

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "Q" to COMMITTEE AMENDMENT "A" to H.P. 383, L.D. 499, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2008 and June 30, 2009"

Amend the amendment in Part A in section 32 on page 372 by striking out all of that part relating to "FHM - Head Start 0959" (page 372, lines 24 to 27 in amendment)

Amend the amendment in Part A by inserting after section 33 the following:

'Sec. A-34. Appropriations and allocations. The following appropriations and allocations are made.

HISTORICAL SOCIETY, MAINE
Historical Society 0037
Initiative: BASELINE BUDGET

GENERAL FUND	2007-08	2008-09
All Other	\$54,653	\$54,653
GENERAL FUND TOTAL	<hr/> \$54,653	<hr/> \$54,653

HISTORICAL SOCIETY 0037
PROGRAM SUMMARY

GENERAL FUND	2007-08	2008-09
All Other	\$54,653	\$54,653
GENERAL FUND TOTAL	<hr/> \$54,653	<hr/> \$54,653

HOUSE AMENDMENT

1 Amend the amendment in Part A in section 34 in the first line (page 449, line 23 in
2 amendment) by striking out the following: "Sec. A-34." and inserting the following: 'Sec.
3 A-35.'

4 Amend the amendment in Part JJ in section 3 in the 2nd line (page 673, line 39 in
5 amendment) by striking out the following: "deallocate" and inserting the following:
6 'reduce allotments'

7 Amend the amendment in Part NNNN in section 1 in subsection 3 in the 3rd line
8 (page 743, line 20 in amendment) by striking out the following: "2 or more buildings"
9 and inserting the following: 'building Number 2'

10 Amend the amendment in Part NNNN in section 1 in subsection 3 in the 9th line
11 (page 743, line 26 in amendment) by striking out the following: "2007 but before January
12 1, 2012." and inserting the following: '2008 but before January 1, 2014.'

13 Amend the amendment in Part NNNN in section 1 in subsection 3 in the 12th line
14 (page 743, line 29 in amendment) by striking out the following: "2011" and inserting the
15 following: '2013'

16 Amend the amendment in Part XXXX in section 13 in §1478 in the indented
17 paragraph in the 2nd line (page 769, line 33 in amendment) by striking out the following:
18 "not in conflict with this Title"

19 Amend the amendment in Part XXXX in section 13 in §1481 in the first indented
20 paragraph in the last line (page 771, line 24 in amendment) by striking out the following:
21 "agreement is modified or eliminated." and inserting the following: 'parties to the
22 agreement modify or terminate the agreement.'

23 Amend the amendment in Part XXXX in section 13 in §1481 by inserting at the end
24 (page 771, line 36 in amendment) a new indented paragraph to read:

25 'Notwithstanding any provisions of law to the contrary, a municipality within a
26 regional school unit may raise money and direct the spending of the funds, to a school
27 servicing children from kindergarten to no higher than grade 8.'

28 Amend the amendment in Part XXXX in section 32 in §15696 by striking out all of
29 subsection 1 (page 793, lines 23 to 38 and page 794, lines 1 and 2 in amendment) and
30 inserting the following:

31 '1. Authorized adjustments. Notwithstanding any other provision of this Title, the
32 following adjustments to the calculation of subsidy under chapter 606-B are required
33 beginning July 1, 2009 for a school administrative unit that is not a conforming school
34 administrative unit:

35 A. The school administrative unit is eligible for only 50% of the minimum state
36 allocation under Title 20-A, section 15689, subsection 1;

37 B. The school administrative unit's total cost of education is reduced by adjusting the
38 cost component for system administration under section 15680, subsection 1,
39 paragraph A by half;

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

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

5 Amend the amendment in Part XXXX by inserting after section 23 the following:

6 'Sec. XXXX-24. 20-A MRSA §15671-A, sub-§2, ¶B, as amended by PL 2005,
7 c. 2, Pt. D, §35 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended
8 to read:

9 B. For property tax years beginning on or after April 1, 2005, the commissioner shall
10 calculate the full-value education mill rate that is required to raise the statewide total
11 local share. The full-value education mill rate is calculated for each fiscal year by
12 dividing the applicable statewide total local share by the applicable statewide
13 valuation. The full-value education mill rate must decline over the period from fiscal
14 year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-
15 06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill
16 rate must be applied according to section 15688, subsection 3-A, paragraph A to
17 determine a municipality's local cost share expectation. Full-value education mill
18 rates must be derived according to the following schedule.

19 (1) For the 2005 property tax year, the full-value education mill rate is the
20 amount necessary to result in a 47.4% statewide total local share in fiscal year
21 2005-06.

22 (2) For the 2006 property tax year, the full-value education mill rate is the
23 amount necessary to result in a 46.14% statewide total local share in fiscal year
24 2006-07.

25 (3) For the 2007 property tax year, the full-value education mill rate is the
26 amount necessary to result in a 45.56% statewide total local share in fiscal year
27 2007-08.

28 (4) ~~For~~ Except as provided in subparagraph (6), for the 2008 property tax year
29 and subsequent tax years, the full-value education mill rate is the amount
30 necessary to result in a 45.0% statewide total local share in fiscal year 2008-09
31 and after.

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

36 Amend the amendment in Part XXXX in section 35 by striking out all of subsections
37 1 and 2 (page 794, lines 13 to 42 and page 795, lines 1 to 9 in amendment) and inserting
38 the following:

39 '1. **Meetings to be convened in each career and technical education region.** Not
40 later than July 15, 2007, the Commissioner of Education, or the commissioner's designee,

1 shall convene one or more meetings in each of the career and technical education regions
2 in the State to present information about the requirements of this Part regarding
3 consolidation and collaboration among school administrative units.

4 A. The Commissioner of Education shall provide notice of the meeting or meetings
5 to municipal officials and school officials from the municipalities and school
6 administrative units within the region, as well as to the general public.

7 B. In addition to other information presented at the meeting, the Commissioner of
8 Education shall provide one or more maps showing the suggested alignment of
9 municipalities and other school administrative units designed to increase efficiency
10 and improve educational quality and to meet the requirements of subsection 6.

11 C. Maps presented by the Commissioner of Education and alignment options
12 considered by school administrative unit representatives must reflect:

13 (1) The intent and goals set forth in Title 20-A, section 1451; and

14 (2) The intent that sustainable, long-term administrative efficiencies be achieved
15 by consolidating the current number of school units existing on the effective date
16 of this Act into not more than 80 regional units and that units of at least 2,500
17 resident students must be created except where circumstances justify an
18 exception to that size requirement. When circumstances justify an exception to
19 the requirement of 2,500 students, the unit must serve as close to 2,500 students
20 as possible and in no case, except for offshore islands and schools operated by
21 tribal school committees, may it serve fewer than 1,200 students.

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

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

27 B. A notice of intent to submit an alternative plan that meets the requirements of
28 subsection 6, paragraph F. An alternative plan may be submitted only by a unit that
29 is:

30 (1) An offshore island;

31 (2) A school operated by a tribal school committee pursuant to the Maine
32 Revised Statutes, Title 30, section 6214;

33 (3) A school administrative unit that serves more than 2,500 students, or 1,200
34 students where circumstances justify an exception to the requirement of 2,500
35 students under subsection 6, paragraph A, where expansion of the unit would be
36 inconsistent with the policies set forth in Title 20-A, section 1451; or

37 (4) A school administrative unit that is designated as an efficient, high-
38 performing district. For purposes of this subparagraph, a school administrative
39 unit is designated an "efficient, high-performing district" if:

- 1 (a) It contains at least 3 schools identified as "higher performing" in the May
2 2007 Maine Education Policy Research Institute report "The Identification of
3 Higher and Lower Performing Maine Schools"; and
4 (b) Its reported 2005-2006 per-pupil expenditures for system administration
5 represent less than 4% of its total per-pupil expenditures.'

6 Amend the amendment in Part XXXX in section 35 in subsection 4 in paragraph B
7 (page 795, line 28 in amendment) by inserting at the end the following:

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

11 Amend the amendment in Part XXXX in section 35 by striking out all of subsections
12 6, 7 and 8 (page 796, lines 15 to 41 and page 797, lines 1 to 42 and page 798, lines 1 to
13 19 in amendment) and inserting the following:

14 '6. Parameters. In developing a reorganization plan for school administrative units
15 in existence on the effective date of this Part, the governing bodies of school
16 administrative units shall work within the following parameters.

17 A. The proposed regional school unit must serve not fewer than 2,500 students,
18 except where circumstances relating to the following factors justify an exception:

19 (1) Geography, including physical proximity and the size of the current school
20 administrative unit;

21 (2) Demographics, including student enrollment trends and the composition and
22 nature of communities in the regional school unit;

23 (3) Economics, including existing collaborations to be preserved or enhanced
24 and opportunities to deliver commodities and services to be maximized;

25 (4) Transportation;

26 (5) Population density;

27 (6) Other unique circumstances including the need to preserve existing or
28 developing relationships, meet the needs of students, maximize educational
29 opportunities for students and ensure equitable access to rigorous programs for
30 all students; or

31 (7) If, after performing due diligence to develop a regional plan that meets the
32 2,500 students enrollment requirement, a school administrative unit is unable to
33 achieve the enrollment goal due to the decision of geographically proximate
34 school administrative units to participate in a different regional unit.

35 When circumstances justify an exception to the requirement of 2,500 students, the
36 unit must serve as close to 2,500 students as possible and in no case, except for
37 offshore islands and schools operated by tribal school committees, may it serve fewer
38 than 1,200 students.

- 1 B. The proposed unit, viewed in conjunction with surrounding proposed units, may
2 not result in one or more municipalities being denied the option to join a regional
3 school unit.
- 4 C. The plan must provide comprehensive programming for all students from
5 kindergarten to grade 12 and must include at least one publicly supported secondary
6 school;
- 7 D. The plan must be consistent with the policies set forth in Title 20-A, section 1451;
- 8 E. The plan may not displace teachers or students or close any schools existing and
9 operating during the school year immediately preceding reorganization, except as
10 permitted under section 1512; and
- 11 F. The plan must address how the school administrative unit will reorganize
12 administrative functions, duties and noninstructional personnel so that the projected
13 expenditures of the reorganized school unit in fiscal year 2008-09 for system
14 administration, transportation, special education and facilities and maintenance will
15 not have an adverse impact on the instructional program.

16 **7. Review plans.** If the Commissioner of Education finds that a plan for
17 reorganization meets the requirements of this Part, the commissioner shall notify the
18 municipalities and school administrative units and they shall proceed with referendum.

19 A. If the Commissioner of Education finds that a plan for reorganization is not
20 consistent with subsection 6 and the purposes and goals of this Part, or that it has not
21 adequately addressed the matters set forth in subsection 6, the commissioner shall
22 return the plan to the governing bodies of those school administrative units by
23 December 15, 2007 with specific suggestions for modification of the plan and written
24 findings providing the specific reasons why the plan did not meet with the
25 requirements in this Part.

26 B. Upon the return of a reorganization plan by the Commissioner of Education, the
27 governing body of the school administrative unit shall revise the proposed plan for
28 reorganization to address the commissioner's findings and submit a revised plan for
29 reorganization not more than 30 days after the commissioner returns the plan for
30 revision.

31 C. The Commissioner of Education shall make a determination whether the revised
32 plan for reorganization meets the requirements of this Part not more than 14 days
33 after it is refiled by the unit.

34 D. The Commissioner of Education may not find that a plan for reorganization does
35 not meet the requirements of this Part solely on the ground that a finding that it meets
36 the requirements would cause the number of regional school units in the State to
37 exceed 80.

38 **8. Referendum on reorganization plan.** The municipal officers of each
39 municipality in a proposed reorganized school administrative unit shall place a warrant
40 article substantially as follows on the ballot of a municipal referendum conducted in

1 accordance with the referendum procedures applicable to the school administrative unit
2 of which the municipality is a member. A referendum must be held on or before January
3 15, 2008 for a reorganization plan that was submitted by December 15, 2007 and that the
4 Commissioner of Education found meets the requirements of this Part. A referendum
5 must be held on June 10, 2008 for any plan received or revised after December 15, 2007
6 and subsequently found by the Commissioner of Education to meet the requirements of
7 this Part.

8 "Article: Do you favor approving the school administrative reorganization plan
9 prepared by the (insert name) Reorganization Planning Committee to reorganize
10 (insert names of affected school administrative units) into a regional school unit, with
11 an effective date of _____ ?

12 Yes/No"

13 The following statement must accompany the article:

14 "Explanation:

15 A "YES" vote means that you approve of the (municipality or school administrative
16 unit) joining the proposed regional school unit, which will be provided with the
17 following incentives:

18 More favorable consideration in approval and funding of school construction
19 projects; and

20 Eligibility for additional financial support for reorganization costs.

21 A "NO" vote means that you do not approve of the (municipality or school
22 administrative unit) joining a regional school unit, which will result in the existing
23 (municipality or school administrative unit) receiving the following penalties:

24 Less favorable consideration in approval and funding of school construction
25 projects; and

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

31 The Department of Education shall pay the cost of a referendum conducted before or on
32 January 15, 2008.'

33 Amend the amendment in Part XXXX by inserting after section 46 the following:

34 'Sec. XXXX-47. **Rulemaking for efficient, high-performing districts.** The
35 Commissioner of Education shall adopt major substantive rules, as defined in the Maine
36 Revised Statutes, Title 5, chapter 375, subchapter 2-A, to establish criteria for the
37 identification of efficient, high-performing school districts beginning with the 2008-2009
38 school year. In establishing the criteria, the commissioner must be guided by the criteria
39 used by the Maine Education Policy Research Institute in its 2007 report "The
40 Identification of Higher and Lower Performing Maine Schools" and establish an

1 efficiency factor for per-pupil expenditures for system administration. The commissioner
 2 shall provisionally adopt the rules and submit them to the Joint Standing Committee on
 3 Education and Cultural Affairs no later than December 1, 2007.'

4 Amend the amendment by inserting after Part XXXX the following:

5 **PART YYYY**

6 **Sec. YYYY-1. Appropriations and allocations.** The following appropriations
 7 and allocations are made.

8 **COMMUNITY COLLEGE SYSTEM, BOARD OF TRUSTEES OF THE MAINE**

9 **Maine Community College System - Board of Trustees 0556**

10 Initiative: Adjusts the appropriations in Part A regarding the Maine Community College
 11 System.

12	GENERAL FUND	2007-08	2008-09
13	All Other	(\$1,000,000)	\$1,000,000
14			
15	GENERAL FUND TOTAL	(\$1,000,000)	\$1,000,000

16 **COMMUNITY COLLEGE SYSTEM, BOARD OF**
 17 **TRUSTEES OF THE MAINE**

18	DEPARTMENT TOTALS	2007-08	2008-09
19			
20	GENERAL FUND	(\$1,000,000)	\$1,000,000
21			
22	DEPARTMENT TOTAL - ALL FUNDS	(\$1,000,000)	\$1,000,000

23 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)**

24 **Disproportionate Share - Riverview Psychiatric Center 0733**

25 Initiative: Provides funding for a one-dollar-per-hour stipend for certain staff working in
 26 the Riverview Psychiatric Center's 2 admission units as a continuation of the proposal
 27 included in the fiscal year 2006-07 emergency budget request. This initiative will be self-
 28 funded by a reduction in the All Other line category.

29	GENERAL FUND	2007-08	2008-09
30	Personal Services	\$34,136	\$34,451
31	All Other	(\$34,136)	(\$34,451)
32			
33	GENERAL FUND TOTAL	\$0	\$0

1 **Riverview Psychiatric Center 0105**
 2 Initiative: Provides funding for a one-dollar-per-hour stipend for certain staff working in
 3 the Riverview Psychiatric Center's 2 admission units as a continuation of the proposal
 4 included in the fiscal year 2006-07 emergency budget request. This initiative will be self-
 5 funded by a reduction in the All Other line category.

6	OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
7	Personal Services	\$58,575	\$59,090
8	All Other	(\$58,575)	(\$59,090)
9			
10	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0

11	HEALTH AND HUMAN SERVICES,		
12	DEPARTMENT OF (FORMERLY BDS)		
13	DEPARTMENT TOTALS	2007-08	2008-09
14			
15	GENERAL FUND	\$0	\$0
16	OTHER SPECIAL REVENUE FUNDS	\$0	\$0
17			
18	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

19	SECTION TOTALS	2007-08	2008-09
20			
21	GENERAL FUND	(\$1,000,000)	\$1,000,000
22	OTHER SPECIAL REVENUE FUNDS	\$0	\$0
23			
24	SECTION TOTAL - ALL FUNDS	(\$1,000,000)	\$1,000,000

26 Amend the amendment by relettering or renumbering any nonconsecutive Part letter
 27 or section number to read consecutively.

28 **SUMMARY**

29 This amendment strikes out duplicate language that is properly found on page 370,
 30 lines 11 to 14 in the committee amendment.

31 This amendment inserts the General Fund appropriation for the Maine Historical
 32 Society that was inadvertently omitted from the committee amendment.

33 This amendment also corrects language covering a reduction of allotments.

- 1 This amendment corrects a reference to the building in the Lockwood Mill Historic
2 District in the City of Waterville for which a taxpayer is entitled to a historic
3 rehabilitation tax credit. It also changes the tax years for which the credit is allowed.
- 4 This amendment makes the following changes to Part XXXX:
- 5 1. It amends the language authorizing regional school unit boards to create local
6 school committees by removing unneeded language.
 - 7 2. It clarifies that cost-sharing agreements pursuant to certain laws remain in effect
8 unless the parties to the agreement modify or terminate the agreement.
 - 9 3. It clarifies that a municipality that is part of a regional school unit may raise
10 money and direct the spending of those funds to a school serving children from
11 kindergarten to grade 8.
 - 12 4. It amends the penalty provisions for nonconforming school administrative units
13 by:
 - 14 A. Providing a 50% reduction in the minimum state allocation, rather than the full
15 amount;
 - 16 B. Adjusting the cost component for system administration by half, rather than to
17 zero;
 - 18 C. Removing the ineligibility for the isolated small school adjustment; and
 - 19 D. Removing the percentage increase of the unit's mill rate.
 - 20 5. It adjusts the full-value education mill rate for nonconforming school
21 administrative units.
 - 22 6. It clarifies the intent of the Legislature to achieve sustainable, long-term
23 administrative efficiencies by consolidating the current number of school units into no
24 more than 80 regional units.
 - 25 7. It adds language that allows for an efficient, high-performing district to submit a
26 notice of intent to submit an alternate plan.
 - 27 8. It adds a requirement that school administrative units must exercise due diligence
28 and act in good faith in developing a reorganization plan.
 - 29 9. It allows an exception to the minimum student population parameter for a school
30 administrative unit that has performed due diligence to develop a regional plan but is
31 surrounded by other units that are included in other consolidation plans.
 - 32 10. It removes the percentage reductions under the plan parameters and instead
33 requires reorganizing administrative functions, duties and noninstructional personnel so
34 that projected expenditures will not have an adverse impact on the instructional program.
 - 35 11. It requires written findings by the Commissioner of Education providing specific
36 reasons why a plan does not meet with the requirements of Part XXXX if the plan is
37 returned to the governing body of the affected school administrative units.
 - 38 12. It prohibits the Commissioner of Education from making a finding that a plan
39 does not meet the requirements of Part XXXX solely on the ground that a finding that it

HOUSE AMENDMENT *Q* " to COMMITTEE AMENDMENT "A" to H.P. 383, L.D. 499

1 meets the requirements would cause the number of school administrative units to exceed
2 80.

3 13. It also amends the referendum procedure to provide for a 2nd referendum date of
4 June 10, 2008 for plans that did not meet the requirements of Part XXXX.

5 14. It adds a provision requiring the Commissioner of Education to establish criteria
6 for high-performing and low-performing districts.

7 This amendment enacts a Part YYYY that adjusts the appropriation made in Part A
8 relating to the Maine Community College System and makes an appropriation and an
9 allocation to the Department of Health and Human Services that were inadvertently
10 omitted from the committee amendment.

11 **FISCAL NOTE REQUIRED**

12 (See attached)

13 SPONSORED BY: *Jeremy R. Fischer*

14 (Representative FISCHER)

15 TOWN: Presque Isle



123rd MAINE LEGISLATURE

LD 499

LR 2452(05)

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2008 and June 30, 2009

Fiscal Note for House Amendment "Q" to Committee Amendment "A"

Sponsor: Rep. Fischer of Presque Isle

Fiscal Note Required: Yes

Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings)				
General Fund	(\$1,000,000)	\$1,000,000	\$1,001,061	\$1,002,154
Appropriations/Allocations				
General Fund	(\$1,000,000)	\$1,000,000	\$1,001,061	\$1,002,154
Other Special Revenue Funds	\$0	\$0	\$1,819	\$3,695

Fiscal Detail and Notes

This amendment decreases the General Fund cost of the bill by \$1,000,000 in fiscal year 2007-08 and increases the General Fund cost of the bill by \$1,000,000 in fiscal year 2008-09. Based on available balances, a balanced General Fund budget is maintained.

Part A appropriations inadvertently left out of Part A of the Committee Amendment were accounted for in the fiscal note for the Committee Amendment.