

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 702

H.P. 533

House of Representatives, February 12, 2007

### **An Act To Allow Municipalities To Establish Foundations To Support Education**

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Reference to the Committee on State and Local Government suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative HOLMAN of Fayette.  
Cosponsored by Senator McCORMICK of Kennebec and  
Representatives: CROSTHWAITE of Ellsworth, Speaker CUMMINGS of Portland,  
FAIRCLOTH of Bangor, FLOOD of Winthrop, JOY of Crystal, TARDY of Newport,  
Senators: BENOIT of Sagadahoc, BRANNIGAN of Cumberland.

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

2 **Sec. 1. 30-A MRSA §5652, first ¶**, as enacted by PL 1987, c. 737, Pt. A, §2 and  
3 Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is  
4 further amended to read:

5 The municipal officers may accept a donation of money to the municipality to  
6 supplement a specific appropriation already made, to reduce the tax assessment, to endow  
7 a municipal education foundation pursuant to section 5724, subsection 10 or to reduce the  
8 permanent debt.

9 **Sec. 2. 30-A MRSA §5652, sub-§2** is enacted to read:

10 **2. Funding municipal education foundations.** A municipality may accept  
11 endowment funds from citizens, estates, municipal contributions and bond money to fund  
12 a municipal education foundation to support local education pursuant to section 5724,  
13 subsection 10. The foundation may not spend the funds until it meets certain growth  
14 standards recommended by the Executive Department, State Planning Office.

15 **Sec. 3. 30-A MRSA §5724, sub-§10** is enacted to read:

16 **10. Municipal education foundations.** A municipal education foundation is  
17 established with the assistance of the Executive Department, State Planning Office and  
18 must contain the following provisions.

19 A. The endowment of a municipal education foundation is funded by contributions  
20 by citizens, estates, municipalities and bond money if the foundation meets the  
21 Executive Department, State Planning Office standards pursuant to section 5652,  
22 subsection 2.

23 B. Trustees of a municipal education foundation must be citizens of the municipality  
24 and contain at least one member who is a teacher or administrator in the  
25 municipality's education system to be a liaison between the school system and the  
26 municipal education foundation.

27 **Sec. 4. Executive Department, State Planning Office to create template.**  
28 The Executive Department, State Planning Office shall create a template for  
29 municipalities to use in establishing municipal education foundations pursuant to the  
30 Maine Revised Statutes, Title 30-A, section 5724, subsection 10. The template must  
31 include:

- 32 1. Recommendations for the structure of the board and bylaws of the municipal  
33 education foundation;
- 34 2. Standards for a municipality to have reached in order to qualify for endowment  
35 funds from any dedicated bond proceeds to act as seed money of at least \$20,000 to  
36 begin the municipal education foundation; and
- 37 3. Recommendations of investment standards to the municipalities.

**SUMMARY**

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2       This bill authorizes the establishment of municipal education foundations to support  
3 education. The bill directs the Executive Department, State Planning Office to establish a  
4 template for municipalities to use to establish a foundation and authorizes municipalities  
5 to accept funds to endow the municipal education foundations.