

# MAINE STATE LEGISLATURE

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(EMERGENCY)  
New Draft of: S. P. 788, L. D. 2268  
FIRST SPECIAL SESSION

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ONE HUNDRED AND SIXTH LEGISLATURE

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**Legislative Document**

**No. 2488**

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S. P. 895

In Senate, February 6, 1974

Reported by Senator Katz of Kennebec from the Committee on Education  
and printed under Joint Rules No. 18.

HARRY N. STARBRANCH, Secretary

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**STATE OF MAINE**

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FOUR

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**AN ACT to Correct Errors and Inconsistencies in the Education Laws.**

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**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, many Acts enacted by the Legislature have created inconsistencies and technical errors; and

Whereas, such inconsistencies and errors have created uncertainties and confusion in interpreting legislative intent; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. R. S., T. 20, § 151, sub-§ 5, amended.** Subsection 5 of section 151 of Title 20 of the Revised Statutes, as amended, is further amended to read as follows:

**5. Less than 15 teachers.** When ~~a School Administrative District~~ an administrative unit employs less than 15 teachers and owing to geographical location ~~or other reasons~~ it is not practicable to combine with other administrative units to form a supervisory unit as authorized in this section, the directors ~~or school committee~~, on approval of the commissioner, may employ

a qualified person to serve as superintendent of schools and as supervising principal.

**Sec. 2. R. S., T. 20, § 226, sub-§ 1, amended.** Subsection 1 of section 226 of Title 20 of the Revised Statutes is amended to read as follows:

1. **Warrant.** Each district meeting shall be called by a warrant. The warrant shall be signed by a majority of the school directors.

A. It shall specify the time and place of the meeting.

B. It shall be directed to any resident of the School Administrative District by name ordering him to notify all voters within such district to assemble at the time and place appointed.

C. An attested copy of the warrant shall be posted by the person to whom it is directed in some conspicuous public place in each of the municipalities within the School Administrative District at least 7 days before the meeting.

D. The person who gives notice of the meeting shall make his return on the warrant stating the manner of notice in each municipality and the time when it was given.

**Sec. 3. R. S., T. 20, § 226, sub-§ 2, §§ A, C to E, repealed.** Paragraphs A, C, D and E of subsection 2 of section 226 of Title 20 of the Revised Statutes are repealed.

**Sec. 4. R. S., T. 20, § 226, sub-§ 2, amended.** The first paragraph of subsection 2 of section 226 of Title 20 of the Revised Statutes is amended to read as follows:

The warrant for calling the district meeting shall ~~be as follows include but not be limited to the following~~:

**Sec. 5. R. S., T. 20, § 226, sub-§ 2, ¶ B, amended.** The first paragraph of paragraph B of subsection 2 of section 226 of Title 20 of the Revised Statutes, as amended by chapter 103 of the public laws of 1969, is repealed and the following enacted in place thereof:

The proposed school budget, and such other articles as the board of directors may choose to place before the voters for their consideration, excluding authorization to borrow money for school construction purposes.

**Sec. 6. R. S., T. 20, § 226, sub-§ 3, repealed and replaced.** Subsection 3 of section 226 of Title 20 of the Revised Statutes is repealed and the following enacted in place thereof:

3. **School budget.** The warrants shall set forth the school budget to include the state and local allocation, maintenance of effort and additional expenditures within the limitations of the statute. A detailed budget document shall be available to the legislative body which has responsibility for final budget approval. The budget document shall contain a summary of anticipated revenues and estimated school expenditures for the fiscal year. Any

budget adopted under this section prior to the effective date of this Act shall be validated, approved and declared legal.

**Sec. 7. R. S., T. 20, § 301, amended.** Section 301 of Title 20 of the Revised Statutes, as amended, is further amended by adding at the end the following new paragraph:

The directors of a School Administrative District during the reapportionment of its membership shall serve until the reapportionment is completed and shall be legal representatives of the district until the reapportioned board is selected and qualified. The directors shall carry out all business of the district including the borrowing of necessary funds which may be required during the period of board reapportionment.

**Sec. 8. R. S., T. 20, § 304, amended.** The 6th sentence of section 304 of Title 20 of the Revised Statutes, as enacted by section 18 of chapter 440 of the public laws of 1969, is amended to read as follows:

All such temporary notes issued in anticipation of an authorized issue of capital outlay bonds or notes, or renewals thereof, shall mature not later than  $\approx 3$  years from the date of the first such temporary note to be issued.

**Sec. 9. R. S., T. 20, § 304, amended.** The first sentence of the 2nd paragraph of section 304 of Title 20 of the Revised Statutes is repealed and the following enacted in place thereof:

The aggregate principal amount of bonds or notes issued by a School Administrative District for capital outlay purposes shall not exceed, at any one time outstanding, the limit of indebtedness of the sum of  $12\frac{1}{2}\%$  of the total of the last preceding state valuation of all the municipalities, plus an amount to be set by the State Board of Education at the time of the initial approval of the school construction project not to exceed  $7\frac{1}{2}\%$  of the state valuation of the participating municipalities. Any indebtedness in excess of  $12\frac{1}{2}\%$  incurred under the law, as it existed prior to the effective date of this Act, is hereby validated.

**Sec. 10. R. S., T. 20, § 305, amended.** The 2nd paragraph of section 305 of Title 20 of the Revised Statutes, as repealed and replaced by section 3 of chapter 483 of the public laws of 1967, is amended by inserting after the first sentence the following new sentence:

Such assessments shall be limited to those appropriations approved by the voters as being necessary to cover expenditures within the limitations set by this Title, and Title 36, such expenditures being over and above the uniform property tax assessed by the State Tax Assessor for school purposes.

**Sec. 11. R. S., T. 20, § 351, amended.** The first sentence of the 5th paragraph of section 351 of Title 20 of the Revised Statutes is amended to read as follows:

The clerk in each of the several towns shall file a return of such votes with the ~~Secretary of State~~ State Board of Education.

**Sec. 12. R. S., T. 20, § 354, amended.** The first sentence of section 354 of Title 20 of the Revised Statutes is amended to read as follows:

To procure funds for authorized purposes of the district, the trustees of said district are authorized to borrow funds to pay current operational expenditures of the district in an amount not to exceed ~~the total of the warrants issued for the current year, but~~ the gross budget approved by the voters at the annual meeting or approved by the trustees when an annual budget meeting is not required by the certificate of organization, but said loans must be repaid within the same fiscal year.

Sec. 13. R. S., T. 20, § 355, amended. Section 355 of Title 20 of the Revised Statutes is amended to read as follows:

### § 355. Financing of bond obligations

The trustees of the "..... Community School District" shall within 90 days after authorization by vote of the participating towns as provided in section 351 and thereafter annually before April 1st of each year determine the sum required each year to meet the bonds falling due and what further sum is necessary to meet the interest on said bonds or other obligations, and all other expenses necessary for the operation of the district, including the rentals and other charges provided in any contract, lease or agreement with the Maine School Building Authority, or shall take the required action on the budget approved by the voters at the annual budget meeting. The trustees shall thereupon issue their warrants, in substantially the same form as the warrant of the Treasurer of State for taxes, to the assessors of each participating town, requiring them to assess upon the taxable polls and estates within said town an amount in proportion to the total sum required each year as that town's state valuation bears to the total state valuation of all the participating towns, or, in accordance with section 361 if that cost sharing plan has been approved by the voters, except that ~~if the apportionment for maintenance and operation of the school or schools results in a per pupil cost to any participating town in excess of 150% of the average per pupil cost for operating the school or schools, the town's apportionment shall be 150% of the average per pupil cost and the balance shall be apportioned among the remaining towns according to the last preceding state valuation~~ such assessments shall be limited to those appropriations approved by the voters or trustees when appropriate as being necessary to cover expenditures within the limitations set by this Title, and Title 36, such expenditures being over and above the uniform property tax assessed by the State Tax Assessor for school purposes; and to commit the assessment to the constable or collector of said town who shall have all the authority and powers to collect said taxes as is in him vested by law to collect state, county and municipal taxes. In the year in which the tax is so committed, the treasurer of each municipality shall pay the amount of the tax so committed in 4 equal installments to the treasurer of the community school district. The first installment shall be paid on or before the end of the first quarter of the fiscal year, the 2nd installment shall be paid on or before the end of the 2nd quarter of the fiscal year, the 3rd installment shall be paid on or before the end of the 3rd quarter of the fiscal year and the final installment shall be paid 15 days before the end of the fiscal year. ~~On or before the 31st day of December of the year in which said tax is so levied~~ The trustees shall notify the member

municipalities of those installments that will become payable during the fiscal year of the municipalities and, the treasurer of each town shall pay the amount of the tax so assessed against the taxable ~~polls and~~ estates within his said town to the treasurer of the district. In the case of the failure on the part of the treasurer of said town to pay said sum or any part thereof on ~~or before said 31st day of December~~ the dates required in the year in which said tax is levied, the treasurer of the district may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid to the county sheriff requiring him to levy by distress and sale on the real and personal property of any of the inhabitants of said district living in the town where such default takes place and the sheriff or any of his deputies shall execute said warrant, except as otherwise provided. The same authority as is vested in county officials for the collection of county taxes under the Revised Statutes is vested in the trustees of said district in relation to the collection of taxes within such town.

Sec. 14. R. S., T. 20, § 356, amended. The first sentence of section 356 of Title 20 of the Revised Statutes is amended to read as follows:

The representation of each town on the community school committee shall be determined by the trustees of the district and shall be in approximately the same ratio to the total membership of the committee as the town's ~~enrollment is to the enrollment in that school~~ latest Federal Decennial Census is to the latest Federal Decennial Census of the member towns.

Sec. 15. R. S., T. 20, § 356, amended. The 5th sentence of section 356 of Title 20 of the Revised Statutes is repealed as follows:

~~Adjustments in the representation of the several towns shall be made whenever changes in the enrollment from the individual towns make the existing representation in conflict with this section~~

Sec. 15-A. R. S., T. 20, § 360-C, amended. The first sentence of section 360-C of Title 20 of the Revised Statutes, as enacted by section 3 of chapter 132 of the public laws of 1973, is amended to read as follows:

As soon as a certificate of organization has been issued by the ~~Secretary of State~~ State Board of Education, each town shall transfer to the community school district treasurer that portion of its school appropriation which was raised for the students which are now the responsibility of the new community school district and is still unused.

Sec. 16. R. S., T. 20, § 360-C, amended. Section 360-C of Title 20 of the Revised Statutes, as enacted by section 3 of chapter 132 of the public laws of 1973, is amended by adding at the end the following new sentences:

Each administrative unit within the community school district shall transfer to the community school district all school supplies and equipment purchased for and in use by the school grades encompassed by the district formation, and such real property as is requested by the community school committee that was formerly used for school purposes by the member administrative units, such transfer shall be made forthwith following the issuance of the

certificate of organization of the district. The selectmen are authorized and are required to execute quitclaim deeds for the transfer of such real property as is requested by the community school district school committee.

Sec. 17. R. S., T. 20, § 472, amended. Section 472 of Title 20 of the Revised Statutes, as amended, is further amended by adding after the 2nd sentence the following new sentence:

The school committee members shall serve their terms as designated and an additional period until the next regular election of the municipality.

Sec. 18. R. S., T. 20, § 2356-A, sub-§ 5, amended. The 7th and 8th sentences of subsection 5 of section 2356-A of Title 20 of the Revised Statutes, as enacted by chapter 605 of the public laws of 1973, are repealed as follows:

~~Membership of the cooperative board shall be made up from the school administrative units in that area in proportion to the population of those administrative units. No single administrative unit shall have more than 50% of the total membership of the cooperative board~~

Sec. 19. R. S., T. 20, § 2356-A, sub-§ 5, amended. Subsection 5 of section 2356-A of Title 20 of the Revised Statutes, as enacted by chapter 605 of the public laws of 1973 and as amended, is further amended by inserting after the 13th sentence the following:

When the member units of a cooperative board have determined the representation and the method of sharing costs, the school committees or boards of directors, or both, of the member units shall meet forthwith on the call of the superintendents of schools to select the members who will serve on the cooperative board. Membership of the cooperative board shall be made up from any citizen in the administrative units in that area in proportion to the population of those administrative units, except that those citizens who by holding another office have duties conflicting with those of the cooperative board shall not be selected. The cooperative board members shall meet upon the call of the superintendents of schools in the region and shall organize by electing a chairman, a vice-chairman, a secretary and adopting a constitution or bylaws, or both, for the calling of and conducting of cooperative board meetings. The cooperative board shall select a treasurer who shall give a bond to the board in such sum and with such sureties as the board may determine which bond shall be deposited with the chairman. The expenses of such bonds shall be paid by the cooperative board.

The secretary of the cooperative board shall forthwith file a return with the State Board of Education setting forth the names of the officers of the cooperative board of the vocational region and certifying that the cooperative board has been properly organized. The State Board of Education is authorized to issue a certificate of organization or reorganization for each of the vocational regions so organized and the issuance of such a certificate shall be conclusive evidence of the lawful organization of the vocational region. The original certificate so issued shall be kept on file by the secretary of each region and copies shall be placed on file in the office of the commissioner. Each vocational region is declared to be a quasi-municipal corporation within

the meaning of Title 30, section 5053, and all the provisions of said section shall be applicable thereto.

The cooperative board is authorized to borrow funds in anticipation of each member unit's payment of the unit's share of the vocational regional budget. Such borrowing must be repaid within one year and such loans may not at any one time exceed  $\frac{3}{4}$  of the budget submitted by the cooperative board for approval of the member units of the region.

Cooperative board members may be paid up to \$10 for each meeting attended.

Sec. 20. R. S., T. 20, § 2356-A, sub-§ 5, amended. The 2nd paragraph of subsection 5 of section 2356-A, as enacted by chapter 605 of the public laws of 1973, is amended by adding at the end the following new sentences:

When the cooperative board of the region determines from a vote of the citizens of the region that bonds or notes for capital outlay purposes shall be issued, they shall pass a resolution to that effect setting forth the amount of the proposal and the purpose or purposes for which the proceeds were authorized. The limit of indebtedness shall not exceed 4% of the total state valuation of all the municipalities comprising the region and shall be outside the debt limitations of the individual member municipalities of the region.

Sec. 21. R. S., T. 20, § 2356-A, sub-§ 5, amended. Those parts designated as Regions 3, 4 and 5 of subsection 5 of section 2356-A of Title 20 of the Revised Statutes, as enacted by chapter 605 of the public laws of 1973, are amended to read as follows:

**Region 3. NORTHERN PENOBSBOT COUNTY.** Units located in this area are: Carroll Plt.; Codyville; **Drew Plt.**; East Millinocket; Glenwood Plt.; Lakeville Plt.; Macwahoc Plt.; Medway; Millinocket; Reed Plt.; Topsfield; Vanceboro; Woodville; S.A.D. #30—Lee, Prentiss Plt., Springfield, Webster Plt. and Winn; S.A.D. #31—Burlington, Edinburg, Enfield, Howland, Lowell, Maxfield, Passadumkeag and Seboeis Plt.; S.A.D. #67—Chester, Lincoln and Mattawamkeag.

**Region 4. SOUTHERN PENOBSBOT COUNTY.** Units located in this area are: Alton; Amherst; Aurora; Bangor; Bradley; Brewer; **Dedham**; Glenburn; Grand Falls Plt.; Great Pond Plt.; Greenbush; Greenfield; Hermon; Milford; Old Town; Orono; Orrington; Osborn Plt.; Veazie; S.A.D. #22—Hampden, Newburgh and Winterport; S.A.D. #23—Carmel and Levant; S.A.D. #38—Dixmont and Etna; S.A.D. #63—Clifton, Eddington and Holden; S.A.D. #64—Bradford, Corinth, Hudson, Kenduskeag and Stetson.

**Region 5. HANCOCK COUNTY.** Units located in this area are: Bar Harbor; Blue Hill; Bucksport; Castine; Cranberry Isles; ~~Dedham~~; Ellsworth; Franklin; Gouldsboro; Hancock; Lamaine; Long Island Plt.; Mariaville; Mt. Desert; Orland; Otis; Penobscot; Sorrento; Southwest Harbor; Steuben; Sullivan; Surry; Tremont; Trenton; Winter Harbor; S.A.D. #18—Prospect and Verona; S.A.D. #26—Eastbrook and Waltham; ~~S.A.D. #73~~ Brooklin, Brooksville, Deer Isle, Sedgwick and Stonington; S.A.D. #76—Swan's Island.

**Sec. 22. R. S., T. 20, § 2356-A, sub-§ 5, amended.** The 3rd sentence of the 3rd paragraph from the end of subsection 5 of section 2356-A of Title 20 of the Revised Statutes, as enacted by chapter 605 of the public laws of 1973, is amended to read as follows:

State aid for transportation shall be computed and paid to the cooperative board, treating the regional center as a single administrative unit administrative units of the region in the same proportion that the administrative unit contributes to the vocational education budget of the region.

**Sec. 23. R. S., T. 20, § 2356-A, sub-§ 5, amended.** Subsection 5 of section 2356-A of Title 20 of the Revised Statutes, as enacted by chapter 605 of the public laws of 1973 and as amended, is further amended by adding at the end the following:

Each vocational region authorized and organized under the public laws of 1973, chapter 605, is hereby validated, confirmed, approved and declared legal in all respects, notwithstanding any defect or irregularity which may have occurred in the organization of the region and in the selection of the cooperative board of that region. The actions of the cooperative boards of the vocational regions as organized under the public laws of 1973, chapter 605, as they relate to the preparation of a vocational budget and the allocation of costs to the member units of the vocational region are hereby validated, ratified and confirmed for the 1974 budget year.

**Sec. 24. R. S., T. 20, § 2356-B, sub-§ 2, amended.** Subsection 2 of section 2356-B of Title 20 of the Revised Statutes, as enacted by section 3 of chapter 440 of the public laws of 1965 and as amended, is further amended by adding at the end of the first paragraph the following new sentence:

The State Board of Education is authorized to pay  $\frac{2}{3}$  of the cost of vocational education as set forth in this section for expenditures made during the period July 1, 1973 to December 31, 1973, such payments shall be made subsequent to July 1, 1974.

**Sec. 25. R. S., T. 20, § 3136, sub-§ 4, amended.** Subsection 4 of section 3136 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 609 of the public laws of 1973, is amended to read as follows:

**4. Tuition.** The furnishing of tuition to day or residential schools, instate or out-of state, except that no tuition shall be paid to any school operated by another state agency;

**Sec. 26. R. S., T. 20, § 3457, amended.** The 5th sentence of section 3457 of Title 20 of the Revised Statutes, as amended by section 10 of chapter 589 of the public laws of 1969, is further amended to read as follows:

On the basis of all the reports on file in the office of the commissioner on November 1st and May 1st of each year, the commissioner shall determine the total amount to be paid to all of the School Administrative Districts and other eligible administrative units, for capital outlay purposes, and shall apportion out of moneys appropriated for this purpose, in December and June when payments are due, to the School Administrative Districts and other

eligible administrative units, the same percentage of each administrative unit's expenditures for capital outlay purposes including principal and interest payments and any rental payments under lease agreements between the administrative units and the Maine School Building Authority as each administrative unit would be entitled to receive based on Table II of this section.

**Sec. 27. R. S., T. 20, § 3457, amended.** The 6th paragraph of section 3457 of Title 20 of the Revised Statutes, as enacted by section 2 of chapter 475 of the public laws of 1965 and as amended, is further amended by adding after the first sentence the following new sentence:

**Whenever the commissioner has approved the leasing of school facilities, the annual cost of such a lease to the administrative unit shall be considered as a capital outlay expenditure and shall be eligible for reimbursement the same as any other capital outlay expenditure.**

**Sec. 28. R. S., T. 20, § 3460, amended.** Section 3460 of Title 20 of the Revised Statutes, as enacted by section 2 of chapter 373 of the public laws of 1969 and as repealed and replaced by chapter 552 of the public laws of 1971 and as amended, is further amended by adding at the end the following:

**The State Board of Education is authorized to approve construction of certain school buildings, without obligating the State to pay a share of the costs of such buildings, whenever in the judgment of the board certain portions are to be constructed to fulfill a community service need. The board may approve the construction of facilities when gifts have been received by administrative units without obligating the State to pay a share of the costs of such facilities.**

**Any unit which votes to issue bonds or notes for a school construction project prior to July 1, 1974, shall receive its percentage of school construction aid during the period of construction based upon the percentage of aid that was in effect prior to January 1, 1974. Such aid shall continue until the project is completed in accordance with the established schedule of payments. The unit's share of the cost of the project which is financed by the sale of notes or bonds will be reimbursed to the unit as the notes or bonds and interest become due.**

**Sec. 29. R. S., T. 20, § 3712, sub-§ 1, amended.** Subsection 1 of section 3712 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

**1. Operating costs.** Elementary or secondary operating costs shall include all costs, except transportation, community services, capital outlay, that portion of the tuition costs applicable to the insured value factor in the tuition formulae and debt service, reduced by tuition receipts, expenditures from all federal revenue sources and expenditures for special and vocational education programs as defined in subsection 4.

**Sec. 30. R. S., T. 20, § 3712, sub-§ 8, amended.** Subsection 8 of section 3712 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter

556 of the public laws of 1973, is amended by adding at the end the following new sentences:

Whenever a community school district is organized to educate part of the grades between kindergarten and grade 12, the department shall for the purposes of computing subsidies under sections 3711 to 3713, divide the state valuation adjusted to 100% of each member municipality between that municipality and the community school district in direct proportion to the average number of resident pupils on October 1st and April 1st of the preceding year. The allocation for the separate towns shall be computed on the basis of the resident pupils educated by those towns using the proportional part of the state valuation as determined above. The allocation for the community school district shall be computed based upon the average number of resident pupils educated at the expense of the district using the proportional part of the state valuation as determined above.

Sec. 31. R. S., T. 20, § 3712, sub-§ 10, additional. Section 3712 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended by adding a new subsection 10 to read as follows:

10. Capital outlay. Capital outlay for subsidy purposes shall include that portion of the tuition costs applicable to the insured value factor computed under section 1292 and as computed for elementary school tuition purposes.

Sec. 32. R. S., T. 20, § 3713, sub-§ 1, ¶ C, amended. Paragraph C of subsection 1 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

C. Compute the operating cost for special education programs in the preceding year for programs operated by the administrative unit plus current year expenditures for tuition or board, or both, paid by the unit. A unit's reimbursement may not be lower in 1974-75 than it would have been under the original terms of this section as enacted by chapter 556 of the public laws of 1973. Medical costs shall not be allowable as a part of a tuition charge;

Sec. 33. R. S., T. 20, § 3713, sub-§ 1, ¶ E, amended. Paragraph E of subsection 1 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

E. Record expenditures of the preceding year for transportation of pupils. Reimbursement for such expenditures shall be limited to an amount not in excess of a 7% increase over the preceding year, except said limitation shall not apply to units that did not, in the preceding year, provide transportation for all students living beyond a reasonable walking distance from school. The State Board of Education is authorized to waive the 7% increase limitation whenever unusual circumstances justify such a waiver;

Sec. 34. R. S., T. 20, § 3713, sub-§ 3, ¶ B, amended. The last sentence of paragraph B of subsection 3 of section 3713 of Title 20 of the Revised Stat-

utes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

Each unit may appropriate additional local funds to maintain its average elementary or secondary per pupil operating costs as computed for the 1973-74 school year. Income received by a unit for "B" students under Public Law 874 may be used to meet the unit's share of the funds required under this subsection;

Sec. 35. R. S., T. 20, § 3713, sub-§ 3, ¶ E, amended. The first sentence of paragraph E of subsection 3 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is repealed and the following enacted in place thereof:

Whenever a unit's school tax rate for the preceding year is less than the school tax rate determined by the State Tax Assessor as required in Title 36, sections 451 and 453 and the sum levied by the State Tax Assessor is greater than the unit's school tax rate of the preceding year by more than  $2\frac{1}{2}$  mills on state valuation adjusted to 100%, the commissioner shall notify the municipal officers of the units affected as required by Title 36, section 453.

Sec. 36. R. S., T. 20, § 3713, sub-§ 3, ¶ E, amended. The last paragraph of paragraph E of subsection 3 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is repealed as follows:

~~To the unit's allocation as determined in subsection 2 and this subsection shall be added a sum equal to the difference between the unit's school appropriation of the preceding year plus  $2\frac{1}{2}$  mills and the amount required by the State Tax Assessor in Title 36, sections 451 and 453. A unit's school tax rate as adjusted under this subsection shall be used in determining whether or not future adjustments shall be made in subsequent years. Any adjustment paid to a unit as a result of this subsection shall be credited to the general fund of the unit and may be used for municipal purposes upon proper authorization by that unit. An adjustment under this subsection is not subject to subsections 8 and 9.~~

Sec. 37. R. S., T. 20, § 3713, sub-§ 6, amended. Subsection 6 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended by adding at the end the following new sentence:

The allocations shall further be adjusted in December and June to reflect the current year expenditures for tuition of special education students and the current year expenditure for capital outlay. Local funds expended for capital outlay during the period July 1, 1973, through June 30, 1974 shall be reimbursed between July 1, 1974, and June 30, 1975.

Sec. 38. R. S., T. 20, § 3713, sub-§ 7, amended. The next to the last sentence of subsection 7 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

Whenever a unit has authorized an additional school levy under this section, it shall pay to the Treasurer of State that part of its appropriation which is in excess of \$50, multiplied by the average number of **resident** pupils on October 1st and April 1st of the preceding year, times the authorized additional ~~local school mill levy~~ number of such mills. In 1974 each unit may appropriate a maximum of  $5/24$  of a mill for each month in its fiscal year subsequent to July 1, 1974.

**Sec. 39. R. S., T. 20, § 3713, sub-§ 9, amended.** The first sentence of subsection 9 of section 3713 of Title 20 of the Revised Statutes, as enacted by section 1 of chapter 556 of the public laws of 1973, is amended to read as follows:

Balances of **state and local** allocations at the end of ~~the June 30th~~ each year may be carried forward to meet the next year's school needs in an amount not to exceed 10% of the total **state and local** allocation of the year just completed.

**Sec. 40. R. S., T. 20, § 3715, repealed and replaced.** Section 3715 of Title 20 of the Revised Statutes, as enacted by section 5 of chapter 637 of the public laws of 1973, is repealed and the following enacted in place thereof:

**§ 3715. Special school districts**

Debt service on bonds or notes issued by any school district created by private and special law for the purposes of constructing or adding to school buildings, which district is not responsible for operating public schools, shall be included in the school budget of the administrative unit which operates the school or schools constructed by such districts, and the school committee, board of school directors or other board exercising like functions for such administrative unit shall pay to such district all sums necessary to meet the payments of principal and interest on bonds or notes when due and any maintenance or other costs payable by such district. For the purposes of sections 3457 to 3460 and 3714, any school district to which this section is applicable shall be deemed to be an administrative unit.

**Sec. 41. R. S., T. 20, § 3716, additional.** Title 20 of the Revised Statutes is amended by adding a new section 3716 to read as follows:

**§ 3716. School budget**

All administrative units shall set forth the school budget to include the state and local allocation, maintenance of effort and additional expenditures within the limitations of the statute. A detailed budget document shall be available to the legislative body which has responsibility for final budget approval. The budget document shall contain a summary of anticipated revenues and estimated school expenditures for the fiscal year.

**Sec. 42. R. S., T. 22, § 4719, amended.** The last 3 paragraphs of section 4719 of Title 22 of the Revised Statutes, as enacted by section 53-C of chapter 571 of the public laws of 1973, are repealed and the following enacted in place thereof:

Each school committee shall employ its own personnel and establish and operate a system of fiscal and personnel procedures in accordance with the general law as it applies to administrative units.

All expenditures must be authorized by the school committee. All bills and payrolls must be approved for payment by the superintendent of schools before being paid by the treasurer. The State Controller shall forward monthly to the treasurer such sum as may be requested by him, the annual total not to be in excess of the sum appropriated. The execution of the budget must be carried out within the funds made available and in accordance with the laws and state regulations governing fiscal responsibility. The accounts shall be audited by the State Auditor.

The biennial budgets shall be drawn up by the superintendent and school committee and forwarded to the Commissioner of Educational and Cultural Services for his consideration and recommendation before being submitted to the Legislature.

Sec. 43. R. S., T. 34, § 2906, repealed. Section 2906 of Title 34 of the Revised Statutes, as amended by chapter 48 of the public laws of 1971, is repealed as follows:

§ 2906. Costs

~~For each child admitted to the school, the town in which the child is entitled to school privileges in accordance with Title 20, section 859 shall pay to the State, to be credited to the General Fund, an amount equal to the per capita costs of instruction and equipment in a public elementary school for a normal child in that town.~~

Sec. 44. R. S., T. 36, § 451, repealed and replaced. Section 451 of Title 36 of the Revised Statutes, as last repealed and replaced by section 6 of chapter 556 of the public laws of 1973, is repealed and the following enacted in place thereof:

§ 451. Rate of tax

For necessary expenses of local and State Government, a tax is assessed at the rate of  $14\frac{3}{4}$  mills on the dollar applied to a 100% valuation for the property tax year commencing April 1, 1974,  $9\frac{1}{4}$  mills effective April 1, 1975,  $10\frac{3}{4}$  mills effective April 1, 1976,  $12\frac{1}{4}$  mills effective April 1, 1977, and  $13\frac{3}{4}$  mills effective April 1, 1978, and every year thereafter upon each municipality, township and each lot and parcel of land not included in any township in the State.

In addition to the above, a school tax is assessed which shall be determined as follows: The Commissioner of Educational and Cultural Services with the approval of the State Board of Education shall annually, prior to February 3, certify to the State Tax Assessor the estimated total public school education costs for each school year, July 1st to June 30th. A tax is assessed at a rate that is equivalent to 50% of the estimated total state public school education costs as certified by the commissioner, divided by the total of the most

recent state valuation adjusted upward to the nearest  $\frac{1}{4}$  mill as filed under section 381 at 100% state valuation.

The State Tax Assessor shall determine the tax rate and the amount to be assessed and collected during the year July 1st to June 30th by each municipality, township and lot and parcel of land not included in any township in the State. In any event, such rate shall never exceed whatever shall from time to time be the weighted average municipal tax rate. The "weighted average municipal tax rate" means the total municipal property taxes levied statewide for the previous year, as determined by the State Tax Assessor from the annual return of municipal assessors pursuant to section 383, divided by the state valuation of municipalities in effect for the previous year adjusted to a 100% basis. The valuation as determined by the State Tax Assessor, as set forth in the statement filed by him as provided by section 381, shall be the basis for the computation and apportionment of the tax assessed.

The amount of the school tax determined by the State Tax Assessor, based upon the Commissioner of Educational and Cultural Services' certification, shall be assessed and collected by the municipalities or the State Tax Assessor for the unorganized territories. Said sums shall be collected to cover the period July 1st to June 30th. A sum equivalent to  $\frac{1}{12}$  of the school tax shall be assessed and collected for each month of the municipality's fiscal year which falls after July 1st in the year in which the tax is assessed, and the remaining sum shall be assessed and collected by the municipality in the subsequent months between the end of the municipality's fiscal year and July 1st. A sum equivalent to  $\frac{1}{2}$  of the school tax assessed by the State Tax Assessor for the unorganized territories shall be collected and paid to the Treasurer of State in the tax year assessed and the remaining amount shall be assessed, collected and paid in the subsequent tax year.

Sec. 45. R. S., T. 36, § 453, repealed and replaced. Section 453 of Title 36 of the Revised Statutes, as last repealed and replaced by section 7 of chapter 556 of the public laws of 1973, is repealed and the following enacted in place thereof:

§ 453. Payment of state tax by municipalities

The Treasurer of State, in his said warrants, shall require the said mayor and aldermen, selectmen or assessors, respectively, to pay or to issue their several warrants requiring the collectors of their several municipalities to collect and pay to the treasurers of their respective municipalities the sums against said municipalities required by this subchapter. The municipal treasurer shall pay to the treasurer of the School Administrative District or community school district in quarterly installments that portion of the school tax, levied under section 451, of public school education costs which does not exceed the municipalities share of the allocation as adjusted to the unit by the computation under Title 20, section 3713. The Commissioner of Educational and Cultural Services shall annually, on or before February 15th, notify the municipal officers of the amount of the school tax, if any, which shall be paid to the Treasurer of State. Said municipal treasurer shall pay to the Treasurer of State a sum equivalent to that portion of the school tax

levied under section 451 which exceeds the allocation and adjustments to the unit as computed under Title 20, section 3713. Payments in 1974 of the sums certified by the Commissioner of Educational and Cultural Services shall be paid to the Treasurer of State in 2 equal installments payable on or before the last day of September and the last day of December. For the year 1975 and thereafter, payments shall be made to the Treasurer of State in semi-annual installments payable on or before the 15th day of June and December. The Commissioner of Educational and Cultural Services shall notify the municipal officers of each unit of any necessary change in such payment resulting from adjustments in the State and local allocation.

The Commissioner of Educational and Cultural Services shall, on or before February 15th, notify the municipal officers of the amounts of the school tax, if any, which may be retained for municipal use under the provisions of Title 20, section 3713, subsection 3, paragraph E, which sums shall be disbursed by the municipal treasurer for the necessary expenses of local governments as determined or appropriated within the purposes specified in Title 30.

The tax assessed under the first paragraph of section 451 in each municipality shall be paid when collected to the treasurer thereof to be by him disbursed for necessary expenses of local government as determined or appropriated by the legislative body of such municipality within the purposes specified in Title 30.

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

#### STATEMENT OF FACT

The purpose of this bill is reflected in the emergency preamble.