbursements from the fund to school administrative units
44 that have entered into agreements to form a regional school
district or regional cooperative under section 3703 for which the
46 state board has issued preliminary certification under section
3704, subsection 2 or preliminary approval under section 3705,
48 subsection 2, in amounts provided for in and in accordance with
rules developed under section 3708. Those amounts must be

SENATE AMENDMENT

R. O. S.

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422, L.D. 1921

2 determined by the commissioner in an annual statement provided to
3 the State Controller prior to disbursement.

4 **§3726. Uses of fund**

6 **1. Public education services.** Except as otherwise provided
7 by subsections 2 and 3, the fund may be used only by a regional
8 school district or regional cooperative for delivery of public
9 education services for kindergarten to grade 12.

10 **2. Technical assistance.** The fund may be used to contract
11 with the department or another public or private entity for
12 technical assistance in the formation of a regional school
13 district or regional cooperative in accordance with section 3707.

14 **3. Other assistance for regional school district 5-year**
15 **plans.** The fund may be used to assist one or more regional
16 school districts that have received final certification under
17 section 3704, in carrying out their 5-year plans.'

18 Further amend the amendment in section 2 by renumbering the
19 sections to read consecutively.

20 Further amend the amendment by striking out all of section 3
21 and inserting in its place the following:

22 **'Sec. 3. Reporting.** No later than December 1, 2004, the
23 Department of Education, in consultation with the Executive
24 Department, State Planning Office, shall develop for presentation
25 to and consideration by the First Regular Session of the 122nd
26 Legislature any additional proposed legislation necessary to
27 further clarify and govern the procedures for formation,
28 governance, financing and administration and reorganization of a
29 regional school district or regional cooperative under the Maine
30 Revised Statutes, Title 20-A, chapter 123, including, but not
31 limited to, legislation regarding the procedures governing
32 formation and selection of boards of directors, asset transfer,
33 budget development and approval, district referenda and a school
34 administrative unit's addition to or withdrawal from a regional
35 school district or regional cooperative. Legislation developed
36 pursuant to this section must be substantially similar to that
37 regarding school administrative districts under Title 20-A,
38 chapter 103 and must be consistent with the intents, purposes and
39 provisions of this Act. By January 15, 2005, the Commissioner of
40 Education shall report to the Legislature and the Governor on the
41 efficacy of the financial incentives provided under this Act and
42 shall recommend any changes in law governing these incentives
43 that may be needed to facilitate and encourage voluntary
44 identification and implementation of efficiencies in delivering
45 educational services. Any such recommendations made under this
46

SENATE AMENDMENT

R. 01/08

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422, L.D. 1921

section may not propose to diminish the incentives for which a regional school district or regional cooperative has been determined eligible pursuant to this Act.'

Further amend the amendment in section 5 in the 3rd line (page 19, line 14 in amendment) by striking out the following: "3709" and inserting in its place the following: '3708'

Further amend the amendment by striking out all of section 6 and inserting in its place the following:

'Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

Fund for the Efficient Delivery of Education Services

Initiative: Allocates funds to be transferred from the General Purpose Aid for Local Schools account to provide financial incentives and technical assistance to regional school districts and regional cooperatives.

Other Special Revenue Funds	2003-04	2004-05
All Other	\$0	\$1,000,000
Other Special Revenue Funds Total	<u>\$0</u>	<u>\$1,000,000'</u>

SUMMARY

This amendment makes the following changes to the bill, as amended by Committee Amendment "A."

1. It removes provisions regarding "consulting school units."

2. It removes provisions regarding incentives and accountability components for regional school districts.

3. It retains provisions regarding incentives and accountability components for regional cooperatives. It limits the amount of funds that can be dedicated to regional cooperatives to 1/3 of the amount transferred to the Fund for the Efficient Delivery of Education Services in each year.

4. It reduces transfers to the Fund for the Efficient Delivery of Education Services in fiscal year 2004-05 from .5% of general purpose aid for local schools to \$1,000,000.

SENATE AMENDMENT

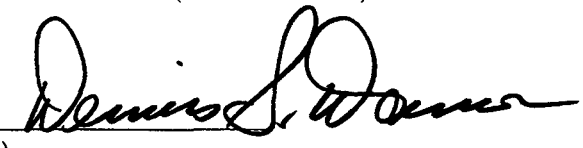
SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1422,
L.D. 1921

5. It reduces transfers to the Fund for the Efficient
Delivery of Education Services in fiscal year 2005-06 from 1.0%
of general purpose aid for local schools to \$2,000,000.

6. It eliminates the transfers to the Fund for the
Efficient Delivery of Education Services specified for fiscal
years 2006-07, 2007-08, 2008-09 and 2009-10.

7. It changes the date by which the Commissioner of
Education must report to the Legislature from January 2007 to
January 2005.

FISCAL NOTE REQUIRED
(See attached)

SPONSORED BY: 
(Senator DAMON)

COUNTY: Hancock

**121st Maine Legislature
Office of Fiscal and Program Review**



LD 1921

**An Act to Encourage Voluntary Efficiency in Maine's School Systems
and Related Costs Savings**

LR 2782(10)

Fiscal Note for Senate Amendment 'C' to Committee Amendment 'A'

Sponsor: Sen. Damon

Fiscal Note Required: Yes

Fiscal Note

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Appropriations/Allocations				
Other Special Revenue Funds	\$0	(\$2,627,053)	(\$5,532,280)	(\$15,945,964)
Transfers				
Other Special Revenue Funds	\$0	(\$2,627,053)	(\$5,532,280)	(\$15,945,964)

Fiscal Detail and Notes

This amendment reduces the Other Special Revenue Funds cost of the bill by \$2,627,053 in fiscal year 2004-05.

As amended, this bill transfers \$1,000,000 in fiscal year 2004-05 and \$2,000,000 in fiscal year 2005-06 from the General Purpose Aid for Local Schools program to the Fund for the Efficient Delivery of Education Services.