

MAINE STATE LEGISLATURE

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Legislative Document

No. 804

S.P. 253

February 16, 2007

An Act To Ensure Responsible Government Spending, Investment and Educational Efficiency

Received by the Secretary of the Senate on February 15, 2007. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President EDMONDS of Cumberland.
Cosponsored by Representative WOODBURY of Yarmouth and
Senators: DAMON of Hancock, PERRY of Penobscot, Representative: Speaker CUMMINGS
of Portland.

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

2 **PART A**

3 **Sec. A-1. 5 MRSA §1534, sub-§1, ¶C** is enacted to read:

4 C. For the purposes of determining compliance with this section, if the Legislature
5 eliminates or reduces a General Fund appropriation and creates in its place a reserve
6 account to which funds are directed from undedicated revenue for the purposes of
7 replacing the eliminated or reduced General Fund appropriation with a non-General
8 Fund appropriation, the base for the previous fiscal year must be reduced by the value
9 of the eliminated or reduced General Fund appropriation.

10 **Sec. A-2. 20-A MRSA §15671-A, sub-§1, ¶B-1** is enacted to read:

11 B-1. "Net new funding" means the amount of funds to be received by a school
12 administrative unit from the State for that fiscal year pursuant to section 15688,
13 subsection 3-A, paragraph D, less the product of the following: the amount of such
14 funds received in the prior fiscal year multiplied by the growth limitation factor
15 calculated pursuant to Title 30-A, section 5721-A for the municipality or
16 municipalities that comprise the school administrative unit.

17 **Sec. A-3. 20-A MRSA §15671-A, sub-§6** is enacted to read:

18 **6. Exceeding maximum state and local spending target when the school**
19 **administrative unit is the recipient of net new funding.** In any year in which a school
20 administrative unit is the recipient of net new funding, if the sum of that school
21 administrative unit's required local contribution determined pursuant to section 15688,
22 subsection 3-A plus the state contribution as calculated pursuant to section 15688,
23 subsection 3-A, paragraph D plus any additional local amount proposed to be raised
24 pursuant to section 15690, subsection 3 exceeds by more than 5% the school
25 administrative unit's maximum state and local spending target established pursuant to
26 subsection 4, the following provisions govern approval of that additional amount.

27 A. The article approving the additional amount must conform to the requirements of
28 section 15690, subsection 3, paragraph B.

29 B. For all school administrative units that finally approve the school budget at a town
30 meeting or district meeting, and notwithstanding section 1304, subsection 6; section
31 1701, subsection 7; Title 30-A, section 2528, subsection 5; or any other provision of
32 law, municipal charter provision or ordinance, voter approval of the article must be
33 approved by at least 2/3 of the school administrative unit's legislative body or, if the
34 legislative body votes to approve the article by a simple majority but not by at least a
35 2/3 majority, voter approval of the article must be finally approved by a majority of
36 voters at referendum.

37 C. For all school administrative units with a legislative body that adopts the school
38 budget by a referendum process, the article must be approved by a majority of voters
39 at referendum.

1 D. For all school administrative districts and community school districts that have
2 adopted the budget validation process established in section 1305-A or 1701-A, the
3 article must be approved by a majority of the voters at the open district meeting and a
4 majority of voters at the budget validation referendum.

5 E. In a municipality where the responsibility for final adoption of the school budget
6 is vested by the municipal charter in a council, this paragraph applies, except that the
7 petition and referendum provisions apply only if the municipal charter does not
8 otherwise provide for or prohibit a petition and referendum process with respect to
9 the matters described in this paragraph.

10 (1) A majority of the entire membership of the school board or committee must
11 approve the additional amount in a regular budget meeting.

12 (2) An article approving the additional amount must conform to the requirements
13 of section 15690, subsection 3, paragraph B and be approved by at least 2/3 of
14 the entire membership of the council in a vote taken in accordance with section
15 15690, subsection 5 or, if the council votes to approve the article by a simple
16 majority of the council but not by at least a 2/3 majority of the entire
17 membership, by a majority of voters at referendum.

18 (3) If an article is approved by at least 2/3 of the entire membership of the
19 council pursuant to subparagraph (2), the voters may petition for a referendum
20 vote on the same article in accordance with subparagraph (4). If a petition is filed
21 in accordance with subparagraph (4), the vote of the council is suspended
22 pending the outcome of the referendum vote. Upon approval of the article by a
23 majority of the voters voting in that referendum, the article takes effect. If the
24 article is not approved by a majority of the voters voting in that referendum, the
25 article does not take effect. Subsequent to the vote, the school committee or
26 board may again propose an additional amount, subject to the requirements of
27 this section.

28 (4) If a written petition, signed by at least 10% of the number of voters voting in
29 the last gubernatorial election in the municipality, requesting a vote on the
30 additional amount is submitted to the municipal officers within 30 days of the
31 council's vote pursuant to subparagraph (2), the article voted on by the council
32 must be submitted to the legal voters in the next regular election or a special
33 election called for the purpose. The election must be held within 45 days of the
34 submission of the petition. The election must be called, advertised and conducted
35 according to the law relating to municipal elections, except that the registrar of
36 voters is not required to prepare or the clerk to post a new list of voters and
37 absentee ballots must be prepared and made available at least 14 days prior to the
38 date of the referendum. For the purpose of registration of voters, the registrar of
39 voters must be in session the secular day preceding the election. The voters shall
40 indicate by a cross or check mark placed against the word "Yes" or "No" their
41 opinion on the article. The results must be declared by the municipal officers and
42 entered upon the municipal records.

43 **Sec. A-4. 30-A MRSA §706-A, sub-§7-A is enacted to read:**

1 **7-A. Process for exceeding county assessment limit when the county is the**
2 **recipient of net new funding.** When the county is the recipient of net new funding, that
3 county may exceed or increase the county assessment limit only if approved by a vote of
4 a majority of all the members of both the county budget committee or county budget
5 advisory committee and the county commissioners, and the approval is ratified at
6 referendum. For the purposes of conducting the referendum election, the article voted on
7 by the commissioners and budget advisory committee must be submitted to the legal
8 voters in the next regular election or a special election called for that purpose. The
9 election must be called, advertised and conducted according to the law relating to
10 municipal elections, except that the registrar of voters is not required to prepare or the
11 clerk to post a new list of voters, the filing requirement contained in section 2528 does
12 not apply and absentee ballots must be prepared and made available at least 14 days prior
13 to the date of the referendum. For the purpose of registration of voters, the registrar of
14 voters must be in session the secular day preceding the election. The voters shall indicate
15 by a cross or check mark placed against the word "Yes" or "No" their opinion on the
16 article. The results must be declared by the county commissioners and entered upon the
17 county records.

18 **Sec. A-5. 30-A MRSA §5721-A, sub-§7-A** is enacted to read:

19 **7-A. Process for exceeding property tax levy limit when the municipality is the**
20 **recipient of net new funding.** If a municipality is the recipient of net new funding, that
21 municipality may exceed or increase the property tax levy limit only by the following
22 means.

23 **A. If the municipal budget is adopted by town meeting, the property tax levy limit**
24 **may be exceeded only if approved by at least 2/3 of the assembled membership of the**
25 **town meeting or, if the legislative body votes to approve the article by a simple**
26 **majority but not by at least a 2/3 majority, the property tax levy limit may be**
27 **exceeded only if finally approved by a majority of voters at referendum.**

28 **B. If the municipal budget is adopted by referendum, the property tax levy limit may**
29 **be exceeded only if a separate article that specifically identifies the intent to exceed**
30 **the property tax levy limit is approved by a simple majority of the referendum voters.**

31 **C. In a municipality where the responsibility for final adoption of the budget is**
32 **vested by the municipal charter in a council, this paragraph applies, except that the**
33 **petition and referendum provisions apply only if the municipal charter does not**
34 **otherwise provide for or prohibit a petition and referendum process with respect to**
35 **the matters described in this paragraph.**

36 **(1) An article approving the property tax levy limit must be approved by at least**
37 **2/3 of the entire membership of the council or, if the council votes to approve the**
38 **article by a simple majority of the council but not by at least a 2/3 majority of the**
39 **entire membership, by a majority of voters at referendum.**

40 **(2) If an article is approved by at least 2/3 of the entire membership of the**
41 **council pursuant to subparagraph (1), the voters may petition for a referendum**
42 **vote on the same article in accordance with subparagraph (3). If a petition is filed**
43 **in accordance with subparagraph (3), the vote of the council is suspended**

1 pending the outcome of the referendum vote. Upon approval of the article by a
2 majority of the voters voting in that referendum, the article takes effect. If the
3 article is not approved by a majority of the voters voting in that referendum, the
4 article does not take effect. Subsequent to the vote, the school committee or
5 board may again propose an additional amount, subject to the requirements of
6 this section.

7 (3) If a written petition, signed by at least 10% of the number of voters voting in
8 the last gubernatorial election in the municipality, requesting a vote on the
9 additional amount is submitted to the municipal officers within 30 days of the
10 council's vote pursuant to subparagraph (1), the article voted on by the council
11 must be submitted to the legal voters in the next regular election or a special
12 election called for the purpose. The election must be held within 45 days of the
13 submission of the petition. The election must be called, advertised and conducted
14 according to the law relating to municipal elections, except that the registrar of
15 voters is not required to prepare or the clerk to post a new list of voters and
16 absentee ballots must be prepared and made available at least 14 days prior to the
17 date of the referendum. For the purpose of registration of voters, the registrar of
18 voters must be in session the secular day preceding the election. The voters shall
19 indicate by a cross or check mark placed against the word "Yes" or "No" their
20 opinion on the article. The results must be declared by the municipal officers and
21 entered upon the municipal records.

22 **PART B**

23 **Sec. B-1. 3 MRSA §554** is enacted to read:

24 **§554. Debt limitations**

25 In any fiscal year, no more than 5% of General Fund and Highway Fund revenues
26 may be allocated to tax-supported debt service payments. For the purposes of this section,
27 a "tax-supported debt service payment" means any payment required by an evidence of
28 indebtedness or similar borrowing certificate for all general obligation bonds and the
29 following types of revenue bonds issued under the authority of state law: certificates of
30 participation, capital leases and all borrowing accomplished pursuant to Title 4, chapter
31 33. The term "tax-supported debt service payment" does not include a payment towards
32 debt service on bonds backed by the moral obligation of the State.

33 **Sec. B-2. 3 MRSA §555** is enacted to read:

34 **§555. Limitations on unfunded actuarial liabilities**

35 By January 1, 2008 and by every January 1st thereafter, the Treasurer of State shall
36 determine and report to the Legislature the actuarial liability ratio of the State, with the
37 numerator as all pension, health and life insurance benefits scheduled to be provided to
38 retired state employees, retired teachers and other retired governmental employees
39 entitled to benefits pursuant to state law and the denominator as all assets pledged against
40 those aggregate liabilities. The Treasurer of State shall make this determination in
41 consultation with the Maine State Retirement System and the Department of

1 Administrative and Financial Services, Bureau of Human Resources, Division of
2 Employee Health and Benefits. The report required by this section must include the
3 actuarial liability ratios of all other states to the extent comparative data are available.

4 **PART C**

5 **Sec. C-1. Regional delivery of educational administrative services;**
6 **legislative findings and intent; establishment of goals.**

7 **1. Findings.** The Legislature finds that:

8 A. The State's annual state and local expenditure for kindergarten through grade 12
9 public education significantly exceeds national and peer state averages;

10 B. It is the intent of the State that these state and local expenditures be brought into
11 greater conformity with national and peer state averages and it is a role of the
12 Legislature to establish goals to realize this intent;

13 C. A number of administrative services could be provided to multiple school
14 administrative units within defined regions within the State in a manner that would
15 preserve or improve the quality of those services, preserve the quality of education
16 services provided to the State's public school students and reduce the cost of
17 providing those services for the State and the participating school administrative
18 units;

19 D. The most appropriate geographic regions within the State to begin systematically
20 developing and implementing regionalized educational administrative services are the
21 26 centers or regions that currently provide career and technical education services to
22 broader geographic regions;

23 E. The State's school administrative units are varied with respect to the benefits that
24 may be available and the efficiencies that may be achieved as a result of regionalizing
25 certain administrative services; and

26 F. The most appropriate location of decision-making authority with respect to which
27 educational administrative services to regionalize and how to otherwise meet the goal
28 established by the Legislature is at the local and regional level.

29 It is, therefore, the intent of the Legislature that this Part provide the necessary direction,
30 guidance and resources to bring the state and local expenditures for kindergarten through
31 grade 12 public school education into a greater conformity with national and peer state
32 averages without impairing the quality of education services delivered to the State's
33 public school students.

34 **2. Goals.** The following goals are established:

35 A. It is the goal of the Legislature that by school year 2009-2010, the total state and
36 local expenditure for providing school administrative services in the State, measured
37 as a percent of personal income in this State, as estimated by the United States
38 Department of Commerce, Bureau of Economic Analysis, be reduced by a minimum
39 of 10%.

- 1 B. It is also the goal of the Legislature that upon the implementation of the
2 recommendations of the planning alliances established by this Part:
- 3 (1) The ratio of students to administrative personnel in all regions of the State
4 will reasonably conform to related ratios established by the essential programs
5 and services school funding model;
- 6 (2) School administrative functions, including without limitation special
7 education management, human resources management, information technology
8 management and financial management functions, will be shared with multiple
9 school administrative units and municipal units of government among and
10 throughout the planning alliance regions;
- 11 (3) The student transportation systems throughout all regions of the State will be
12 well planned and coordinated among the school administrative units and avoid
13 redundancy in routing;
- 14 (4) Labor negotiation calendars and procedures among the school administrative
15 units will be coordinated insofar as practicable; and
- 16 (5) The purchase of all supplies and materials common to the school
17 administrative units and all supplies and materials common to both school
18 administrative units and municipal units of government will be conducted in a
19 manner designed to maximize the purchasing power of the aggregated
20 governmental units.

21 **Sec. C-2. Planning alliances established.** For the purposes of assisting in the
22 regional delivery of educational administrative services among all the school
23 administrative units, 26 planning alliances are established in accordance with this section.

24 **1. Service area.** Each planning alliance shall serve the school administrative units
25 within a geographic area defined by the State's career and technical education centers, as
26 set out in the Maine Revised Statutes, Title 20-A, section 8402.

27 **2. Composition.** Each planning alliance is composed of 12 members, including 4
28 municipal officials, 4 public school officials and 4 members of the general public, all of
29 whom must reside within the geographic area served by the career and technical
30 education center.

31 A. For each planning alliance, the 4 municipal officials must be elected by caucus.

32 (1) According to the implementation schedule provided in section 5 of this Part,
33 the Commissioner of Education shall notify all municipal officials serving in the
34 geographic region served by the career and technical education center to caucus
35 at a specified date, time and place for the purpose of electing 4 municipal
36 officials to be members of the planning advisory committee. The commissioner
37 or the commissioner's designee serves as nonvoting moderator for that regional
38 caucus. Nominations for the municipal official representatives must be received
39 from the floor. Although municipal officials residing within the career and
40 technical education center's geographic area may be nominated, only municipal
41 officials serving within the same geographic area and in attendance at the caucus
42 are allowed to vote. The method of voting must be decided by voting

1 membership. The 4 nominees receiving the most votes are approved as the
2 municipal official members of the planning alliance, except that no municipality
3 may have more than one representative on the planning alliance. The names of
4 those elected by the caucus must be recorded and forwarded to the commissioner.

5 B. For each planning alliance, the 4 school officials must be elected by caucus.

6 (1) According to the implementation schedule provided in section 5 of this Part,
7 the Commissioner of Education shall notify all school officials serving in the
8 geographic region served by the career and technical education center to caucus
9 at a specified date, time and place for the purpose of electing 4 school officials to
10 be members of the planning advisory committee. The commissioner or the
11 commissioner's designee serves as nonvoting moderator for that regional caucus.
12 Nominations for the school official representatives must be received from the
13 floor. Although school officials residing within the career and technical education
14 center's geographic area may be nominated, only school officials serving within
15 the same geographic area and in attendance at the caucus are allowed to vote. The
16 method of voting must be decided by voting membership. The 4 nominees
17 receiving the most votes are approved as the school official members of the
18 planning alliance except that no school administrative unit may have more than
19 one member on the planning alliance. The names of those elected by the caucus
20 must be recorded and forwarded to the commissioner.

21 C. For each planning alliance, the 4 members of the general public are appointed as
22 follows.

23 (1) The President of the Senate shall appoint one member of the general public
24 for each planning alliance.

25 (2) The minority leader of the Senate shall appoint one member of the general
26 public for each planning alliance.

27 (3) The Speaker of the House shall appoint one member of the general public for
28 each planning alliance.

29 (4) The minority leader of the House shall appoint one member of the general
30 public for each planning alliance.

31 D. Each planning alliance must be provided with one full-time staff assistant, whose
32 salary and benefits must be provided at state expense in accordance with section 4 of
33 this Part.

34 **3. Terms.** Members of each planning alliance serve for a period of 2 years. Any
35 vacancy must be filled in the same manner and by the same authority as established by
36 this section for the original appointment.

37 **4. Timing of election and appointments.** All elections and appointments of
38 planning alliance members must be accomplished according to the implementation
39 schedule provided in section 5 of this Part.

1 **Sec. C-3. Planning alliance responsibilities.** Each planning alliance must be
2 convened and respond to the following charge according to the implementation schedule
3 provided in section 5 of this Part.

4 **1. Identification of baseline information.** According to the implementation
5 schedule provided in section 5 of this Part, each planning alliance shall for the geographic
6 region it represents:

7 A. Calculate the total expenditures for educational administrative services, measure
8 that expenditure as a percent of personal income in this State and identify the degree
9 to which that expenditure would have to be reduced in order to comply with the goals
10 established in section 1 of this Part;

11 B. Identify all the types of public school administrative units including school
12 administrative districts, community school districts, municipal school units and any
13 school unions that currently provide for shared superintendent services.

14 C. Identify the degree to which administrative services, specifically, and educational
15 services, generally, are currently being shared between and among the school
16 administrative units within the region or across region lines, including without
17 limitation formal regional alliances, bulk purchasing agreements or other coalitions
18 designed to provide regionally developed services to the participating school
19 administrative units;

20 D. Identify for each school administrative unit the relationship between that school
21 system's actual employment or budget, as applicable, and the allocated employment
22 or budget, as applicable, as identified by the essential programs and services school
23 funding model for the following categories: school system administration and
24 support, operations and maintenance, special education and transportation;

25 E. Identify the region's current aggregate educational administrative personnel
26 profile, measured in full-time equivalents, including, but not limited to, the following
27 positions: superintendent, principal, special education director, transportation
28 director, technology director, business agent or financial officer, human resources
29 director and all reasonably equivalent positions;

30 F. Identify all municipal administrative services by type and position that are being
31 similarly provided on the municipal level and might reasonably be subject to shared
32 services arrangements, including positions in the fields of technology and financial
33 and human resources management and all reasonably equivalent positions;

34 G. Identify all major types of materials and supplies purchased by the school
35 administrative units along with all similar materials and supplies purchased by the
36 municipalities in the region;

37 H. Identify all schedules that pertain to the school administrative units, including
38 without limitation school calendars and all schedules for labor negotiations and
39 contract approval, school board meetings, budget development and budget approval
40 meetings;

41 I. Map out the entire school transportation system that is used to transport students to
42 and from school once a day;

1 J. Identify all educational mandates enacted by the Legislature that could be repealed
2 or redesigned in a manner that would eliminate the need for redundant or unnecessary
3 educational administrative services without impairing the quality of educational
4 services provided to the public school students; and

5 K. Identify any other baseline information regarding the provision of educational
6 administrative services within the region that the planning alliance finds to be
7 pertinent to responding to the legislative charge.

8 **2. Development of recommendations.** According to the implementation schedule
9 provided in section 5 of this Part, each planning alliance shall prepare in the form of
10 preliminary recommendations a plan for the redesign of the provision of educational
11 administrative services within the region that is appropriate to the needs of the region and
12 would clearly meet the goals as established for the region in subsection 1, paragraph A.
13 The plan must, at a minimum:

14 A. Identify any recommended redesign of the types of school administrative units
15 within the region, if applicable;

16 B. Establish as a finding of the planning alliance the recommended number of
17 educational administrative full-time equivalent positions that should be funded within
18 the region for the following positions: superintendent, principal, special education
19 director, transportation director, technology officer, business agent or financial
20 officer, human resources director and all reasonably equivalent positions. This
21 finding must specifically identify all recommended service sharing arrangements
22 between and among municipalities and school administrative units within the region,
23 particularly in the areas of technology, transportation maintenance, human resources
24 and financial management, as those recommended arrangements would affect the
25 recommended personnel profile;

26 C. Recommend a specific set of adjustments to the region's current profile of
27 administrative personnel to be implemented over the next 2-year period that would
28 serve to adjust the current personnel profile as identified under subsection 1,
29 paragraph E to the recommended personnel profile;

30 D. Recommend, as applicable, the organization or reorganization of any joint
31 purchasing arrangements between and among the school administrative units within
32 the region and between and among the school administrative units and the
33 municipalities within the region;

34 E. Recommend, to the extent necessary to achieve the goals of this Part and facilitate
35 other recommendations of the planning alliance, the coordination of schedules,
36 including without limitation, school calendars, labor contract negotiations, school
37 board meetings, school budget development and adoption meetings;

38 F. Recommend, as applicable, the development of coordinated regional or
39 subregional school transportation systems; and

40 G. Recommend any changes to state law that would assist the region in meeting the
41 goals of this Part without impairing the quality of educational services provided to
42 State's public school students.

1 **3. Outreach.** According to the implementation schedule provided in section 5 of
2 this Part, each planning alliance shall hold public hearings on its preliminary
3 recommendations. At a minimum, a public hearing must be held at a school facility in
4 each school administrative unit or school union within the region. On the basis of the
5 information provided and input received at the public hearings, each planning alliance
6 shall amend the preliminary recommendations as appropriate to develop its final
7 recommendations according to the implementation schedule in section 5 of this Part.

8 **4. Transmittal and implementation of final recommendations.** Each planning
9 alliance shall adopt its final recommendations according to the implementation schedule
10 provided in section 5 of this Part. The final recommendations must identify the goals that
11 must be met within the region to comply with the goals established by this Part and
12 clearly identify by what means and by when the goals will be reached through the
13 implementation of the recommendations of the planning alliance.

14 A. Each planning alliance shall formally transmit to every school board within the
15 planning alliance region the final recommendations in a format that includes:

16 (1) The complete report for the school board's records;

17 (2) An executive summary of the entire report suitable for presentation to the
18 legislative body of the school administrative unit to consider for adoption;

19 (3) The specific recommendations pertaining to the school administrative unit
20 that fall within the authority of the school board to implement, suitable for
21 presentation to the school board to consider for adoption; and

22 (4) The specific recommendations pertaining to the school administrative unit
23 that fall within the authority of the legislative body of the school administrative
24 unit to implement, suitable for presentation to that legislative body to consider for
25 adoption.

26 B. The school board and the legislative body of every school administrative unit
27 within the planning alliance region shall act on the recommendations transmitted to
28 them according to the implementation schedule provided in section 5 of this Part.

29 **Sec. C-4. Resources and Department of Education responsibilities.**

30 **1. Resources.** Notwithstanding any other law, the highest priority of distribution
31 from the Fund for the Efficient Delivery of Educational Services as established in the
32 Maine Revised Statutes, Title 20-A, section 15754 for fiscal year 2007-08 and fiscal year
33 2008-09 is to provide the staff support and other related support to the planning alliances
34 as required by this Part.

35 **2. Department of Education responsibilities.** The Department of Education shall
36 assist in the implementation of this Part as set out in this subsection:

37 A. The Department of Education shall adopt rules to assist in the implementation of
38 this Part. Rules adopted pursuant to this paragraph are routine technical rules as
39 defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A. At a
40 minimum, those rules must:

- 1 (1) Specifically define the career and technical education regions within the State
2 both geographically and according to each region's school administrative units;
- 3 (2) Identify by position and support position all educational administrative
4 services that should be reasonably included in the analysis conducted by each
5 planning alliance;
- 6 (3) Establish the minimum qualifications, job description and salary and benefit
7 range for each planning alliance's full-time staff assistant; and
- 8 (4) Provide for a system of administration of the Fund for the Efficient Delivery
9 of Educational Services, modeled after the system of administration for the Fund
10 for the Efficient Delivery of Local and Regional Services provided in the Maine
11 Revised Statutes, Title 30-A, chapter 231 and including the automatic payment of
12 salary and benefits for one full-time staff assistant for each planning alliance in
13 accordance with section 2 of this Part.

14 B. In addition to any responsibilities required by this Part or imposed by rule, the
15 Department of Education shall assist in the implementation of this Part by:

- 16 (1) Assisting all planning alliances in the collection and presentation of data
17 pertinent to the charge established by this Part;
- 18 (2) Assisting in the organization of caucuses as provided in section 2 of this Part;
- 19 (3) Providing or contracting for facilitation services to be provided to the
20 planning alliances to ensure their ability to fulfill the charges required by this
21 Part; and
- 22 (4) Submitting interim progress reports to the Legislature no later than January 1,
23 2008 and January 1, 2009 and a final report no later than January 1, 2010 that
24 describe the compliance of the planning alliances with the requirements of this
25 Part.

26 **Sec. C-5. Implementation schedule.** The various charges established by this
27 Part must be accomplished according to the following schedule.

28 **1. Appointments and caucuses.** The initial appointments and caucuses of
29 municipal and school officials required by section 2 of this Part must be completed no
30 later than October 1, 2007.

31 **2. Hiring of staff assistants.** The full-time staff assistant for each planning alliance
32 must be hired by the planning alliance no later than December 1, 2007.

33 **3. Convening of planning alliances.** The planning alliances must be convened no
34 later than January 1, 2008.

35 **4. Completion of identification and baseline information.** The planning alliances
36 shall complete the identification of baseline information as required by section 3,
37 subsection 1 of this Part no later than July 1, 2008.

1 **5. Develop preliminary recommendations.** The planning alliances shall complete
2 the development of their preliminary recommendations as required by section 3,
3 subsection 2 of this Part no later than September 1, 2008.

4 **6. Outreach effort.** The planning alliances shall complete the outreach effort
5 required by section 3, subsection 3 of this Part no later than January 1, 2009.

6 **7. Final recommendations.** The planning alliances shall develop their final
7 recommendations and transmit those recommendations as required by section 3,
8 subsection 4 of this Part no later than February 1, 2009.

9 **8. Consider and act on recommendations.** The school boards and the legislative
10 bodies of the school administrative units shall consider and act on the recommendations
11 of the planning alliances no later than July 1, 2009.

12 **Sec. C-6. Sunset; achievement of required efficiencies** Unless reauthorized
13 by the Legislature, this Part is repealed February 1, 2010. It is the intent of the
14 Legislature that the goals of section 1, subsection 2 of this Part be achieved by that date.
15 If the goals of this Part have not been achieved in a career and technical education region
16 served by a planning alliance pursuant to this Part, the Commissioner of Education shall
17 present to the joint standing committee of the Legislature having jurisdiction over
18 education matters a plan for the reorganization of all school administrative units within
19 that career and technical education region. The commissioner's plan must be designed to
20 achieve the goals of section 1, subsection 2 of this Part. The joint standing committee of
21 the Legislature having jurisdiction over education matters is authorized to submit
22 legislation in the Second Regular Session of the 124th Legislature that reorganizes the
23 school administrative units within any career and technical education region that has
24 failed to achieve the goals of this Part by February 1, 2010.

25

PART D

26 **Sec. D-1. 36 MRSA §7302, sub-§2,** as enacted by PL 2005, c. 2, Pt. H, §2, is
27 amended to read:

28 **2. Indicators; annual report.** With reference to Title 5, chapter 142; Title 20-A,
29 section 15671, subsection 1; and Title 30-A, sections 706-A and 5721-A, the State
30 Planning Office shall develop and apply specific, quantifiable performance indicators
31 against which the progress in achieving the tax burden reduction goals established in
32 section 7301 can be measured. On January 15, 2006 and annually thereafter, the State
33 Planning Office shall report to the Governor and to the joint standing committee of the
34 Legislature having jurisdiction over taxation matters on the progress made by the State,
35 counties, municipalities and school administrative units, respectively, in achieving the tax
36 burden reduction goals. The report required by this subsection must be comprised of 4
37 distinct parts reporting on the progress made by the State, municipalities, counties and
38 school administrative units, respectively. The State Planning Office may also include in
39 its report recommendations on alternative strategies to achieve the tax burden reduction
40 goals established in section 7301 that reflect the best practices in this State, other states
41 and other countries. The State Planning Office shall enlist the services of the Maine
42 Development Foundation, established in Title 10, section 916, in order to annually

1 present to the general public the information provided in the reports required by this
2 section.

3 **Sec. D-2. 36 MRSA §7302, sub-§3**, as enacted by PL 2005, c. 2, Pt. H, §2, is
4 repealed and the following enacted in its place:

5 **3. Data.** The State Planning Office shall collect and analyze data and report in
6 accordance with this subsection.

7 A. The State Planning Office shall annually collect and analyze data regarding
8 spending and revenues for municipalities, counties and school administrative units.
9 The State Planning Office shall submit an annual report that provides information and
10 analysis regarding government spending and revenue behavior and trends to the
11 Governor and the joint standing committee of the Legislature having jurisdiction over
12 taxation matters. The report must include information that identifies spending and
13 revenue behavior by individual municipalities, counties and school administrative
14 units. Upon request, other departments of State Government shall cooperate and
15 assist the State Planning Office in the preparation of the report.

16 B. No later than the January 1st following the publication of the United States
17 Department of Commerce, United States Census Bureau's Census of Governments
18 report as required by 13 United State Code, Section 161 (2005), the State Planning
19 Office shall submit to the Legislature a report on the State's state and local
20 government payroll and expenditures in comparison to the state and local government
21 employment and expenditures across all other states and across a subset of those
22 states that should reasonably be considered peer states in terms of demography,
23 geography, climate and other relevant factors. The categories of employment and
24 expenditures must be calculated according to both state and local function and
25 include, without limitation: elementary, secondary and higher education; public
26 safety including corrections, police, fire and emergency services; public works
27 including solid waste, water and wastewater management, highways and public
28 buildings; natural resources protection; housing and community development; social
29 insurance administration; public welfare; financial administration; health; judiciary;
30 libraries and recreation services; and general government administration. The report
31 shall identify the categories of employment and expenditures that deviate
32 significantly from national or peer state averages.

33 C. No later than January 1, 2008, the State Planning Office shall develop the
34 analytical framework for the report required by paragraph B, working in consultation
35 with experts from the University of Maine in the area of comparative governmental
36 analysis and representatives of all levels of government whose payroll and
37 expenditures are categorized within the United States Department of Commerce,
38 United States Census Bureau's Census of Governments report.

39 D. The State Planning Office, working in conjunction with Maine Revenue Services,
40 shall establish a contract with the Maine Development Foundation, established in
41 Title 10, section 916, to compile a comprehensive comparative analysis of
42 government revenues in each state to be submitted to the Legislature no later than
43 January 15, 2008. The analysis must include, without limitation:

1 government spending limitation law on Maine's overall tax burden. Part D requires the
2 State Planning Office to work with the Maine Development Foundation to prepare the
3 required compliance reports in a manner designed to be accessible to the general public.
4 Part D also requires the State Planning Office to perform calculations of Maine's state
5 and local government employment and expenditure levels in comparison with other states
6 for the purpose of identifying categories of government employment and expenditure that
7 deviate significantly from national and peer state averages. Finally, Part D directs the
8 State Planning Office, working in conjunction with Maine Revenue Services, to establish
9 a contract with the Maine Development Foundation to comprehensively analyze the
10 sources of government revenue available to each state in the United States, including
11 Maine, with a focus on comparing the various state and local taxes and fees in terms of
12 nominal revenues by category, tax and revenue burdens, rates of taxes and fee schedules
13 and levels of reliance and exportation.