

MAINE STATE LEGISLATURE

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L.D. 499

Date: 06-06-07

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STATE OF MAINE
SENATE
123RD LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "P" 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 XXXX by inserting before section 1 the following:

'Sec. XXXX-1. 20-A MRSA §1, sub-§9-A is enacted to read:

9-A. Education collaborative. "Education collaborative" means an association of school administrative units established pursuant to chapter 114.'

Amend the amendment in Part XXXX in section 1 in subsection 20-A in the last line (page 750, line 2 in amendment) by inserting after "A" the following: 'or chapter 114'

Amend the amendment in Part XXXX in section 5 in subsection 26 in the 3rd line (page 750, line 20 in amendment) by inserting after the following: 'regional school unit' the following: 'education collaborative'

Amend the amendment in Part XXXX in section 5 in subsection 26 in the last line (page 750, line 25 in amendment) by inserting after the following: '103-A' the following: 'and an education collaborative formed pursuant to chapter 114'

Amend the amendment in Part XXXX in section 13 in §1451 in the first paragraph in the last line (page 751, line 14 in amendment) by inserting after the following: 'administration' the following: 'pursuant to this chapter or to support the formation of educational collaboratives pursuant to chapter 114. A regional school unit shall'

Amend the amendment in Part XXXX by striking out all of section 22 and inserting the following:

'Sec. XXXX-22. 20-A MRSA c. 114 is enacted to read:

CHAPTER 114

SENATE AMENDMENT

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REGIONAL COLLABORATION

§2601. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Administrative, instructional and noninstructional functions. "Administrative, instructional and noninstructional functions" includes, but is not limited to, system administration, school administration, special education, transportation and buses and facilities maintenance.

2. Collaborative agreement. "Collaborative agreement" means an agreement to share the responsibility for and cost of the delivery of certain administrative, instructional and noninstructional functions. "Collaborative agreement" includes, but is not limited to:

- A. Shared purchasing or contract agreements;
- B. Agreements for shared staff or staff training;
- C. Agreements to share technology or technology support;
- D. Agreements to provide special education programs and support services;
- E. Agreements to share accounting, payroll and financial management services;
- F. Agreements to coordinate transportation routing and vehicle maintenance;
- G. Agreements to share food service planning and purchasing; and
- H. Agreements to coordinate energy and facilities management.

3. Education collaborative. "Education collaborative" means an association of school administrative units established through a collaborative agreement as described in section 2602.

§2602. Formation of education collaborative; development of collaborative agreements

1. Authorization. A school administrative unit may enter into collaborative agreements with other school administrative units to form an education collaborative and, whenever possible, may enter into collaborative agreements with local and county governments and State Government, to achieve efficiencies and reduce costs in the delivery of administrative, instructional and noninstructional functions.

2. Alternative to regional school unit. An education collaborative formed pursuant to this chapter is an alternative to a regional school unit formed pursuant to chapter 103-A.

3. Formation. By January 1, 2008, each school administrative unit wishing to form an education collaborative must enter into a written collaborative agreement with 2 or more other school administrative units of its choosing to conduct shared education programs and services as described in section 2601, subsection 2. An association of school administrative units formed pursuant to this chapter is an education collaborative.

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1 4. Shared services plan. By July 1, 2008, each education collaborative formed
2 pursuant to this chapter shall submit plans to the Commissioner of Education, by the
3 process established by its collaborative agreement required under this section to provide
4 shared education services for the 2008-2009 school year in at least 3 of the 8 areas
5 described in section 2601, subsection 2 or approved by the commissioner. The plan must
6 include proposed cost savings estimates. The Department of Education shall adopt
7 routine technical rules in accordance with Title 5, chapter 375, subchapter 2-A regarding
8 the nature of the shared service plans and the requirements for approval by the
9 commissioner. A shared services plan may be altered pursuant to procedures set out in
10 the departmental rules.

11 **§2603. Collaborative agreement requirements**

12 1. Elements. The written agreement that forms the basis of an education
13 collaborative must set forth:

- 14 A. The programs and services that are covered by the agreement;
- 15 B. The financial terms and conditions of membership of the education collaborative;
- 16 C. The method of termination of the education collaborative;
- 17 D. The procedure for withdrawal of member school administrative units from the
18 education collaborative;
- 19 E. The procedure for admitting new members;
- 20 F. The procedure for amending the collaborative agreement;
- 21 G. The powers and duties of the board of directors of the education collaborative to
22 operate and manage the education collaborative; and
- 23 H. Any other matter not incompatible that law that the member school administrative
24 units determine advisable.

25 2. Approval required. The written agreement as set out in subsection 1 is subject to
26 the approval of the member school administrative units and the commissioner.

27 **§2604. Board of directors**

28 An education collaborative is managed by a board of directors.

29 1. Composition. The board of directors of an education collaborative must consist
30 of one member appointed by each member school administrative unit. Each member
31 must be either a school board member or a school board member's designee or the
32 superintendent of schools or the superintendent's designee. A member of the board of
33 directors is entitled to a vote according to the terms of the education collaborative
34 agreement.

35 2. Powers. The board of directors of an education collaborative may:

- 36 A. Borrow money, enter into long-term or short-term loan agreements or mortgages
37 and apply for state, federal or corporate grants or contracts to obtain funds necessary
38 to carry out the purpose for which the collaborative is established if the board of
39 directors determines that any such borrowing, loan or mortgage is cost-effective and

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1 in the best interest of the collaborative and its member school administrative units.
2 Any borrowing, loans or mortgages must be consistent with the written collaborative
3 agreement and articles of incorporation, if any, of the education collaborative and
4 with standard lending practices; and

5 B. Employ an executive officer who shall serve under the general direction of the
6 board of directors and who is responsible for the care and supervision of the
7 education collaborative.

8 **3. Departmental liaison.** The department shall appoint a liaison to serve in an
9 advisory capacity to the education collaborative board of directors. The liaison may not
10 vote on any matter that comes before the board of directors of an education collaborative.

11 **4. Trust fund authorized.** A board of directors of an education collaborative shall
12 establish and manage a trust fund, to be known as an education collaborative trust fund,
13 and each such fund must be designated by an appropriate name. All money contributed
14 by the member school administrative units and all grants or gifts from the Federal
15 Government, State Government, charitable foundations, private corporations or any other
16 source must be paid to the board of directors of the education collaborative and deposited
17 in the trust fund.

18 **5. Treasurer.** The board of directors of the education collaborative shall appoint a
19 treasurer who may be a treasurer of a member school administrative unit. A member of
20 the board of directors of the education collaborative may not serve as treasurer of the
21 collaborative.

22 A. The treasurer may, subject to the direction of the board of directors of the
23 education collaborative, receive and disburse money of the trust fund without further
24 appropriation.

25 B. The treasurer shall give bond annually for the faithful performance of the
26 treasurer's duties in a form approved by the Department of Administrative and
27 Financial Services and in a sum, not less than the amount established by the
28 department, as the board of directors of the education collaborative determines.

29 C. The board of directors of the education collaborative may pay compensation to
30 the treasurer for the treasurer's services.

31 D. The treasurer may make appropriate investments of the money of the education
32 collaborative trust fund consistent with the collaborative agreement.

33 **6. Public employer.** The board of directors of the education collaborative is deemed
34 to be a public employer and may employ personnel, including teachers, to carry out the
35 purposes and functions of the education collaborative.

36 **7. Public entity.** The education collaborative is deemed to be a public entity and has
37 standing to sue and be sued to the same extent as does a school administrative unit. An
38 education collaborative, acting through its board of directors, may enter into contracts for
39 the purchase of supplies, materials and services and for the purchase or leasing of land,
40 buildings and equipment as considered necessary by the board of directors.

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1 **§2605. Prepayment by member units**

2 A school board of any member school administrative unit may authorize the
3 prepayment of money for any education program or service of the education collaborative
4 to the treasurer of an education collaborative, and the treasurer of the member school
5 administrative shall approve and pay such money in accordance with the authorization of
6 the school board.

7 **§2606. Collaborative agreements between previous education units**

8 A collaborative agreement between 2 or more previous education units may remain in
9 effect after July 1, 2008. Notwithstanding any other provision of law to the contrary,
10 collaborative agreements in existence on the effective date of this section may be
11 extended or modified by the parties to the collaborative agreement.'

12 Amend the amendment in Part XXXX in section 28 by striking out all of subsection 2
13 (page 791, lines 10 to 18 in amendment) and inserting the following:

14 **'2. Member municipalities in school administrative districts, community school**
15 **districts, regional school units; educational collaborative; total costs.** For each
16 municipality that is a member of a school administrative district or, community school
17 district, regional school unit or member school administrative unit within an education
18 collaborative, the commissioner shall annually determine each municipality's total cost of
19 education. A municipality's total cost of education is the school administrative district's
20 or, community school district's, regional school unit's or an education collaborative
21 member school administrative unit's total cost of education multiplied by the percentage
22 that the municipality's most recent calendar year average pupil count is to the school
23 administrative district's or, community school district's, regional school unit's or an
24 education collaborative member school administrative unit's most recent calendar year
25 average pupil count.'

26 Amend the amendment in Part XXXX in section 29 in subsection 3-A in paragraph B
27 in the 2nd line (page 791, line 32 in amendment) by striking out the following: "or
28 regional school unit" and inserting the following: ', regional school unit or member
29 school administrative unit within an education collaborative'

30 Amend the amendment in Part XXXX in section 29 in subsection 3-A in paragraph
31 B-1 in the first line (page 791, line 38 in amendment) by inserting after the following:
32 "regional school unit" the following: 'or a member school administrative unit within an
33 education collaborative'

34 Amend the amendment in Part XXXX in section 29 in subsection 3-A in paragraph C
35 in the 2nd line (page 792, line 6 in amendment) by inserting after the following: "school
36 unit" the following: 'or a member school administrative unit within an education
37 collaborative'

38 Amend the amendment in Part XXXX in section 30 in paragraph B in the first and
39 2nd lines (page 792, lines 19 and 20 in amendment) by striking out the following: "or a
40 regional school unit" and inserting the following: ', a regional school unit or a member
41 school administrative unit within an education collaborative'

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1 Amend the amendment in Part XXXX in section 30 in paragraph B in the 3rd line
2 (page 792, line 21 in amendment) by striking out the following: "school unit" and
3 inserting the following: 'or a member school administrative unit within an education
4 collaborative'

5 Amend the amendment in Part XXXX by striking out all of section 32 and inserting
6 the following:

7 'Sec. XXXX-32. 20-A MRSA §15696 is enacted to read:

8 **§15696. Penalties for nonconforming school administrative units**

9 **1. Authorized adjustments.** Notwithstanding any other provision of this Title, the
10 following adjustments to the calculation of subsidy under chapter 606-B are required
11 beginning July 1, 2009 for a school administrative unit that is not a conforming school
12 administrative unit or that is not a member of an education collaborative by January 1,
13 2008 or that fails to approve a shared service plan by July 1, 2008 as described in section
14 2601, subsection 4.

15 **A.** The school administrative unit's total cost of education is reduced by adjusting the
16 cost component for system administration under section 15680, subsection 1,
17 paragraph A to zero.'

18 Amend the amendment in Part XXXX by striking out all of section 35 and inserting
19 the following:

20 'Sec. XXXX-35. **Legislative intent and policy.** This Part establishes the
21 process for increasing the efficiency and effectiveness of school administrative units by
22 providing a process for reorganizing them into regional school units or education
23 collaboratives that meet the policies set forth in the Maine Revised Statutes, Title 20-A,
24 section 1451 and by assisting units to develop more efficient structures for providing
25 administrative services.

26 **1. Meetings to be convened in each career and technical education region.** Not
27 later than July 15, 2007, the Commissioner of Education, or the commissioner's designee,
28 shall convene one or more meetings in each of the career and technical education regions
29 in the State to present information about the requirements of this Part regarding
30 consolidation and collaboration among school administrative units.

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

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

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

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

1 (2) The intent that school units existing on the effective date of this Act be
2 reorganized into not more than 80 regional units or education collaboratives and
3 that units of at least 2,500 resident students be created except where
4 circumstances justify an exception to that size requirement. When circumstances
5 justify an exception to the requirement of 2,500 students, the unit or education
6 collaborative must serve as close to 2,500 students as possible and in no case,
7 except for offshore islands and schools operated by tribal school committees,
8 may it serve fewer than 1,200 students.

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

11 A. A notice of intent to engage in planning and negotiations with other school
12 administrative units for the purpose of developing a reorganization plan to form a
13 regional school unit or education collaborative under this Part and Title 20-A, chapter
14 103-A or chapter 114; or

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

18 (1) An offshore island;

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

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

25 The Commissioner of Education shall respond to each notice of intent by September 15,
26 2007, indicating whether the intended action complies with the requirements of this Part.

27 **3. Reorganization planning committee.** Municipalities that intend to engage in
28 planning and negotiation to create a regional school unit or education collaborative shall
29 form a reorganization planning committee.

30 A. For each proposed regional school unit or education collaborative, the
31 Commissioner of Education shall provide guidelines for the formation of a
32 reorganization planning committee including representation from the school
33 administrative units in existence on the effective date of this Part, member
34 municipalities and members of the general public who are residents of the proposed
35 regional school unit or education collaborative. The guidelines must include roles
36 and responsibilities of the committee, timelines for submission of the plan, the format
37 for reporting the reorganization plan and evaluation criteria for approval of the plan.

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

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

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- 1 A. Its proposed reorganization plan for consolidation into a regional school unit or
- 2 education collaborative that meets the requirements of subsections 5 and 6; or
- 3 B. Its proposed plans for reducing the cost of services within the school
- 4 administrative unit to meet the requirements of subsection 6, paragraph F.
- 5 **5. Content.** A reorganization plan must include:
- 6 A. The units of school administration to be included in the proposed regional school
- 7 unit or education collaborative;
- 8 B. The size, composition and apportionment of the governing body;
- 9 C. The method of voting of the governing body;
- 10 D. The composition, powers and duties of any local school committees to be created;
- 11 E. The disposition of real and personal school property;
- 12 F. The disposition of existing school indebtedness and lease-purchase obligations if
- 13 the parties elect not to use the provisions of section 1506 regarding the disposition of
- 14 debt obligations;
- 15 G. The assignment of school personnel contracts, school collective bargaining
- 16 agreements and other school contractual obligations;
- 17 H. The disposition of existing school funds and existing financial obligations,
- 18 including undesignated fund balances, trust funds, reserve funds and other funds
- 19 appropriated for school purposes;
- 20 I. A transition plan that addresses the development of a budget for the first school
- 21 year of the reorganized unit and interim personnel policies;
- 22 J. Documentation of the public meeting or public meetings held to prepare or review
- 23 the reorganization plan;
- 24 K. An explanation of how units that approve the reorganization plan will proceed if
- 25 one or more of the proposed members of the regional school unit or education
- 26 collaborative fail to approve the plan;
- 27 L. An estimate of the cost savings to be achieved through formation of a regional
- 28 school unit or education collaborative and how costs will be reduced; and
- 29 M. Such other matters as the governing bodies of the school administrative units in
- 30 existence on the effective date of this Part may determine to be necessary.
- 31 **6. Parameters.** In developing a reorganization plan for school administrative units
- 32 in existence on the effective date of this Part, the governing bodies of school
- 33 administrative units shall work within the following parameters:
- 34 A. The proposed regional school unit or education collaborative must serve not
- 35 fewer than 2,500 students, except where circumstances relating to the following
- 36 factors justify an exception:
 - 37 (1) Geography, including physical proximity and the size of the current school
 - 38 administrative unit;
 - 39 (2) Demographics, including student enrollment trends and the composition and
 - 40 nature of communities in the regional school unit;

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- 1 (3) Economics, including existing collaborations to be preserved or enhanced
- 2 and opportunities to deliver commodities and services to be maximized;
- 3 (4) Transportation;
- 4 (5) Population density; or
- 5 (6) Other unique circumstances including the need to preserve existing or
- 6 developing relationships, meet the needs of students, maximize educational
- 7 opportunities for students and ensure equitable access to rigorous programs for
- 8 all students.

9 When circumstances justify an exception to the requirement of 2,500 students, the
10 unit or education collaborative must serve as close to 2,500 students as possible and
11 in no case, except for offshore islands and schools operated by tribal school
12 committees, may it serve fewer than 1,200 students;

13 B. The proposed unit or education collaborative, viewed in conjunction with
14 surrounding proposed units, may not result in one or more municipalities being
15 denied the option to join a regional school unit or education collaborative;

16 C. The plan must provide comprehensive programming for all students from
17 kindergarten to grade 12 and must include at least one publicly supported secondary
18 school;

19 D. The plan must be consistent with the policies set forth in Title 20-A, section 1451;

20 E. The plan may not displace teachers or students or close any schools existing and
21 operating during the school year immediately preceding reorganization, except as
22 permitted under section 1512; and

23 F. The plan must reorganize administrative functions, duties and noninstructional
24 personnel in order that the following be accomplished:

25 (1) The projected expenditures of the reorganized school unit or education
26 collaborative in fiscal year 2008-09 for transportation, special education and
27 facilities and maintenance must be 5% less than the projected transportation,
28 special education and facilities and maintenance expenditures of each of the
29 participating school administrative units in fiscal year 2007-08; and

30 (2) The projected expenditures of the reorganized school unit or education
31 collaborative in fiscal year 2008-09 for system administration must be no more
32 than the legislatively approved essential programs and services system
33 administration rate established for fiscal year 2008-09.

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

38 A. If the Commissioner of Education finds that a plan for reorganization is not
39 consistent with subsection 6 and the purposes and goals of this Part, or that it has not
40 adequately addressed the matters set forth in subsection 6, the commissioner shall
41 return the plan to the governing bodies of those school administrative units by
42 December 15, 2007 with specific suggestions for modification of the plan.

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

6 C. The Commissioner of Education shall approve or disapprove the revised plan for
7 reorganization not more than 14 days after it is refiled by the unit.

8 **8. Referendum on reorganization plan.** The municipal officers of each
9 municipality in a proposed reorganized school administrative unit shall place a warrant
10 article substantially as follows on the ballot of a municipal referendum conducted on
11 January 15, 2008 in accordance with the referendum procedures applicable to the school
12 administrative unit of which the municipality is a member.

13 "Article: Do you favor approving the school administrative reorganization plan
14 prepared by the (insert name) Reorganization Planning Committee to reorganize
15 (insert names of affected school administrative units) into a regional school unit or
16 education collaborative, with an effective date of _____?"

17 Yes/No"

18 The following statement must accompany the article:

19 "Explanation:

20 A "YES" vote means that you approve of the (municipality or school administrative
21 unit) joining the proposed regional school unit or education collaborative, which will
22 be provided with the following incentives:

23 More favorable consideration in approval and funding of school construction
24 projects; and

25 Eligibility for additional financial support for reorganization costs.

26 A "NO" vote means that you do not approve of the (municipality or school
27 administrative unit) joining a regional school unit or education collaborative, which
28 will result in the existing (municipality or school administrative unit) receiving the
29 following penalties:

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

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

38 **9. Results of referendum.** Each school administrative unit shall report the results of
39 the referendum to the Department of Education.

40 A. A reorganization plan is approved by a kindergarten to grade 12 school
41 administrative district or a kindergarten to grade 12 community school district if the
42 majority of votes cast in the district are in favor of approval of the plan.

1 B. A reorganization plan is approved by the member municipalities of a
2 nonkindergarten to grade 12 community school district if the majority of votes cast in
3 the member municipalities is in favor of approval of the plan. Approval results in all
4 member municipalities joining the regional school unit or education collaborative for
5 all purposes for kindergarten to grade 12.

6 C. A municipal school unit, including a municipal school unit that is a member of a
7 school union, approves a reorganization plan if the majority of the votes cast in that
8 municipality are in favor of approval of the plan.

9 D. If a reorganization plan is approved by all of the affected school administrative
10 units, or by the school administrative units considered sufficient under the proposed
11 units' reorganization plan, the Commissioner of Education shall file notice of
12 approval of the unit with the State Board of Education.

13 **10. Certificate of organization.** If a plan or revised plan for reorganization has
14 been approved by the Commissioner of Education and approved by voters at the
15 referendum, the State Board of Education shall issue a certificate of organization to the
16 school administrative units that are reorganized into regional school units or education
17 collaboratives.

18 **11. Result of disapproval at January 2008 referendum.** A school administrative
19 unit that rejects a proposed reorganization plan at the January 15, 2008 referendum or at a
20 subsequent referendum on or before November 4, 2008 may restart the process to form a
21 regional school unit or education collaborative with the same or other school
22 administrative units and may seek assistance from the Department of Education to
23 prepare another reorganization plan.

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

27 B. The penalties set forth in Title 20-A, section 15696 apply to any school
28 administrative unit that fails to approve a reorganization plan on or before November
29 4, 2008 and to implement that plan by July 1, 2009.

30 **12. Reformulation of school administrative district as regional school union or**
31 **education collaborative.** Not later than December 1, 2008, the Commissioner of
32 Education shall notify any school administrative district that has not voted to form a
33 regional school unit or education collaborative on or before November 4, 2008 that the
34 school administrative district must be recreated as a regional school unit or must enter
35 into an education collaborative under Title 20-A, chapter 103-A or chapter 114, effective
36 July 1, 2009. Notwithstanding any other provision of law, a school administrative district
37 may be changed to a regional school unit or enter into an education collaborative upon
38 notice to the State Board of Education without dissolving the school administrative
39 district.'

40 Amend the amendment in Part XXXX in section 36 in subsection 1 in the first line
41 (page 799, line 19 in amendment) by inserting after the following: "reorganization" the
42 following: 'or formation of an education collaborative'

2.018

SENATE AMENDMENT "P" to COMMITTEE AMENDMENT "A" to H.P. 383, L.D. 499

1 Amend the amendment in Part XXXX in section 36 in subsection 3 in the 3rd line
2 (page 799, line 27 in amendment) by inserting after the following: "plans" the following:
3 'or plans to form education collaboratives'

4 Amend the amendment in Part XXXX in section 36 in subsection 5 in the 3rd line
5 (page 799, line 35 in amendment) by inserting after the following: "reorganization" the
6 following: 'or formation of an education collaborative'

7 Amend the amendment in Part XXXX by striking out all of sections 38 and 39 and
8 inserting the following:

9 **'Sec. XXXX-38. Adjustment for regional school unit or education**
10 **collaborative start-up costs.** The Commissioner of Education shall establish an
11 adjustment for the fiscal year 2008-09 to support the start-up costs associated with the
12 reorganization of school administrative units to regional school units or education
13 collaboratives in accordance with the Maine Revised Statutes, Title 20-A, chapter 103-A
14 or chapter 114.'

15 Amend the amendment in Part XXXX in section 42 by striking out all of subsections
16 1 and 2 (page 801, lines 33 to 44 in amendment) and inserting the following:

17 **'1. Operational date.** A regional school unit board of directors or education
18 collaborative board of directors becomes operational on the date set by the State Board of
19 Education as provided in the Maine Revised Statutes, Title 20-A, chapter 103-A or
20 chapter 114.

21 **2. Transfer of governing authority; regional school units or education**
22 **collaboratives approved prior to January 16, 2008.** This subsection applies to regional
23 school units or education collaboratives approved prior to January 16, 2008.

24 A. The regional school unit board of directors, on the date established in subsection
25 1, shall assume responsibility for the management and control of the public schools
26 and programs within the school administrative units in existence prior to July 1, 2008
27 that are within the regional school unit. Those school administrative units in
28 existence prior to July 1, 2008, on the date established in subsection 1, have no
29 further responsibility for the operation or control of the public schools and programs
30 within the school administrative unit except those pursuant to section 1481.

31 B. The education collaborative board of directors, on the date established in
32 subsection 1, shall assume responsibility of the programs as described in the
33 collaborative agreement reached pursuant to Title 20-A, section 2601 within the
34 school administrative units in existence prior to July 1, 2008 that are within the
35 education collaborative.'

36 Amend the amendment in Part XXXX by striking out all of section 43.

37 Amend the amendment in Part XXXX in section 46 in the 5th line (page 807, line 19
38 in amendment) by inserting after the following: "legislation to" the following: 'require
39 that all school administrative units to send their budgets out to referendum and to'

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SENATE AMENDMENT "P" to COMMITTEE AMENDMENT "A" to H.P. 383, L.D. 499

1 Amend the amendment in Part XXXX in section 46 in the 6th line (page 807, line 20
2 in amendment) by inserting after the following: "governance" the following: 'or to form
3 an education collaborative'

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

5 '**Sec. XXXX-47. School budgets.** Notwithstanding any provision of law to the
6 contrary, school administrative unit budgets developed after January 1, 2008 must follow
7 the same school budget requirements as regional school units pursuant to the Maine
8 Revised Statutes, Title 20-A, chapter 103-A.

9 **1. Cost center summary budget format.** After January 31, 2008, the format of the
10 annual budget of a school administrative unit must be in accordance with this subsection.

11 A. The budget for a school administrative unit must consist of the cost centers and
12 supporting data for:

13 (1) Expenditures for those areas set out in Title 20-A, section 2601, subsection 2;

14 (2) Revenue sources in accordance with the school administrative unit;

15 (3) A summary of total expenditures; and

16 (4) For fiscal year 2008-09, data documenting state and local savings from the
17 formation of an education collaborative or the reorganization into a regional
18 school unit and the resulting mill rate reduction for each member municipality.

19 B. The warrant articles presented to the board of directors of the school
20 administrative unit for approval of the budget must correspond to the categories
21 of the cost center summary budget described in this subsection. In addition to
22 expenditure and revenue cost center summary totals, the board of directors shall
23 provide to voters a reasonably detailed breakdown for each major subcategory
24 within each budget category. The Department of Education shall adopt routine
25 technical rules pursuant to Title 5, chapter 375, subchapter 2-A defining and
26 establishing the content of those informational subcategories.

27 C. A school administrative unit cost center summary budget must be approved at
28 a budget meeting and by a budget validation referendum as provided in
29 subsection 2.

30 D. During the year for which the budget is approved using the cost center
31 summary budget format, the board of directors of an school administrative unit
32 may transfer an amount not exceeding 5% of the total appropriation for any cost
33 center to another cost center or among other cost centers without voter approval.

34 **2. Budget validation referendum.** After January 31, 2008, the procedure for
35 approval of the annual budget of a school administrative unit must be in accordance with
36 this subsection and subsection 1.

37 A. Following development of the annual budget for a school administrative unit and
38 approval at a budget meeting as provided in subsection 1, a referendum must be held
39 in the member school administrative units as provided in this section to allow the
40 voters to validate or reject the total budget adopted at the budget meeting.

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1 Every 3 years, the voters in a school administrative unit shall consider continued use
2 of the budget validation referendum process. The warrant at the budget validation
3 referendum in the 3rd year following adoption or continuation of the referendum
4 process must include an article by which the voters of the member school
5 administrative units may indicate whether they wish to continue the process for
6 another 3 years. A vote to continue retains the process for 3 additional years. A vote
7 to discontinue the process ends its use beginning with the following budget year and
8 prohibits its reconsideration for at least 3 years.

9 B. The budget validation referendum must be held on or before the 10th day, other
10 than Saturday, Sunday or a legal holiday, following the scheduled date of the school
11 administrative unit budget meeting. The vote at referendum is for the purpose of
12 approving or rejecting the total school administrative unit budget approved at the
13 school administrative unit budget meeting. The board of trustees shall provide
14 printed information to be displayed at polling places to assist voters in voting. That
15 information is limited to the total amounts proposed by the board of trustees of the
16 school administrative unit for each cost center summary budget category article, the
17 amount approved at the budget meeting, a summary of the total authorized
18 expenditures and, if applicable because of action on an article under Title 20-A,
19 section 15690, subsection 3, paragraph A, a statement that the amount approved at
20 the budget meeting includes locally raised funds over and above a member school
21 administrative unit's local contribution to the total cost of funding public education
22 from kindergarten to grade 12 as described in the Essential Programs and Services
23 Funding Act.

24 C. The method of calling and voting at a budget validation referendum is as provided
25 in Title 20-A, sections 1503 and 1504, except as otherwise provided in this paragraph
26 or as is inconsistent with other requirements of this subsection.

- 27 (1) A public hearing is not required before the vote.
- 28 (2) The warrant for a school administrative unit budget meeting to be followed
29 by a budget validation referendum may be a consolidated warrant covering both.
- 30 (3) The warrant and absentee ballots must be delivered to the municipal clerk at
31 least 7 days before the date of the school administrative unit budget meeting.
- 32 (4) Absentee ballots received by the municipal clerk may not be processed or
33 counted unless received after the conclusion of the school administrative unit
34 budget meeting and before the close of the polls.
- 35 (5) All envelopes containing absentee ballots received before the conclusion of
36 the school administrative unit budget meeting or after the close of the polls must
37 be marked "rejected" by the municipal clerk.

38 **3. Failure to approve budget.** If the voters do not validate the budget approved in
39 the school administrative unit budget meeting at the budget validation referendum vote,
40 the board of directors of the school administrative unit shall hold another school
41 administrative unit budget meeting in accordance with this subsection and subsection 1 at
42 least 10 days after the referendum to vote on a budget approved by the school
43 administrative unit board. The budget approved at the education collaborative budget
44 meeting must be submitted to the voters for validation at referendum in accordance with

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1 this section. The process must be repeated until a budget is approved at a school
2 administrative unit budget meeting and validated at referendum. If a budget is not
3 approved and validated before July 1st of each year, subsection 4 applies.

4 **4. Failure to pass.** If a budget for a school administrative unit is not approved prior
5 to July 1st, the latest budget as submitted by the board of the directors of the school
6 administrative unit is automatically considered the budget for operational expenses for
7 the ensuing year until a final budget is approved, except that, when the board of trustees
8 of the school administrative unit delays the budget meeting, the operating budget must be
9 approved within 30 days of the date the Commissioner of Education notifies the board of
10 trustees of the school administrative unit of the amount allocated to a school
11 administrative unit or the latest budget submitted by the board of trustees of the school
12 administrative unit becomes the operating budget for the next school year.

13 **5. Special budget meeting.** The board of trustees of the school administrative unit
14 may call a special budget meeting when it declares that an emergency exists. The voters
15 of the member school administrative units may authorize the board of trustees of the
16 school administrative unit at a special budget meeting to expend additional funds from
17 the school administrative unit's undesignated fund balance or to pledge the credit of the
18 school administrative unit to obtain additional money for the operation of schools. A
19 special budget meeting held on or after July 1, 2008 must be conducted in accordance
20 with subsections 1 and 2.'

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

23 **SUMMARY**

24 This amendment provides another choice to local school administrative units. Besides
25 the regional school districts established in the committee amendment, this amendment
26 also sets up parameters to allow 2 or more school administrative units to form an
27 education collaborative. By July 1, 2008, each school administrative unit that wishes to
28 form an education collaborative must submit a plan to share education services in 3 of 8
29 possible areas, such as administration, transportation or facilities management. These
30 collaborative programs must be in place for the 2008-2009 school year. The amendment
31 provides guidance on the formulation of the education collaborative and how such an
32 entity is governed. As in the committee amendment, existing collaborative agreements
33 are allowed to remain in place and an education collaborative is allowed to share services
34 with municipalities, counties and other governmental and quasi-governmental entities to

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1 generate further savings. The amendment also retains the 5% savings proposed in the
2 committee amendment and the cost center summary budget formation and budget
3 validation referendum procedures.

4
5

FISCAL NOTE REQUIRED

(See attached)

6
7
8

SPONSORED BY: 

(Senator WESTON)

COUNTY: Waldo

SENATE AMENDMENT



123rd MAINE LEGISLATURE

LD 499

LR 2452(34)

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 Senate Amendment "P" to Committee Amendment "A"

Sponsor: Sen. Weston of Waldo

Fiscal Note Required: Yes

Fiscal Note

No net fiscal impact

Fiscal Detail and Notes

This amendment does not affect General Fund appropriations during the 2008-2009 biennium and a balanced budget is maintained.