

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-THIRD LEGISLATURE

SECOND REGULAR SESSION
January 2, 2008 to March 31, 2008

FIRST SPECIAL SESSION
April 1, 2008 to April 18, 2008

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 30, 2008

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
JULY 18, 2008

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2008

Sec. 14. 20-A MRSA §15002-A, as amended by PL 1989, c. 525, §2, is further amended to read:

§15002-A. Permanent School Fund

The Treasurer of State shall keep a separate account of all money received from sales of lands appropriated for the support of schools or from notes taken therefor and of any other money appropriated for the same purpose. Those sums ~~shall~~ constitute a the Permanent School Fund, which ~~shall~~ must be invested in such securities as are legal investments for savings banks under Title 9. The income from these investments ~~shall~~ must be placed in a dedicated revenue, interest-bearing account and ~~shall~~ must be available to be used ~~as follows~~ for:

1. Alternative education, school dropouts and truants. Financing the department's obligation to provide services to encourage the development of alternative ~~educational~~ education programs, including high school completion programs through adult education programs and ~~shall~~ must address other needs of school dropouts and truants as more specifically set forth in sections 5151 to 5153; and

2. Allocation to school units. Allocations to school administrative units for the purpose of surveying school systems and developing school plans. The allocations ~~shall~~ may not in any case exceed the unit's local share percentage determined under ~~section 15609 of the School Finance Act~~ chapter 606-A times the cost of those surveys or plans; and.

Sec. 15. 20-A MRSA §15674, sub-§1, ¶C, as enacted by PL 2003, c. 504, Pt. A, §6, is amended to read:

C. The greater of:

(1) The average of the 2 pupil counts for April 1st and October 1st of the most recent calendar year prior to the year of funding, reported in accordance with section 6004, including the counts of students enrolled in an alternative education program made in accordance with section 5104-A; and

(2) The average of the 6 pupil counts for April 1st and October 1st of the 3 most recent calendar years prior to the year of funding, reported in accordance with section 6004, including the counts of students enrolled in an alternative education program and counted in accordance with section 5104-A.

See title page for effective date.

CHAPTER 668
S.P. 931 - L.D. 2323

**An Act To Remove Barriers to
the Reorganization of School
Administrative Units**

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

Sec. 1. 20-A MRSA §1, sub-§26, as amended by PL 2007, c. 240, Pt. XXXX, §5, is repealed and the following enacted in its place:

26. School administrative unit. "School administrative unit" means the state-approved unit of school administration and includes a municipal school unit, school administrative district, community school district, regional school unit or any other municipal or quasi-municipal corporation responsible for operating or constructing public schools, except that it does not include a career and technical education region. Beginning July 1, 2009, "school administrative unit" means the state-approved unit of school administration and includes only the following:

A. A municipal school unit;

B. A regional school unit formed pursuant to chapter 103-A;

C. An alternative organizational structure as approved by the commissioner and approved by the voters, with the alternative organizational structure serving as the school administrative unit for all its member entities for purposes of chapter 606-B and Public Law 2007, chapter 240, Part XXXX, section 36;

D. A school administrative district that does not provide public education for the entire span of kindergarten to grade 12 that has not reorganized as a regional school unit pursuant to chapter 103-A;

E. A community school district that has not reorganized as a regional school unit pursuant to chapter 103-A;

F. A municipal or quasi-municipal district responsible for operating public schools that has not reorganized as a regional school unit pursuant to chapter 103-A; and

G. A municipal school unit, school administrative district, community school district or any other quasi-municipal district responsible for operating public schools that forms a part of an alternative organizational structure approved by the commissioner.

Sec. 2. 20-A MRSA §1305-C, as enacted by PL 2007, c. 240, Pt. XXXX, §11, is amended to read:

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

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

Sec. 3. 20-A MRSA §1452, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

§1452. Application of general law; core functions of a regional school unit

Notwithstanding any provision of law to the contrary, schools operated by the regional school units established in accordance with this chapter are the official schools of the participating municipalities. The provisions of general law relating to public education apply to these schools. State funds for public schools must be paid directly to the treasurer of a regional school unit. The core functions for which a regional school unit is responsible include without limitation:

1. Employment of superintendent. Employment and discharge of a superintendent pursuant to section 1001, subsection 3 and chapter 101, subchapter 2;

2. Performance of business functions. Administration of accounting, payroll, financial management, purchasing insurance and auditing;

3. Special education administration. Administration of special education duties of school administrative units under chapter 303;

4. Transportation. Administration of transportation;

5. Core curriculum. Adoption of a core curriculum, standardized testing and assessments aligned with the system of learning results established in section 6209;

6. Budget. Adoption of the regional school unit budget;

7. Reporting. Reporting required by state or federal law or regulation;

8. Employment. Functioning as the employer of all employees working within the regional school unit for collective bargaining purposes and for all other purposes, including but not limited to those contained in section 1464, in Title 26, chapter 9-A and in all state and federal laws regulating the rights and duties of employers and employees;

9. School calendar. Establishment of a common school calendar, subject to local variations permitted by the regional school unit board; and

10. Adoption of policies. Adoption of policies for all schools in the regional school unit pursuant to section 1001, subsection 1-A, except that the local school committee may adopt policies not in conflict with the regional school unit policies.

Sec. 4. 20-A MRSA §1461, sub-§5, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

5. Referendum on reorganization plan. The municipal officers of each municipality in a proposed reorganized school administrative unit or alternative organizational structure 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 administrative reorganization plan prepared by the (insert name) Reorganization Planning Committee to reorganize (insert names of affected school administrative units) into a regional school unit or alternative organizational structure, 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. 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."~~

Sec. 5. 20-A MRSA §1461-A is enacted to read:

§1461-A. Transitional powers and duties of initial regional school unit board

As used in this section, unless the context indicates otherwise, "regional school unit board" means the initial regional school unit board elected pursuant to section 1472-A. From the time of election of the regional school unit board to July 1st of the regional school unit's first operational year, the regional school unit board shall establish interim rules of procedures and shall elect officers who shall serve until officers are elected at a meeting following the operational date of the regional school unit. The regional school unit board's powers and duties during this period are governed by this section.

1. Selection of superintendent. The regional school unit board shall select a superintendent for the regional school unit in accordance with section 1051 to carry out the duties specified in section 1055. During the interim period, the salary, office and other ex-

penses of the superintendent, as well as the costs of the regional school unit board, including insurance, must be allocated to the school administrative units by the cost-sharing formula established in accordance with section 1481-A and included in the reorganization plan for the regional school unit.

2. Budget preparation and approval. The regional school unit board shall prepare the annual budget for the first operational year of the regional school unit in time for its presentation to and consideration by the regional school unit board in accordance with subchapter 4. Specific duties may be assigned to existing personnel with the approval of the employing school administrative unit. The regional school unit board shall complete the budget development process and recommend a budget for consideration by the legislative body responsible for final budget approval and the residents of the regional school unit. The budget format, approval procedures and assessments for the regional school unit's first operational year budget must be in accordance with this chapter.

3. Authorization. The regional school unit board is authorized to take all other actions provided under state law to prepare the regional school unit to become operational on July 1st for the first operational year, including the authority to open and maintain accounts, to incur expenses to be allocated among the regional school unit's member school administrative units in accordance with the reorganization plan for the regional school unit and to file applications for school construction projects and revolving renovation fund loans and other available funding.

4. Fiscal agent. The regional school unit board is authorized to expend start-up funds for the regional school unit. A school administrative unit within the regional school unit may serve as a fiscal agent and may expend any start-up funds on behalf of the new regional school unit prior to the regional school unit's operational date without calling for a special meeting of the local legislative body.

Sec. 6. 20-A MRSA §1464, sub-§4 is enacted to read:

4. Application of collective bargaining agreements. On or after the operational date of a regional school unit established pursuant to section 1463, subsection 1 but before the completion of negotiations for a single regional school unit-wide collective bargaining agreement for the regional school unit-wide bargaining unit as described in subsection 3, the wages, hours and working conditions of an employee of the regional school unit who is in a bargaining unit and who is reassigned to a different position that is or, upon the completion of the merger of bargaining units, will be included in the same regional school unit-wide bargaining unit are determined by the terms of the existing collective bargaining agreement that applies

to the position to which the employee is reassigned, except as provided in this subsection.

A. If the application of the existing collective bargaining agreement would cause a reduction in the employee's wage or salary rate, the employee's wage or salary rate must be maintained at the rate the employee was paid immediately prior to the reassignment until the completion of negotiations for a single regional school unit-wide collective bargaining agreement for the regional school unit-wide bargaining unit as described in subsection 3 or the applicable collective bargaining agreement or any interim successor agreement requires a higher wage or salary rate for the employee, whichever occurs sooner.

B. If the application of the existing collective bargaining agreement would cause a reduction in the amount that is paid by the regional school unit for premiums for health insurance for the employee and the employee's dependents, the regional school unit's payment must be maintained at the amount that was paid immediately prior to the reassignment until the completion of negotiations for a single regional school unit-wide collective bargaining agreement for the regional school unit-wide bargaining unit as described in subsection 3 or the applicable collective bargaining agreement or any interim successor agreement requires a higher payment, whichever occurs sooner.

C. If the application of the existing collective bargaining agreement provides for coverage under a different health insurance plan, the employee may elect to retain coverage under the health insurance plan in which the employee was enrolled immediately prior to reassignment if the eligibility provisions of the plan permit until the completion of negotiations for a single regional school unit-wide collective bargaining agreement for the regional school unit-wide bargaining unit as described in subsection 3.

Sec. 7. 20-A MRSA §1472, sub-§2, ¶C, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

C. A plan may not permit the voting power of any director to exceed by more than ~~2%~~ 5% the percentage of voting power the director would have if all 1,000 votes were apportioned equally among the directors.

Sec. 8. 20-A MRSA §1472-A is enacted to read:

§1472-A. Election of initial regional school unit board

1. Election; interim secretary; duties. Within 30 days of the issuance of a certificate of organization

for the regional school unit by the state board pursuant to section 1461, subsection 7, the members of the school boards of the school administrative units within the regional school unit shall conduct a joint meeting for the purposes of electing an interim secretary of the regional school unit and determining a date for the election of the initial regional school unit board. The interim secretary shall notify the municipal officers of the member municipalities of the regional school unit of the date of the election. The election must be conducted in accordance with section 1473, subsection 2, except that the election duties of the secretary and the regional school unit board must be performed by the interim secretary. The duties of the interim secretary include:

- A. Notifying the municipal officers of the date of the election;
- B. Furnishing nomination papers at least 10 days before the deadline for filing nomination papers;
- C. Receiving completed nomination papers in accordance with section 1473, subsection 2;
- D. Preparing and distributing election ballots in accordance with section 1473, subsection 2;
- E. Receiving the town clerk's certification of the results of the voting in each member municipality;
- F. Tabulating the town clerk's certification of the results of the voting in each member municipality;
- G. Accepting any recount petitions that may have been filed pursuant to section 1473, subsection 2, paragraph C; and
- H. Totaling the votes cast for each candidate and notifying the clerk in each municipality, the candidates and the commissioner of the final results of the voting and the names and addresses of the persons elected as directors.

2. Initial meeting. In accordance with section 1473, subsection 1, the clerk of each municipality within the regional school unit shall forward the names and addresses of the directors elected to represent that municipality to the state board with other data regarding their election as the state board may require. On receipt of the names and addresses of all of the directors, the state board shall set a time, place and date for the first meeting of the directors and give notice to the directors in writing, sent by registered or certified mail, return receipt requested, to the addresses provided by the municipalities.

Sec. 9. 20-A MRSA §1472-B is enacted to read:

§1472-B. Staggered initial terms

Notwithstanding section 1471, subsection 2, the initial directors elected to a regional school unit board

shall meet and draw lots for their term lengths as specified in this section.

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

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

The directors shall serve their terms as determined under this section and any additional period until the next regular election of the municipalities. Thereafter, the directors' terms of office are as established in section 1471.

Sec. 10. 20-A MRSA §1478, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is repealed and the following enacted in its place:

§1478. Local school committees

1. Formation. A reorganization plan under section 1461 or a regional school unit board may authorize the formation of a local school committee for a member municipality established in accordance with chapter 111, subchapter 1.

2. Delegation of functions. A reorganization plan that has been approved in accordance with subchapter 2 or a regional school unit board may delegate a local school committee to perform any duties, functions and services other than those reserved to the regional school unit under subchapter 1. The core functions provided by a regional school unit pursuant to section 1452 may be supplemented at the expense of any member municipality.

3. Budget responsibility. A reorganization plan that has been approved in accordance with subchapter 2 or a regional school unit board may authorize a local school committee to present to the board a proposed budget for the local school in a form that is consistent with section 1485. The proposed local school budget must be submitted in time to be included in the budget for the regional school unit. Proposed expenditures that are not included in the regional school unit budget may be separately appropriated by the municipality to be expended by the regional school unit in accordance with the appropriation. Supplemental municipal appropriations for education are not subject to section 1486.

4. Title to property. School property overseen by a local school committee may be owned either by the municipality or by the regional school unit as long

as there is a clear allocation of responsibilities for management of all of the school property in the regional school unit.

Sec. 11. 20-A MRSA §1479, sub-§3, ¶B, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

B. The regional school unit may negotiate ~~the~~ a new contract pursuant to chapter 115.

Sec. 12. 20-A MRSA §1479, sub-§4, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

4. Absence of contract; maintenance of school choice opportunities. ~~A student who resides in a school administrative unit that does not maintain that student's grade from kindergarten to grade 12, and that does not enter into a contract for the education of its students pursuant to this chapter, has the option of attending a public school in another school administrative unit or private school approved for tuition purposes subject to the provisions of chapter 219 if that option was available from the previous school unit for the area in which that student resides. A school administrative unit that neither maintains a school nor contracts for school privileges pursuant to chapter 115 shall continue to pay tuition, in accordance with chapter 219, for a student who resides in the school administrative unit at the public school or the private school approved for tuition purposes of the parent's choice at which the student is accepted, calculated in accordance with subsection 5.~~

Sec. 13. 20-A MRSA §1479, sub-§5, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

5. Additional expense. ~~If, pursuant to subsection 4, a student attends a public school in another school administrative unit or private school approved for tuition purposes subject to the provisions of chapter 219, and the number of secondary school students from one or more municipalities in a regional school unit that attend a public school in a different school administrative unit or an approved private school is less than all the secondary school students in the regional school unit, the sending municipality of the regional school unit is responsible for the additional expense calculated under this subsection. In a regional school unit where some but not all of the students are attending school pursuant to this section, the sending municipality is responsible for the additional expense as calculated in accordance with this subsection.~~

A. For each secondary school student who attends a public school in another school administrative unit, the sending municipality in a regional school unit is responsible for an amount equal to the number of secondary school students from that regional school unit multiplied by the amount that the receiving regional school unit's tuition rate

pursuant to section 5805 difference in tuition in cases when it exceeds the amount of the sending regional school unit's tuition rate pursuant to calculated in accordance with section 5805.

B. For each secondary school student who attends a private school approved for tuition purposes subject to the provisions of chapter 219, the sending municipality in a regional school unit is responsible for an amount equal to the number of secondary school students from the regional school unit attending the private school multiplied by the amount that the private school's tuition rate pursuant to section 5806, or the tuition rate per the contract, if less, the difference in tuition in cases when it exceeds the amount of the sending regional school unit's tuition rate pursuant to calculated in accordance with section 5805.

Any Municipalities exercising school choice pursuant to this section are responsible for a local contribution in accordance with section 15688 and the additional expense may not be included in the regional school unit budget when determining each member municipality's local contribution calculated in accordance with this subsection.

Any additional expense must be paid by the responsible municipality in equal monthly amounts unless the regional school unit and the member municipality agree to another payment schedule.

Sec. 14. 20-A MRSA §1481, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is repealed.

Sec. 15. 20-A MRSA §1481-A is enacted to read:

§1481-A. Finances

1. Apportionment of costs for regional school unit. A regional school unit may raise money, in addition to the local contribution pursuant to section 15690, subsection 1, for establishing and maintaining public schools, erecting buildings and providing equipment for educational purposes. The additional costs of operating a regional school unit must be shared among all municipalities within the regional school unit by the same local share percentages for each municipality resulting from the determination of the local contribution under section 15688.

2. Existing cost-sharing agreement. Notwithstanding subsection 1, a cost-sharing agreement in existence on June 7, 2007 that was adopted pursuant to Public Law 2005, chapter 2 or pursuant to a private and special law remains in existence unless the parties to the agreement modify or terminate the agreement:

A. As part of a reorganization to regional school units under this chapter; or

B. As a result of a negotiated agreement between the parties to the cost-sharing agreement.

3. Method included in reorganization plan. Notwithstanding subsection 1, a regional school unit may use a method of cost sharing that was included in a reorganization plan developed pursuant to section 1461 or Public Law 2007, chapter 240, Part XXXX, section 36 as long as the method complies with this subsection.

A. The costs of operating a regional school unit must be shared among all municipalities within the unit in one of the following ways.

(1) Under a property valuation method, municipalities in a unit shall share costs in the same proportion as each municipality's property fiscal capacity as defined in section 15672, subsection 23 is to the unit's property fiscal capacity.

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

(a) The number of resident pupils in each town;

(b) The property fiscal capacity of each member municipality as defined in section 15672, subsection 23;

(c) Any combination of divisions (a) and (b); or

(d) Any other factor or combination of factors that may, but need not, include divisions (a) or (b).

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

Notwithstanding any provision of law to the contrary, a cost-sharing agreement in existence on June 7, 2007 that was adopted pursuant to Public Law 2005, chapter 2 or pursuant to a private and special law may not be construed to preempt the formation of a regional school unit under this chapter. Notwithstanding any provision of law to the contrary, a cost-sharing agreement between 2 or more municipalities in existence on June 7, 2007 that was adopted prior to June 7, 2007 may not be construed to preempt the formation of a regional school unit under this chapter.

Notwithstanding any provisions of law to the contrary, a municipality within a regional school unit may raise money and direct the spending of the funds to any school within the regional school unit.

Sec. 16. 20-A MRSA §1481-B is enacted to read:

§1481-B. Application

For the purposes of this subchapter, the term "regional school unit" means a school administrative unit as defined in section 1, subsection 26.

This section is repealed July 1, 2009.

Sec. 17. 20-A MRSA §1482-A is enacted to read:

§1482-A. Budget meeting

A regional school unit board shall hold a regional school unit budget meeting at a time it determines.

1. Warrant. The budget meeting must be called by a warrant. The warrant must:

A. Be signed by a majority of the regional school unit board;

B. Specify the time and place of the meeting;

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

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

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

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

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

Sec. 18. 20-A MRSA §1482-B is enacted to read:

§1482-B. Annual budget meeting procedures

The following procedures must be used at a regional school unit annual budget meeting.

1. Election of moderator. The secretary of the regional school unit board or the chair of the regional school unit board when the secretary is absent shall

open the annual budget meeting and call for the election of a moderator, receive and count votes for the moderator and swear in the moderator.

2. Appointing ballot clerks. The moderator shall appoint from the certified voting list the ballot clerks necessary for the efficient operation of the annual budget meeting. The moderator shall swear in the clerks.

3. Budget consideration. The superintendent of the regional school unit shall thoroughly explain the budget. The voters must have an opportunity to be heard. The voters may change only items dealing with:

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

B. Appropriations for the reserve fund; and

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

4. Approval. A majority vote of those voters present and voting is necessary for the approval of the annual budget.

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

A. Prior to the annual budget meeting, the municipal clerks of the member municipalities shall supply to the regional school unit board certified corrected copies of the registered voters of their municipalities.

B. The certified corrected copies under paragraph A must be used in determining the voters who are eligible to vote at the annual budget meeting.

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

Sec. 19. 20-A MRSA §1486, sub-§2, as amended by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

2. Validation referendum procedures. The budget validation referendum must be held on or before the ~~10th~~ 14th calendar day, other than Saturday, Sunday or a legal holiday, following the scheduled date of the regional school unit budget meeting. The referendum may not be held on a Saturday, Sunday or legal holiday. The vote at referendum is for the purpose of approving or rejecting the total regional school unit budget approved at the regional school unit

budget meeting. The regional school unit board shall provide printed information to be displayed at polling places to assist voters in voting. That information is limited to the total amounts proposed by the regional school unit board for each cost center summary budget category article, the amount approved at the regional school unit budget meeting, a summary of the total authorized expenditures and, if applicable because of action on an article under section 15690, subsection 3, paragraph A, a statement that the amount approved at the regional school unit budget meeting includes locally raised funds ~~over and above the regional school unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act that exceed the maximum state and local spending target pursuant to section 15671-A, subsection 5.~~

Sec. 20. 20-A MRSA §1486, sub-§3, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

3. Budget validation referendum voting. The method of calling and voting at a budget validation referendum is as provided in sections 1503 and 1504, except as otherwise provided in this subsection or as is inconsistent with other requirements of this section.

A. A public hearing is not required before the vote.

~~B. The warrant for a regional school unit budget meeting to be followed by a budget validation referendum may be a consolidated warrant covering both.~~

C. The warrant and absentee ballots must be delivered to the municipal clerk at least 7 days before no later than the day after the date of the regional school unit budget meeting.

D. Absentee ballots received by the municipal clerk may not be processed or counted unless received on the day after the conclusion of the regional school unit budget meeting and before the close of the polls.

E. All envelopes containing absentee ballots received before the day after the conclusion of the regional school unit budget meeting or after the close of the polls must be marked "rejected" by the municipal clerk.

~~F. If the school budget does not exceed the maximum state and local spending target pursuant to section 15671-A, subsection 5, the The article to be voted on must be in the following form:~~

(1) "Do you favor approving the (name of regional school unit) budget for the upcoming school year that was adopted at the latest regional school unit budget meeting?"

Yes No"

~~G. If the school budget exceeds the maximum state and local spending target pursuant to section 15671 A, subsection 5, the article to be voted on for a budget that includes locally raised funds over and above the regional school unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act must be in the following form:~~

~~(1) "Do you favor approving the (name of regional school unit) budget for the upcoming school year that was adopted at the latest regional school unit budget meeting and that includes locally raised funds that exceed the required local contribution as described in the Essential Programs and Services Funding Act?"~~

~~Yes No~~

~~A YES vote allows additional funds to be raised for K-12 public education.~~

~~A NO vote means additional funds cannot be raised for K-12 public education."~~

Sec. 21. 20-A MRSA §1487, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

§1487. Failure to pass budget

If a budget for the operation of a regional school unit is not approved prior to July 1st, the latest budget as submitted by the regional school unit board approved at a regional school unit budget meeting and submitted to the voters for validation at a referendum in accordance with section 1486 is automatically considered the budget for operational expenses for the ensuing year until a final budget is approved, except that, when the regional school unit board delays the regional school unit budget meeting, the operating budget must be approved within 30 days of the date the commissioner notifies the regional school unit board of the amount allocated to the regional school unit under section 15689-B, or the latest budget submitted by the regional school unit board becomes the operating budget for the next school year until a budget is approved at a regional school unit budget meeting and validated at a referendum. If the budget of a regional school unit is not approved and validated before July 1st and the officers of any affected municipality determine that the property taxes must be committed in a timely manner to the collector pursuant to Title 36, section 709, the municipal assessor or assessors may commit the property taxes on the basis of the latest budget approved at a regional school unit budget meeting and submitted to the voters for validation at a referendum in accordance with section 1486.

Sec. 22. 20-A MRSA §1506, sub-§1, ¶A, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

A. "Existing debt" means any bond, note, loan agreement, lease-purchase agreement or other debt instrument issued prior to July 1, ~~2008~~ 1st of the first operational year of the new unit for the purposes of funding public schools and career and technical education regions, or for refinancing such debt, that remains outstanding at the time of a reorganization pursuant to this chapter. "Existing debt" does not include routine payables or commercial contract obligations.

Sec. 23. 20-A MRSA §1506, sub-§1, ¶B, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

B. "Original education unit" means:

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

(2) A municipality that has existing debt incurred on behalf of a previous education unit; or

(3) A previous education unit within a career and technical education region as defined by section 8301-A that has existing debt.

Sec. 24. 20-A MRSA §1506, sub-§4, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

4. Debt of original education units. After July 1, ~~2008~~, 1st of the first operational year of the new unit for each original education unit with existing debt that has reorganized into a new unit, if the new unit has not agreed to assume liability to pay that existing debt, the regional school unit board shall serve as agent for purposes of that existing debt and has full authority to:

A. Sue and be sued in the name of the original education unit with respect to the existing debt;

B. Determine the debt service due each fiscal year on any existing debt;

C. As applicable, allocate to each member of the original education unit the member's share of the annual debt service for the existing debt of the original education unit in addition to each member's share of costs of the new unit;

D. Collect the allocation for debt service on the existing debt from the original education unit or, as applicable, from each member of the original education unit in addition to each member's share of costs of the new unit;

E. Pay the debt service on the existing debt of the original education unit when due; and

F. Take all other actions necessary and proper with respect to the existing debt.

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

Sec. 25. 20-A MRSA §1512, sub-§6, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

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

Sec. 26. 20-A MRSA §1701-C, as enacted by PL 2007, c. 240, Pt. XXXX, §16, is amended to read:

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

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

Sec. 27. 20-A MRSA §2303, as amended by PL 1987, c. 737, Pt. C, §§52 and 106 and PL 1989, c.

6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is further amended to read:

§2303. Additional school committee members

Notwithstanding section 2302, a municipality may vote at its annual meeting to have 5 up to 7 members on the school committee.

1. Vote. The municipality may vote to ~~have a 5-member board~~ expand its school committee at:

A. Its annual meeting; or

B. ~~At a~~ A special town meeting held at least 30 days before the annual meeting, if a municipality has accepted Title 30-A, section 2528, relative to secret ballot.

2. Election of additional members. The municipality may, at its annual meeting, elect by ballot 3 additional school committee members to serve with the 2 members whose terms have not expired.

Sec. 28. 20-A MRSA §2307, as enacted by PL 2007, c. 240, Pt. XXXX, §21, is amended to read:

§2307. School budgets

Notwithstanding any other law, municipal school budgets developed after January 1, 2008 must follow the same school budget requirements as regional school units pursuant to chapter 103-A, except as described in subsections 1 and 2. A municipal school unit is deemed to be a regional school unit solely for the purpose of developing a budget pursuant to chapter 103-A.

1. Budget meeting. In charter municipalities the budget meeting required by section 1485, subsection 3 must be a meeting of the municipal council or other municipal legislative body established by the charter with authority to approve the budget.

2. Municipal charter. In charter municipalities where the municipal charter confers upon a municipal council or other municipal legislative body the authority to determine the total amount of the school budget and confers upon the school committee or school board the authority to direct the expenditure of those funds for school purposes, the municipal council or other municipal legislative body shall determine the total amount of the school budget to be submitted to a budget validation referendum and the school committee or school board shall determine the allocation of the approved school budget among the cost centers of the cost center summary budget format.

Sec. 29. 20-A MRSA §5203, sub-§4, as enacted by PL 1981, c. 693, §§5 and 8, is repealed and the following enacted in its place:

4. Exception; no elementary school. A school administrative unit that neither maintains an elementary school nor contracts for elementary school privileges pursuant to chapter 115 shall pay the tuition, in

accordance with chapter 219, at the public school or the approved private school of the parent's choice at which the student is accepted.

Sec. 30. 20-A MRSA §5204, sub-§4, as amended by PL 1985, c. 797, §32, is further amended to read:

4. No secondary school. ~~Secondary students whose parents reside in a A school administrative unit which that neither maintains a secondary school nor contracts for secondary school privileges may attend a private school approved for tuition purposes, a public school in an adjoining unit which accepts tuition students, or a school approved for tuition purposes in another state or country upon permission of officials of the receiving school. The school administrative unit where the students' parents reside shall pay tuition in the amount up to the legal tuition rate as defined in chapter 219 pursuant to chapter 115 shall pay the tuition, in accordance with chapter 219, at the public school or the approved private school of the parent's choice at which the student is accepted.~~

Sec. 31. 20-A MRSA §6051, sub-§1, ¶C, as enacted by PL 1985, c. 797, §36, is amended to read:

C. A determination of whether or not the annual financial ~~report~~ data submitted to the department is correct;

Sec. 32. 20-A MRSA §6051, sub-§4, as amended by PL 2005, c. 683, Pt. A, §25, is further amended to read:

4. Initial report to commissioner. On or before ~~December~~ November 1st, the school board shall provide the commissioner with:

C. Written determination of whether or not proper budgetary controls are in place;

D. A written determination of whether or not the annual financial ~~report~~ data submitted to the department is correct, including submission of an audited reconciliation of the annual financial ~~report~~ data prepared and certified by the auditor; and

E. A written determination as to whether the school administrative unit has complied with applicable provisions of the Essential Programs and Services Funding Act.

Sec. 33. 20-A MRSA §6051, sub-§6, as enacted by PL 2001, c. 344, §9, is amended to read:

6. Report to commissioner. Within 9 ~~6~~ months after the end of the audit period, the school board shall provide the commissioner with:

A. A copy of the audit report;

B. Accountability of all revenues and expenditures;

C. Written assurance that the audit has been conducted in accordance with applicable state and federal laws relating to financial and compliance audits; and

D. Any other information that the commissioner may require.

Sec. 34. 20-A MRSA §15671-A, sub-§2, ¶B, as amended by PL 2007, c. 539, Pt. C, §5, is further amended to read:

B. For property tax years beginning on or after April 1, 2005, the commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must decline over the period from fiscal year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation. Full-value education mill rates must be derived according to the following schedule.

(1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.

(2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.

(3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 45.56% statewide total local share in fiscal year 2007-08.

(4) For the 2008 property tax year, the full-value education mill rate is the amount necessary to result in a 45.99% statewide total local share in fiscal year 2008-09.

~~(4-A) Except as provided in subparagraph (6), for~~ For the 2009 property tax year and subsequent tax years, the full-value education mill rate is the amount necessary to result in a 45.0% statewide total local share in fiscal year 2009-10 and after.

~~(6) For school administrative units that do not conform to the requirements of chapter 103-A for the 2009 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2009-10 and after.~~

Sec. 35. 20-A MRSA §15672, sub-§25-A is enacted to read:

25-A. School administrative unit. "School administrative unit" means a school administrative unit as defined by section 1, subsection 26 except that for those school administrative units that are members of an alternative organizational structure, the alternative organizational structure is the school administrative unit for the purposes of this chapter.

Sec. 36. 20-A MRSA §15688, sub-§3-A, ¶B-1, as enacted by PL 2007, c. 240, Pt. XXXX, §30, is repealed.

Sec. 37. 20-A MRSA §15688, sub-§3-A, ¶C, as amended by PL 2007, c. 240, Pt. XXXX, §30, is further amended to read:

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

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

Sec. 38. 20-A MRSA §15689, sub-§1-B is enacted to read:

1-B. Adjustments to state contributions to member municipalities in regional school units or alternative organizational structure. The minimum state allocation provisions of subsection 1, paragraph B are applicable for each case in which the school administrative units in existence prior to the operational date of the new regional school unit or alternative organizational structure received an adjustment under subsection 1, paragraph B for fiscal year 2007-08 or fiscal year 2008-09. For each regional school unit or alternative organizational structure eligible under this subsection, the minimum state allocation provisions of subsection 1, paragraph B are applicable for each member municipality that was a member of the eligible school administrative units in existence prior to the operational date of the new regional school unit or alternative organizational structure.

Sec. 39. 20-A MRSA §15696, sub-§1, ¶C, as enacted by PL 2007, c. 240, Pt. XXXX, §33, is amended to read:

C. The school administrative unit is not eligible for a transition adjustment under section 15686 or any comparable year-over-year transition amount; ~~and~~

Sec. 40. 20-A MRSA §15696, sub-§1, ¶D, as enacted by PL 2007, c. 240, Pt. XXXX, §33, is amended to read:

D. The school administrative unit receives less favorable consideration for approval and funding for school construction pursuant to rules of the state board; ~~and~~

Sec. 41. 20-A MRSA §15696, sub-§1, ¶E is enacted to read:

E. The school administrative unit's full-value education mill rate pursuant to section 15671-A is increased by 2% for the purpose of calculating the school administrative unit's required contribution to meet the local share of education costs established pursuant to section 15688, subsection 3-A.

Sec. 42. PL 2007, c. 240, Pt. XXXX, §36, sub-§2 is amended to read:

2. Notice of intent. ~~By August 31, 2007, each~~ Each school administrative unit shall file with the Commissioner of Education:

A. ~~A~~ By August 31, 2007, a notice of intent to engage in planning and negotiations with other school administrative units for the purpose of developing a reorganization plan to form a regional school unit under this Part and Title 20-A, chapter 103-A; ~~or~~

B. ~~A~~ By August 31, 2007, a notice of intent to submit an alternative plan that meets the requirements of subsection 6, paragraph F. An alternative plan may be submitted only by a unit that is:

- (1) An offshore island;
- (2) A school operated by a tribal school committee pursuant to the Maine Revised Statutes, Title 30, section 6214;
- (3) A school administrative unit that serves more than 2,500 students, or 1,200 students where circumstances justify an exception to the requirement of 2,500 students under subsection 6, paragraph A, where expansion of the unit would be inconsistent with the policies set forth in Title 20-A, section 1451; or
- (4) A school administrative unit that is designated as an efficient, high-performing district. For purposes of this subparagraph, a school administrative unit is designated an "efficient, high-performing district" if:

(a) It contains at least 3 schools identified as "higher performing" in the May 2007 Maine Education Policy Research Institute report "The Identification of Higher and Lower Performing Maine Schools"; and

(b) Its reported 2005-2006 per-pupil expenditures for system administration represent less

than 4% of its total per-pupil expenditures;
or

C. A notice of intent to engage in planning and negotiations with other school administrative units for the purpose of developing a reorganization plan to form an alternative organizational structure in accordance with this paragraph.

(1) A school administrative unit may be designated by the commissioner as part of an alternative organizational structure. The commissioner may designate a school administrative unit as part of an alternative organizational structure if the commissioner finds that the proposed organizational structure will result in:

- (a) Consolidation of system administration;
- (b) Consolidation of special education administration, transportation administration and administration of business functions including accounting, reporting, payroll, financial management, purchasing insurance and auditing;
- (c) Adoption of a core curriculum and procedures for standardized testing and assessment aligned with the system of learning results established in Title 20-A, section 6209; and
- (d) Adoption of consistent school policies and school calendars and a plan for consistent collective bargaining agreements.

A plan for an alternative organizational structure may include a collaborative agreement under chapter 114 and must include an interlocal agreement under Title 30-A, chapter 115. The plan must include procedures for conducting a kindergarten through grade 12 budget approval pursuant to subparagraph (2).

(2) The budget procedures of members of an alternative organizational structure must conform to the format and referendum procedures set forth in sections 1485 and 1486 for regional school units except for the time limits pursuant to section 1486, subsection 2. The budget validation referendum for all members of the alternative organizational structure must be conducted on the same day.

Sec. 43. PL 2007, c. 240, Pt. XXXX, §36, sub-§3 is amended to read:

3. Reorganization planning committee. Municipalities that intend to engage in planning and negotiation to create a regional school unit or alternative organizational structure shall form a reorganization planning committee.

A. For each proposed regional school unit, the Commissioner of Education shall provide guide-

lines for the formation of a reorganization planning committee including representation from the school administrative units in existence on the effective date of this Part, member municipalities and members of the general public who are residents of the proposed regional school unit. The guidelines must include roles and responsibilities of the committee, timelines for submission of the plan, the format for reporting the reorganization plan and evaluation criteria for approval of the plan.

B. Reorganization planning committees shall hold one or more public meetings to gather input from community members and to determine the sentiment of the public.

Sec. 44. PL 2007, c. 240, Pt. XXXX, §36, sub-§4 is amended to read:

4. Submission of plans. ~~By December 1, 2007, each~~ Each school administrative unit shall submit to the Commissioner of Education ~~either:~~

A. ~~Its~~ By December 1, 2007, its proposed reorganization plan for consolidation into a regional school unit that meets the requirements of subsections 5 and 6; ~~or~~

B. ~~Its~~ By December 1, 2007, its proposed plans for reducing the cost of services within the school administrative unit to meet the requirements of subsection 6, paragraph F; ~~or~~

C. Its proposed plan for an alternative organizational structure that is consistent with the notice of intent filed and approved pursuant to subsection 2, paragraph C, subparagraph 1 and meets the requirements of subsections 5 and 6.

Each school administrative unit shall exercise due diligence and act in good faith in developing a plan that meets the requirements of this Part and furthers the intent of the Legislature to achieve sustainable, long-term administrative efficiencies.

Sec. 45. PL 2007, c. 240, Pt. XXXX, §36, sub-§6, ¶A-1 is enacted to read:

A-1. Notwithstanding the requirements of paragraph A, the Commissioner of Education may authorize a unit to serve 1,200 or fewer students but not less than 1,000 students in an isolated rural community if the proposed regional school unit meets at least one of the following criteria:

(1) The proposed regional school unit comprises 3 or more school administrative units in existence prior to July 1, 2008;

(2) The member municipalities of the proposed regional school unit are surrounded by approved regional school units and there are no other school administrative units available to join the proposed regional school unit; or

(3) The member municipalities of the proposed regional school unit include 2 or more isolated small schools that are eligible for an isolated small school adjustment pursuant to the Maine Revised Statutes, Title 20-A, section 15683, subsection 1, paragraph F.

In cases where the Commissioner of Education denies the creation of a regional school unit that serves 1,200 or fewer students but not less than 1,000 students, the school administrative units may appeal to the State Board of Education.

Sec. 46. PL 2007, c. 240, Pt. XXXX, §36, sub-§8 is amended to read:

8. 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. A referendum must be held on or before January 15, 2008 for a reorganization plan that was submitted by December 15, 2007 and that the Commissioner of Education found meets the requirements of this Part. A referendum ~~must~~ may be held on June 10, 2008 or on or before January 30, 2009 for any plan received or revised after December 15, 2007 and subsequently found by the Commissioner of Education to meet the requirements of this Part.

"Article: Do you favor approving the school administrative 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 _____?"

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:

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 projects; and

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

The Department of Education shall pay the cost of a referendum conducted before or on January 15, 2008 30, 2009.

Sec. 47. PL 2007, c. 240, Pt. XXXX, §36, sub-§11 is amended to read:

11. Result of disapproval at January 2008 referendum. A school administrative unit that rejects a proposed reorganization plan at the January 15, 2008 referendum or at a subsequent referendum on or before ~~November 4, 2008~~ January 30, 2009 may restart the process to form a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to prepare another reorganization plan.

A. Subsequent reorganization plans must meet the same requirements as for reorganization plans filed prior to the January 2008 referendum, except that the timelines are adjusted to reflect a July 1, 2009 reorganization date.

B. The penalties set forth in Title 20-A, section 15696 apply to any school administrative unit that fails to approve a reorganization plan on or before ~~November 4, 2008~~ January 30, 2009 and to implement that plan by July 1, 2009.

Sec. 48. PL 2007, c. 240, Pt. XXXX, §36, sub-§12 is amended to read:

12. Reformulation of SAD as RSU. Not later than ~~December 4, 2008~~ February 27, 2009, the Commissioner of Education shall notify any school administrative district that has not voted to form a regional school unit on or before ~~November 4, 2008~~ January 30, 2009 that the school administrative district must be recreated as a regional school unit under Title 20-A, chapter 103-A, effective July 1, 2009. Notwithstanding any other provision of law, a school administrative district ~~may~~ must be changed to a regional school unit upon notice to the State Board of Education and may accomplish this without dissolving the school administrative district. A school administrative district that is changed to a regional school unit without dissolving the school administrative district is subject to Title 20-A, chapter 103-A and any other provision of law relating to regional school units but for all other legal purposes:

A. Remains the same legal entity, including but not limited to with respect to all contracts, duties,

liabilities, rights and privileges of the school administrative district and any debt, whether bond, note or other evidence of indebtedness, issued by or for the school administrative district; and

B. In order to avoid any costs associated with changing its name, may keep and continue to use the same name, including the term "school administrative district," for official purposes, including, but not limited to, in all its contracts and debt instruments. Keeping its name for official purposes does not in any manner affect its status as a regional school unit for purposes of Title 20-A, chapter 103-A and any other provision of law relating to regional school units.

Sec. 49. PL 2007, c. 240, Pt. XXXX, §42, first ¶ is amended to read:

Sec. 42. Transfer of property and assets; regional school units approved after January 15, 2008. This section applies to a regional school unit that is approved after January 15, 2008 and before ~~November 5, 2008~~ January 31, 2009.

Sec. 50. PL 2007, c. 240, Pt. XXXX, §43, sub-§3 is amended to read:

3. Transfer of governing authority; regional school units approved after January 15, 2008. This subsection applies to regional school units approved after January 15, 2008 and before ~~November 5, 2008~~ January 31, 2009. The regional school unit board of directors, on the date established in subsection 1, shall assume responsibility for the management and control of the public schools and programs within the school administrative units in existence prior to July 1, 2009 that are within the regional school unit. Those school administrative units in existence prior to July 1, 2009, on the date established in subsection 1, have no further responsibility for the operation or control of the public schools and programs within the school administrative unit except those pursuant to section 1481.

Sec. 51. PL 2007, c. 240, Pt. XXXX, §43, sub-§5 is amended to read:

5. Transfer of teachers and employees. Except as limited by paragraph A, for regional school units approved prior to January 16, 2008, all teachers and school employees who are employed by a participating school administrative unit on June 30, 2008 must be transferred to and employed by the regional school unit as of July 1, 2008. Except as limited by paragraph A, for regional school units approved after January 15, 2008 and before ~~November 5, 2008~~ January 31, 2009, all teachers and school employees who are employed by participating school administrative units on June 30, 2009 must be transferred and employed by the regional school unit as of July 1, 2009. Except as limited by paragraph B, the regional school unit shall assume all of the legal obligations and duties that the participating school administrative units owed

to their employees, including but not limited to those obligations and duties arising under federal law, state law, collective bargaining agreements and individual employment contracts. It is the intent of this Part to neither decrease nor increase the rights and benefits of transferred employees or the employer. The regional school unit shall also maintain and honor any agreements, contracts or policies regarding the rights and benefits of retirees and former employees created by a participating school administrative unit that is dissolved as a result of its inclusion within a regional school unit.

A. For regional school units approved prior to January 16, 2008, teachers or other employees whose employment terminates by application of law or contract or by action of a participating school administrative unit before July 1, 2008 may not be transferred. For regional school units approved after January 15, 2008 and before ~~November 5, 2008~~ January 31, 2009, teachers or other employees whose employment terminates by application of law or contract or by action of a participating school administrative unit before July 1, 2009 may not be transferred.

B. Teachers and other employees who are transferred to the regional school unit prior to the completion of the applicable probationary period for their position have the length of their probationary period calculated from the date of their most recent date of employment by the participating school administrative unit.

Sec. 52. PL 2007, c. 240, Pt. XXXX, §43, sub-§6, ¶A is amended to read:

A. On July 1, 2008 for regional school units approved prior to January 16, 2008 and on July 1, 2009 for regional school units approved after January 15, 2008 and before ~~November 5, 2008~~ January 31, 2009, the regional school unit board of directors shall assume all of the obligations, duties, liabilities and rights of the participating school administrative units for all purposes under Title 26, chapter 9-A. The regional school unit is considered a single employer. Notwithstanding any other provision of law, the responsibilities of the regional school unit include:

(1) Continued recognition of all bargaining agents that represented any bargaining units of employees who were employed by a participating school administrative unit, pending completion of merger proceedings described in this section;

(2) Assumption and continued observance of all collective bargaining agreements between such bargaining agents and a participating school administrative unit, which agreements continue in effect for the remainder of their un-

expired term unless the bargaining agent and regional school unit mutually agree otherwise; and

(3) Collective bargaining for an initial or successor collective bargaining agreement in any bargaining unit in which a collective bargaining agreement is not in effect on the operational date and for any interim agreement that may be required to align expiration dates in a regional school unit-wide bargaining unit, as described in this subsection.

Sec. 53. PL 2007, c. 240, Pt. XXXX, §43, sub-§6, ¶B, as amended by PL 2007, c. 566, §4, is further amended to read:

B. As early as possible but no later than August 31, 2011 for regional school units approved prior to January 15, 2008 and no later than August 31, 2012 for regional school units approved after January 15, 2008 and before ~~November 2, 2008~~ January 31, 2009, all bargaining units must be structured on a regional school unit-wide basis. Bargaining units that existed in the participating school administrative units shall merge in accordance with the procedures and criteria in this section. Merger into regional school unit-wide bargaining units is not subject to approval or disapproval of employees.

(1) Merger into regional school unit-wide bargaining units must be completed according to the schedule contained in this subsection, and, except as required by subparagraph (8), no later than the latest expiration date of any collective bargaining agreement that was in effect on the operational date, which covered any employees in the merged unit.

(2) There must be one unit of teachers and, to the extent they are currently included in bargaining units, other certified professional employees, excluding principals and other administrators.

(3) Any additional bargaining units in a regional school unit must be structured as follows.

(a) In the initial establishment of such units, units must be structured primarily on the basis of the existing pattern of organization, maintaining the grouping of employee classifications into bargaining units that existed prior to the creation of the regional school unit and avoiding conflicts among different bargaining agents to the extent possible.

(b) In the event of a dispute regarding the classifications to be included within a regional school unit-wide bargaining unit, the current bargaining agent or agents or the re-

gional school unit may petition the Maine Labor Relations Board to determine the appropriate unit in accordance with this section and Title 26, section 966, subsections 1 and 2.

(4) When there is the same bargaining agent in all bargaining units that will be merged into a regional school unit-wide bargaining unit, the units must be merged as of the operational date, and the regional school unit shall recognize the bargaining agent as the representative of the merged unit.

(5) When all bargaining units that will be merged into a regional school unit-wide bargaining unit are represented by separate local affiliates of the same state labor organization, the units must be merged as of the operational date. The identity of the single affiliate that will be designated the bargaining agent for the merged unit must be selected by the existing bargaining agents and the state labor organization. Upon completion of the merger and designation of the bargaining agent and notification by the state organization to the regional school unit, the regional school unit shall recognize the designated bargaining agent as the representative of employees in the merged unit. If necessary, the parties will then execute a written amendment to any collective bargaining agreement then in effect to change the name of the bargaining agent to reflect the merger.

(6) Where there are bargaining units that will be merged into a regional school unit-wide bargaining unit in which there are employees who are not represented by any bargaining agent and other employees who are represented either by the same bargaining agent or separate local affiliates of the same state labor organization, the units must be merged as of the operational date as long as a majority of employees who compose the merged unit were represented by the bargaining agent prior to the merger. The procedures for merger of separate local affiliates of the same state labor organization described in subparagraph (5) must be followed if applicable. If prior to the merger a bargaining agent did not represent a majority of employees who compose the merged unit, a bargaining agent election must be conducted by the Maine Labor Relations Board pursuant to subparagraph (8), except that the petition for an election must be filed not more than 90 days prior to the expiration date of the agreement having the latest expiration date among the bargaining units that will be merged into the regional school unit-wide bargaining unit.

(7) When there are unexpired collective bargaining agreements with different expiration dates in the merged bargaining units described in subparagraphs (4), (5) and (6), all contracts must be honored to their expiration dates unless mutually agreed to otherwise by the public employer and the bargaining agent. Collective bargaining agreements must be bargained on an interim basis in any merged bargaining unit so that all collective bargaining agreements expire on the same date.

(8) When bargaining units with different bargaining agents must be merged into a single regional school unit-wide bargaining unit pursuant to this subsection, the bargaining agent of the merged bargaining unit must be selected in accordance with Title 26, section 967, except as modified in this subparagraph.

(a) A petition for an election to determine the bargaining agent must be filed with the Maine Labor Relations Board by any of the current bargaining agents or the regional school unit.

(b) The petition must be filed not more than 90 days prior to August 31, 2012.

(c) The election ballot may contain only the names of the bargaining agents of bargaining units that will be merged into the regional school unit-wide bargaining unit and the choice of "no representative," but no other choices. No showing of interest is required from any such bargaining agent other than its current status as representative.

(d) The obligation to bargain with existing bargaining agents continues from the operational date until the determination of the bargaining agent of the regional school unit-wide bargaining unit under this subsection; but in no event may any collective bargaining agreement that is executed after the operational date extend beyond August 31, 2012.

(e) The Maine Labor Relations Board shall expedite to the extent practicable all petitions for determination of the bargaining agent in the regional school unit-wide bargaining unit filed pursuant to this subsection.

(f) The bargaining units must be merged into a regional school unit-wide bargaining unit as of the date of certification of the results of the election by the Maine Labor Relations Board, or the expiration of the collective bargaining agreements in the unit, whichever occurs later.

(g) Until August 31, 2012, existing bargaining agents shall continue to represent the bargaining units that they represented on the day prior to the operational date of the regional school unit. If necessary, each bargaining agent and the regional school unit must negotiate an interim collective bargaining agreement to expire on August 31, 2012.

Sec. 54. Report; review of reorganization timelines. The Department of Education shall conduct a review of the results of referenda votes on proposed reorganization plans and the status of the reorganization of school administrative units as regional school units consistent with the July 1, 2009 implementation timeline established in Public Law 2007, chapter 240. In conducting the review, the department shall:

A. Collect data and analyze the results of the referenda votes on proposed reorganization plans;

B. Review the extent to which each school administrative unit that did not meet the timelines for reorganization did not submit or did not receive approval for an alternative plan that meets the requirements of Public Law 2007, chapter 240, Part XXXX, section 36, subsection 6, paragraph A due to the fact that the proposal would not meet the 1,200 minimum student enrollment requirement for an alternative plan;

C. Recommend appropriate criteria or flexibility for the granting of a waiver when extenuating circumstances preclude a school administrative unit from meeting the requirements of Public Law 2007, chapter 240, Part XXXX, section 36 by July 1, 2009, including the authority necessary to extend timelines and waive penalties if an approved plan of a reorganization planning committee cannot be implemented by July 1, 2009 and the authority necessary to approve an alternative plan submitted by a reorganization planning committee that meets the requirements of the law, except for the 1,200 minimum student number; and

D. Recommend clarifications to the law to specify the effect of the failure of voters in an individual school administrative unit to approve a reorganization plan that results in the school administrative unit not meeting the implementation timeline for reorganization.

The Commissioner of Education shall report the findings and recommendations of this review, including suggested legislation, to the joint standing committee of the Legislature having jurisdiction over education matters by December 15, 2008. In its recommendations, the department shall include proposals to extend or modify the current implementation timelines and penalties. Following receipt and review of the report, the joint standing committee of the Legislature having jurisdiction over education matters may submit

a bill to the First Regular Session of the 124th Legislature that extends or modifies the current implementation timelines and penalties.

Sec. 55. Retroactivity. Those sections of this Act that amend the Maine Revised Statutes, Title 20-A, sections 1305-C, 1701-C and 2307 apply retroactively to January 1, 2008 as long as the retroactive application does not affect the validity of any budget meeting or budget validation referendum called or conducted in accordance with prior law before the effective date of this Act.

See title page for effective date.

CHAPTER 669

H.P. 1616 - L.D. 2253

An Act To Provide Access to Certain Medications to Certified Midwives

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

Sec. 1. 32 MRSA §13811 is enacted to read:

§13811. Drug administration by certified midwives under certain conditions

A midwife who can verify to a licensed pharmacist by certification card that the midwife has met the certification standards of an international certification agency whose mission is to establish and administer certification for the credential of certified professional midwife or other certifying body recognized by the board may:

1. Possession. Possess, in the course of the practice of midwifery, only the noncontrolled prescription drugs and substances set out in this subsection:

A. Oxygen;

B. Oxytocin, excluding the oxytocic drug methergine, for the sole purpose of postpartum control of maternal hemorrhage;

C. Vitamin K;

D. Eye prophylaxis; and

E. Local anesthetics or numbing agents for repair of lacerations; and

2. Administration. Administer, in the course of the practice of midwifery, those drugs that are listed in subsection 1. When administering oxytocin, a certified midwife may not administer more than 20 units of oxytocin to a single patient. Oxytocin may be administered only for postpartum purposes in order to treat

hemorrhaging and specifically may not be used to induce labor. When a certified midwife administers oxytocin in accordance with this subsection, the certified midwife shall report that use to the maternal and child health division of the Department of Health and Human Services, the Maine Center for Disease Control and Prevention within 7 days of the use of oxytocin.

Sec. 2. 32 MRSA §13812 is enacted to read:

§13812. Dispensing of medication by pharmacist

1. Dispensing of medication. A pharmacist, who in good faith relies upon a certification card presented by a midwife identifying that the midwife has met the certification standards described under section 13811, may sell and dispense to the midwife the non-controlled prescription drugs and substances identified in section 13811.

2. Good faith. A pharmacist, or person acting at the direction of a pharmacist, who:

A. In good faith sells and dispenses noncontrolled prescription drugs and substances to a midwife pursuant to this section is not liable for any adverse reactions caused by any method of use by the midwife; and

B. Makes a report relating to the dispensing of noncontrolled prescription drugs and substances to a midwife pursuant to section 13811 to an enforcement agency is immune from any civil liability that may result from that action, including, but not limited to, any civil liability that might otherwise arise under state or local laws or rules regarding confidentiality of information.

In a proceeding in which a pharmacist, or person acting at the direction of a pharmacist, invokes the immunity provided pursuant to this section, there is a rebuttable presumption of good faith.

Sec. 3. Maine Revised Statutes headnote amended; revision clause. In the Maine Revised Statutes, Title 32, chapter 117, subchapter 11, in the subchapter headnote, the words "noncontrolled prescription drug administration" are amended to read "noncontrolled prescription drug dispensing and administration" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

See title page for effective date.
