

# MAINE STATE LEGISLATURE

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L.D. 2280

Date: 4-4-08

(Filing No. S-564)

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**STATE OF MAINE  
SENATE  
123RD LEGISLATURE  
FIRST SPECIAL SESSION**

SENATE AMENDMENT "C" to H.P. 1645, L.D. 2280, Bill, "An Act To Clarify and Improve the Laws Governing the Formation of Regional School Units"

Amend the bill by striking out the title and substituting the following:

**'An Act To Repeal the Laws Governing the Formation of Regional School Units'**

Amend the bill by striking out everything after the title and before the summary and inserting the following:

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

**Whereas,** the provisions of this Act must take effect immediately to terminate the activities of reorganization planning committees and school administrative units that are currently in the process of attempting to meet statutory timelines related to school reorganization efforts; and

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

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

**Sec. 1. 20-A MRSA §1, sub-§20-A,** as enacted by PL 2007, c. 240, Pt. XXXX, §1, is repealed.

**Sec. 2. 20-A MRSA §1, sub-§23-B,** as enacted by PL 2007, c. 240, Pt. XXXX, §2, is repealed.

**Sec. 3. 20-A MRSA §1, sub-§24-B,** as enacted by PL 2007, c. 240, Pt. XXXX, §3, is repealed.

**Sec. 4. 20-A MRSA §1, sub-§24-C,** as enacted by PL 2007, c. 240, Pt. XXXX, §4, is repealed.

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1       **Sec. 5. 20-A MRSA §1, sub-§26**, as amended by PL 2007, c. 240, Pt. XXXX, §5,  
2 is further amended to read:

3       **26. School administrative unit.** "School administrative unit" means the state-  
4 approved unit of school administration and includes a municipal school unit, school  
5 administrative district, community school district, ~~regional school unit~~ or any other  
6 municipal or quasi-municipal corporation responsible for operating or constructing public  
7 schools, except that it does not include a career and technical education region.  
8 ~~Beginning July 1, 2009, "school administrative unit" means the state approved unit of~~  
9 ~~school administration and includes only a municipal school unit and a regional school~~  
10 ~~unit formed pursuant to chapter 103-A.~~

11       **Sec. 6. 20-A MRSA §1201**, as repealed by PL 2007, c. 240, Pt. XXXX, §6, is  
12 reenacted to read:

13       **§1201. Criteria for establishing a school administrative district**

14       The following criteria shall apply to establishing a school administrative district.

15       1. Number of municipalities. The district shall have 2 or more member  
16 municipalities.

17       2. Number of students. The district shall have, as recorded in the last return under  
18 section 6004:

19       A. Three hundred or more resident public secondary school students;

20       B. One hundred or more resident public secondary school students, if the state board  
21 determines the formation of a larger district is educationally, economically or  
22 geographically not feasible;

23       C. Fifty or more resident public secondary school students if:

24               (1) The proposed district has on file with the state board a duly authorized and  
25 executed 2-year to 10-year contract offer from a municipality having 100 or more  
26 resident public secondary school students; and

27               (2) If the combined number of resident public secondary school students in these  
28 2 school administrative units exceeds 300; and

29       D. Any number of secondary school students, if the new district is composed in  
30 whole or in part of a community school district:

31               (1) Offering a program of education for grades 9 through 12; and

32               (2) Formed on or before, and operating on April 1, 1957.

33       **Sec. 7. 20-A MRSA §1202**, as repealed by PL 2007, c. 240, Pt. XXXX, §7, is  
34 reenacted to read:

35       **§1202. Formation of district**

36       The residents of 2 or more municipalities may form a school administrative district  
37 which shall be a body politic and corporate by completing the following steps.

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1. Application vote. At a duly called special or regular meeting or city election the voters of a municipality may instruct its school board to file an application with the state board. The article to be inserted in the warrant for the meeting shall be in the following form:

"To see if the municipality will vote to instruct its school board to file an application with the State Board of Education for the purpose of forming a school administrative district with the following towns: ..... (naming them)"

2. Initial application. If the article is approved, the school board shall file an initial application with the state board.

A. The application shall include a list of the names of the municipalities that propose to form the school administrative district, an adequate study outlining the desirability and the educational feasibility of the proposed district and whatever other information the state board may deem necessary and proper.

B. In municipalities which have less than 300, but more than 99 resident pupils, the application shall state in detail the educational, economic and geographic reasons for the formation of the proposed school administrative district.

C. An application shall be filed on a form prepared by the state board.

3. Calling of a joint meeting. If the state board finds the proposed school administrative district eligible and approves its initial application, the state board shall notify the municipal officers and the members of the school boards in the municipalities within the proposed district of a date, time and place of a joint meeting of the municipal officers and the school board members from each municipality.

A. The notice shall be in writing and sent by registered or certified mail, return receipt requested, to the addresses as shown on the application.

B. The notice shall be mailed at least 10 days prior to the date set for the meeting.

4. Joint meeting. The following shall govern the joint meeting.

A. At least 1/2 of the total number of municipal officers and school committee members eligible to vote at the joint meeting shall be present to constitute a quorum. If there is no quorum, those present shall report to the state board that a quorum was not present and request the state board to issue a new notice.

B. The school boards and municipal officers of each municipality shall each caucus and select 3 of their members to represent their municipality in the joint meeting. Other members may not vote in the joint meeting.

C. Those with voting rights shall, by majority vote:

(1) Elect a chairman and a secretary;

(2) Determine the total number of school directors to represent each municipality and the method of apportioning voting power among directors consistent with this section and sections 1251 and 1252;

(3) Determine the method of sharing costs under section 1301; and

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(4) Determine the date when all the municipalities in the proposed district shall vote on the articles of district formation. The date shall be at least 60 days from the date on which it is determined.

D. The chairman and secretary shall prepare a report describing the number of directors and the representation from each municipality. They shall sign and forward that report to the state board.

5. Calling municipal elections. If the state board finds the report of the joint meeting to be in order, the state board shall order the municipal officers of the municipalities involved to call town meetings or city elections on the date established pursuant to subsection 4, paragraph C, subparagraph (4) for the purpose of voting on the questions required by this subchapter relating to the formation of a school administrative district.

A. Municipalities voting on the questions of district formation under Title 30-A, sections 2528 to 2531-A shall open the polls at 10 a.m. and shall close the polls at 7 p.m.

B. In other municipalities the municipal officers shall direct that the town meeting or city election shall open at 7:30 p.m.

C. All school administrative units shall vote upon the questions of school district information in the same fashion as the units conduct other business at regular or special town meetings, except that school administrative units electing municipal officers by secret ballot may use that method for electing school board directors.

6. Articles to be voted on. The articles to be voted on shall be in the following form.

A. "Article ..: To see if the municipality will vote to join with the municipalities of (naming them) to form a school administrative district."

B. "Article ..: To see if the municipality will vote to approve the allocation of representation within the district on the Board of School Directors as recommended by the school committees and municipal officers as follows: The total number of directors shall be ..... (number)"

C. "Article ..: To choose ..... (number) school director(s) to represent the municipality (or subdistrict) on the board of school directors of the school administrative district."

D. If the state board has authorized an alternative method of sharing costs, the municipality shall vote on the following article.

Article ..: To see if the costs of operating "School Administrative District ..... (number)" shall be shared among the towns of ..... (naming them) in accordance with (per pupil, state valuation, a combination thereof or any other formula authorized by the Legislature).

E. If coterminous school districts exist or there is outstanding indebtedness for school construction or other school property in any of the municipalities concerned, the following additional article must also be acted on.

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1 "Article ..: To see if the municipality will vote to authorize the district to  
2 assume full responsibility for amortizing the following listed  
3 indebtedness now outstanding in the school administrative units planning  
4 to form the school administrative district."

5 (The list must include the name of the obligated school administrative  
6 unit, type of obligation, amount unpaid, interest rate and the payment  
7 schedule for all outstanding school indebtedness of all the school  
8 administrative units comprising the school administrative district under  
9 consideration.)

10 F. If a school administrative district is to be formed under this section, or if the  
11 proposed school administrative district plans to contract with a designated private  
12 school for the education of its students in grades 9 through 12, voters shall act on the  
13 following article.

14 "Article ..: To see if the municipality will vote to join with the  
15 municipalities of ..... (naming them) to form a school  
16 administrative district, which district is hereby authorized and directed to  
17 accept the contract offer of ..... for the schooling of pupils  
18 in grades 9 through 12."

19 7. Majority vote. Approval of each article shall be by a majority vote of those  
20 voting in each municipality on each article.

21 8. Special provision for community school districts. A community school district  
22 may be changed to a school administrative district if each municipality within the district  
23 acts affirmatively on the following articles.

24 A. Existing community school districts may become school administrative districts  
25 on approval of the state board and may suspend operation as a community school  
26 district if each of the participating municipalities acts affirmatively on an article  
27 similar in form to the following, prior to accepting the other articles required in this  
28 section.

29 "Article ..: To see if the municipality will vote to authorize the .....  
30 (name) Community School District, of which this municipality is a part,  
31 to suspend operation as a community school district and organize and  
32 operate as a school administrative district in accordance with action on  
33 the following article."

34 B. Municipalities, including all of those participating in an existing community  
35 school district, may form a school administrative district on approval of the state  
36 board and suspend the operation of the community school district if each of the  
37 participating municipalities acts affirmatively on an article similar in form to the  
38 following, and acts affirmatively on each of the other articles required in this section.

39 "Article ..: To see if the municipality will vote to authorize the  
40 suspension of the ..... (name) Community School  
41 District in order to organize and operate as a part of a larger school  
42 administrative district."

1 C. In approving one of these articles, all acts of a community school district in  
2 contracting their indebtedness shall be ratified and confirmed.

3 D. The board of directors of the school administrative district shall pay to the  
4 trustees of the former community school district within their jurisdiction sufficient  
5 funds each year to amortize all outstanding capital indebtedness existing at the time  
6 the community school district was suspended.

7 **Sec. 8. 20-A MRSA §1203**, as repealed by PL 2007, c. 240, Pt. XXXX, §8, is  
8 reenacted to read:

9 **§1203. Issuance of a certificate of organization**

10 Certificates of organization shall be issued as follows.

11 **1. Report of vote.** The clerks of the municipalities which have voted on the  
12 questions regarding the formation of the school administrative district shall report to the  
13 state board the results of the vote in a manner determined by the state board.

14 **2. Finding recorded.** If the state board finds that a majority of voters in each school  
15 administrative unit forming the school administrative district have voted in favor of each  
16 of the articles of formation, elected the necessary school directors and taken all other  
17 necessary steps in the formation of the proposed school administrative district in  
18 conformity with law, the state board shall make and record its finding that the school  
19 administrative district is in compliance.

20 **3. School administrative district number assigned.** The state board, having made  
21 its finding, shall assign a number to each school administrative district in the order of  
22 their formation. The official title of the school administrative district shall be "School  
23 Administrative District No....."

24 **4. Certificate of organization.** The state board shall, immediately after making its  
25 finding, issue a certificate of organization.

26 **5. Certificate issued, filed and recorded.** The original certificate shall be delivered  
27 to the school directors on the day that they organize and a copy, attested by the secretary  
28 of the state board, shall be filed and recorded in the office of the Secretary of State.

29 **6. Issuance of certificate evidence of organization.** The issuance of the certificate  
30 shall be conclusive evidence of the lawful organization of the school administrative  
31 district.

32 **Sec. 9. 20-A MRSA §1204**, as repealed by PL 2007, c. 240, Pt. XXXX, §9, is  
33 reenacted to read:

34 **§1204. Transfer of property and assets**

35 The transfer of school property and assets shall be as follows.

36 **1. Board of directors.** The directors of a school administrative district shall  
37 determine what school property of the municipalities and former school administrative  
38 units in their district are necessary to carry out the functions of their district and:

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1        A. Request in writing that the school board of each school administrative unit or the  
2        municipal officers transfer title of their school property and buildings to the school  
3        administrative district; or

4        B. Assume all the duties and liabilities under lease agreements with the Maine  
5        School Building Authority if the title is held by the authority.

6        **2. Transfer.** The school board or municipal officers shall make the transfer  
7        notwithstanding any other provision in the charter of the school administrative unit or  
8        municipality or other provision of law.

9        **3. Maine School Building Authority.** The Maine School Building Authority, on  
10       the completion of all rental payments and other conditions in the lease, shall transfer the  
11       title to the school administrative district notwithstanding any provision in the lease or  
12       other provision of the law.

13       **4. Financing assumed debts.** If a school administrative district has assumed the  
14       outstanding indebtedness of a former school administrative unit:

15       A. The directors of the school administrative district may, notwithstanding any other  
16       statute or any provision of any trust agreement, use any sinking fund or other money  
17       set aside by the school administrative unit to pay off the indebtedness for which the  
18       money was dedicated;

19       B. The municipality within a school administrative district may, by vote of its voters,  
20       raise, appropriate and transfer money to the school administrative district solely for  
21       school construction purposes; and

22       C. A municipality, within a proposed school administrative district that has applied  
23       to the state board, may, by vote of its voters, raise and appropriate money for school  
24       construction purposes to be transferred to the proposed school administrative district,  
25       if and when the district takes over the operation of the public school within its  
26       jurisdiction.

27       The municipality may only withdraw this appropriation:

28       (1) If the formation of the district fails to be approved by the municipalities  
29       within the district or by the state board; or

30       (2) If 9 months or more after the original vote, the electorate of the town vote to  
31       withdraw the appropriation.

32       **Sec. 10. 20-A MRSA §1205**, as repealed by PL 2007, c. 240, Pt. XXXX, §10, is  
33       reenacted to read:

34       **§1205. Operational date and transfer of authority**

35       The operational date and transfer of authority of a school administrative district shall  
36       be as follows.

37       **1. Operational date.** A school administrative district shall become operative on the  
38       date set by the state board as provided in section 1253.

39       **2. Transfer of governing authority.** The school directors shall, on the date  
40       established in subsection 1, assume responsibility for the management and control of the

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1 public schools within the former school administrative units within the district and these  
2 former school administrative units on that date have no further responsibility for the  
3 operation or control of the public schools within the district.

4 **3. Transfer of school accounts.** Notwithstanding section 15004 or any charter of a  
5 community school district or coterminous district, the balance remaining in the school  
6 accounts of the municipalities, community school district or coterminous school districts  
7 within the school administrative district shall be paid to the treasurer of the district in  
8 equal monthly installments over the remainder of the fiscal year in which the district is  
9 formed.

10 **4. Teacher contracts.** The contracts between the municipalities within the district  
11 and all teachers shall automatically be assigned to the school administrative district as of  
12 the date the district becomes operative. The district shall assign teachers to their duties  
13 and make payments upon their contracts.

14 **5. Superintendent contracts.** The contracts between the superintendents and  
15 municipalities within the district shall be transferred to the school administrative district.  
16 The board of directors shall determine the superintendents' duties within the district and  
17 pay that proportion of the salaries paid for by the former school administrative units in  
18 the district.

19 **Sec. 11. 20-A MRSA §1305-C,** as enacted by PL 2007, c. 240, Pt. XXXX, §11, is  
20 repealed.

21 **Sec. 12. 20-A MRSA c. 103, sub-c. 6,** as repealed by PL 2007, c. 240, Pt.  
22 XXXX, §12, is reenacted to read:

23 **SUBCHAPTER 6**

24 **REORGANIZATIONS**

25 **§1401. Additions**

26 A municipality not originally in a school administrative district may be included as  
27 follows.

28 **1. Application.** The board of directors of the municipality wishing to join with an  
29 existing school administrative district may file an application with the commissioner on a  
30 form to be provided by him.

31 **A.** The commissioner shall study the need for the municipality to join the school  
32 administrative district and recommend an agreement by which the municipality may  
33 become a member.

34 **B.** The agreement may contain a new method of sharing costs among the member  
35 municipalities of the district in accordance with section 1301. The article set out in  
36 section 1202, subsection 6, paragraph D, authorizing units to vote on alternate  
37 methods of sharing costs shall be used if the agreement recommended by the  
38 commissioner contains a provision for using one of the alternate methods of sharing  
39 costs.

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C. This agreement shall be forwarded to the secretary of the school administrative district and to the clerk of the municipality desiring to join the district.

**2. First meeting.** Within 45 days after receipt of the agreement by the municipal clerk, a regular or special town meeting or city election in the joining municipality, shall vote on the agreement. The vote shall conform to the following procedure.

A. The article voted on shall be:

"Article ..: Shall the municipality vote to join School Administrative District No..... as a participating municipality of the district subject to the terms and conditions of the agreement prepared by the commissioner dated ..... 19..?"

Yes ... No ..."

(A copy of the agreement shall be posted with each warrant.)

B. The election of the directors and the vote on the agreement shall be conducted on the same day. This election shall follow the procedures used for the election of municipal officials by the municipality.

C. The vote on the agreement shall be called using the same methods as the municipality uses in conducting its business at regular or special town meetings or city elections.

D. If the municipality is organized under a special legislative charter, it shall call a referendum following the procedures outlined in its charter.

E. The municipal clerk shall send a certified copy of the results of the vote to the secretary of the school administrative district.

**3. Second meeting.** If the board of directors finds that the vote was in the affirmative, the board shall call a district referendum within 45 days in accordance with sections 1351 to 1354 to vote on the following article.

Article ..: Shall the district vote to admit the municipality of .....(name the municipality) into School Administrative District No..... as a participating municipality of the district subject to the terms and conditions of the agreement prepared by the commissioner dated ..... 19.....?

Yes .. No .."

(A copy of the agreement shall be posted with each warrant.)

A. The municipal clerks within the district shall forward to the commissioner a certified report of the total number of affirmative and negative votes cast on the article.

B. On receipt of the results of the voting from all municipalities, the commissioner shall compute and record the result of the voting.

**4. Commissioner finding.** If the commissioner finds that a majority of the voters of the district and a majority of the voters of the municipality favor admission of the municipality into the district, he shall make a finding to that effect.

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1 A. The commissioner shall notify by registered mail the clerk of the municipality  
2 seeking to join the school administrative district and the secretary of the school  
3 administrative district of the results of the vote.

4 B. If the commissioner's finding is that a majority is for joining, he shall issue an  
5 amended certificate for the school administrative district, which shall be filed in the  
6 same manner as the original certificate.

7 5. Certificate. The issuance of an amended certificate shall be conclusive evidence  
8 of the admission of that municipality to the school administrative district.

9 **§1402. Combining of districts**

10 If one school administrative district wishes to join with another school administrative  
11 district, the following procedure shall be used.

12 1. Application. Each district's board of directors shall file an application with the  
13 commissioner on a form to be prepared by him.

14 A. The commissioner shall receive the applications, make a study of the necessity for  
15 combining the districts and recommend an agreement by which the districts may  
16 combine.

17 B. This agreement shall be forwarded to the secretary of each school administrative  
18 district.

19 2. Meeting. Within 45 days after receipt of the agreement each district's board of  
20 directors shall call a district meeting in accordance with sections 1351 to 1354 to vote on  
21 the following article.

22 "Article .. To see if School Administrative District No.... will vote to join School  
23 Administrative District No.... in a merger to form a larger district subject to the terms  
24 and conditions of the agreement prepared by the commissioner dated ..... 19.....

25 Yes .. No .."

26 (A copy of the agreement shall be posted with each warrant.)

27 3. Return. The secretary of each school administrative district shall file a return  
28 with the commissioner immediately following the votes in the district on the question of  
29 merger.

30 4. Commissioner's finding. If the commissioner finds that a majority of the voters  
31 in each district have voted in favor of the merger, he shall make a finding to the effect.

32 5. Notice. The commissioner shall notify by registered mail the secretary of each  
33 district of the results of the vote.

34 6. Certificate. If the commissioner's finding is that a majority is for merging, he  
35 shall issue a new certificate for the enlarged school administrative district and assign a  
36 number. The certificate shall be filed in the same manner as the original certificate.

37 7. Evidence. The issuance of the certificate by the commissioner shall be conclusive  
38 evidence of the merger of the school administrative districts.

1 **§1403. Dissolution of a district**

2 **1. Ten percent petition.** Upon receipt of a petition which seeks to dissolve a school  
3 administrative district and establishes a maximum figure for the cost of preparing a  
4 dissolution agreement signed by 10% of the number of voters in a municipality who  
5 voted at the last gubernatorial election, the municipal officers shall call and hold a special  
6 election, in the manner provided for the calling and holding of town meetings or city  
7 elections to vote on the dissolution of the school administrative district.

8 A. At least 10 days before the election, a posted or otherwise advertised public  
9 hearing on the petition shall be held by the municipal officers.

10 B. The petition must be approved by secret ballot by a 2/3 vote of the voters present  
11 and voting before it may be presented to the board of directors and the commissioner.  
12 Voting in towns shall be conducted in accordance with Title 30-A, sections 2528 and  
13 2529, even if the towns have not accepted the provisions of Title 30-A, section 2528,  
14 and voting in cities shall be conducted in accordance with Title 21-A.

15 **2. Form.** The question to be voted upon shall be in substantially the following form:  
16 "Article ..: Be it resolved by the residents of the Town of ..... that a petition for  
17 dissolution be filed with the directors of School Administrative District No. .... and  
18 with the commissioner, that the dissolution committee be authorized to expend  
19 \$..... and that the (municipal officers; i.e. selectmen, town council, etc.) be  
20 authorized to issue notes in the name of the Town of ..... or otherwise pledge the  
21 credit of the Town of ..... in an amount not to exceed \$..... for this purpose?

22 Yes .... No ...."

23 **3. Notice of vote; finding by commissioner.** If residents of a participating  
24 municipality vote favorably on a petition for dissolution, the clerk shall immediately give  
25 written notices, by registered mail, to the secretary of the school administrative district  
26 and the commissioner which shall include:

27 A. The petition adopted by the voters, including the positive and negative votes cast;  
28 and

29 B. An explanation by the municipal officers, stating to the best of their knowledge,  
30 the reason or reasons why the municipality seeks to dissolve the district.

31 **4. Agreement for dissolution; notice; changes in agreement; final agreement.**  
32 The agreement for dissolution shall comply with the following.

33 A. The commissioner, after consultation with the district board of directors,  
34 municipal officers of the participating municipalities, and representatives of the group  
35 which filed the petition with the municipality, shall direct the municipal officers of  
36 each municipality to select representatives to a committee as follows: One member  
37 from the municipal officers, the group filing the petition; and one member from the  
38 general public; and one member from the group filing the petition if the group is  
39 represented in the municipality, otherwise an additional one member of the general  
40 public. The commissioner shall also direct the directors representing each  
41 municipality to select one member of the board of directors who represents that  
42 municipality to serve on the committee. The municipal officer and the member of the  
43 board of directors shall serve on the committee only so long as they hold their

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1 respective offices. Vacancies will be filled by the municipal officers and board of  
2 directors. The chairman of the board of directors shall call a meeting of the  
3 committee within 30 days of the filing of the notice of the vote in subsection 3. The  
4 chairman of the board shall open the meeting by presiding over the election of a  
5 chairman of the committee. The responsibility for the preparation of the agreement  
6 shall rest with the committee, subject to the approval of the commissioner. The  
7 committee may draw upon the resources of the department for information not  
8 readily available at the local level and employ competent advisors within the fiscal  
9 limit authorized by the voters. The agreement shall be submitted to the commissioner  
10 within 90 days after the committee is formed. Extensions of time may be granted by  
11 the commissioner upon the request of the committee.

12 (1) The agreement shall contain provisions to provide educational services for all  
13 students in the district. The agreement shall provide that during the first year  
14 following the dissolution, students may attend the school they would have  
15 attended if the district had not dissolved. The allowable tuition rate for students  
16 sent from one municipality to another in the former school administrative district  
17 shall be determined under section 5805, subsection 1, except that it shall not be  
18 subject to the state per pupil average limitation in section 5805, subsection 2.

19 (2) The agreement shall establish the dissolution to take effect at the end of the  
20 district's fiscal year.

21 (3) The agreement shall establish that the dissolution will not cause a need  
22 within 5 years from the effective date of dissolution for school construction  
23 projects which would be eligible for state funds. This limitation does not apply  
24 where a need for school construction existed prior to the effective date of the  
25 dissolution or where a need for school construction would have arisen even if the  
26 district had not dissolved.

27 (4) The agreement shall establish how transportation services will be provided.

28 (5) The agreement shall provide for administration of the new administrative  
29 units, which should not include the creation of new supervisory units if at all  
30 possible.

31 (6) The agreement shall make provision for the distribution of financial  
32 commitments arising from outstanding bonds, notes and any other contractual  
33 obligations that extend beyond the proposed date of dissolution.

34 (7) The agreement shall make appropriate provision for the distribution of any  
35 outstanding financial commitments to the superintendent of the school  
36 administrative district.

37 (8) The agreement shall provide for the continuation and assignment of  
38 collective bargaining agreements as they apply to the new or reorganized school  
39 administrative unit for the duration of those agreements and shall provide for the  
40 continuation of representational rights.

41 (9) The agreement shall provide for the continuation of continuing contract  
42 rights under section 13201, subsection 2.

# SENATE AMENDMENT

1           (10) The agreement shall provide for the disposition of all real and personal  
2           property and other monetary assets.

3           (11) The agreement shall provide for the transition of administration and  
4           governance of the schools to properly elected governing bodies of the newly  
5           created administrative units and shall provide that the governing bodies shall not  
6           be elected simultaneously with the vote on the article to dissolve unless the  
7           commissioner finds there are extenuating circumstances which necessitate  
8           simultaneous elections.

9           B. Within 60 days of the receipt of the agreement, the commissioner shall either give  
10           it conditional approval or recommend changes. The changes shall be based upon the  
11           standards set forth in paragraph A and the commissioner's findings of whether the  
12           contents of the plan will provide for appropriate educational and related services to  
13           the students of the district and for the orderly transition of assets, governance, and  
14           other matters related to the district.

15           C. If the commissioner gives conditional approval of the agreement, he shall notify  
16           the directors and the municipal officers by registered mail of the time and place of a  
17           public hearing at least 20 days prior to the date set for the hearing, to discuss the  
18           merits of the proposed agreement of dissolution. The chairman of the board of  
19           directors will conduct the hearing.

20           (1) The directors shall post a public notice in each municipality of the time and  
21           location of the hearing at least 10 days before the hearing.

22           (2) Within 30 days following the hearing, the committee shall forward the final  
23           agreement to the commissioner.

24           D. If the commissioner recommends changes he shall:

25           (1) Send the agreement back to the committee for necessary corrections;

26           (1-A) Establish a maximum time within which to make the corrections; and

27           (2) Indicate that the corrected agreement shall be returned to the commissioner  
28           for conditional approval before it goes to public hearing as set forth in paragraph  
29           C.

30           **5. Date of vote; notice; warrant; polling hours.** The date and time for voting shall  
31           be established as follows.

32           A. The commissioner shall determine the date upon which all municipalities shall  
33           vote upon the dissolution agreement submitted to them. The election shall be held as  
34           soon as practicable and the commissioner shall attempt to set the date of the vote to  
35           coincide with a statewide election.

36           B. At least 35 days before the date set in paragraph A, the board of directors shall  
37           give written notice by registered or certified mail to the town or city clerk of each  
38           municipality having a right to vote on the dissolution agreement.

39           C. The town or city clerk shall immediately notify the municipal officers upon  
40           receipt of the notice, and the municipal officers shall meet and immediately issue a

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- 1 warrant for a special town meeting or city election, as the case may be, to be held on
- 2 the date designated by the commissioner. No other date may be used.
- 3 D. In the respective warrants, the municipal officers shall direct that the polls shall
- 4 be open at 10 o'clock in the forenoon and shall remain open until 8 o'clock in the
- 5 afternoon.
- 6 **6. Public hearing; voting procedures.** The following requirements apply to the
- 7 voting procedures.
- 8 A. At least 10 days before the election, a posted or otherwise advertised public
- 9 hearing on the dissolution question shall be held by the municipal officers.
- 10 B. Except as otherwise provided in this section, the voting at the meetings held in
- 11 towns shall be conducted in accordance with Title 30-A, sections 2528 and 2529,
- 12 even if the towns have not accepted the provisions of Title 30-A, section 2528.
- 13 C. The voting at the meeting held in cities shall be conducted in accordance with
- 14 Title 21-A.
- 15 **7. Article.** The article shall be in the following form.
- 16 "Article .....: Shall School Administrative District No. .... be dissolved subject
- 17 to the terms and conditions of the dissolution agreement dated ..... 19 .....?"
- 18 Yes ..... No ....."
- 19 **8. Ballots; posting of agreement.** The dissolution agreement need not be printed on
- 20 the ballot. Copies of the agreement shall be posted in each participating municipality in
- 21 the same manner as specimen ballots are posted under Title 30-A, section 2528.
- 22 **9. Restriction on dissolution petitions.** No participating municipality within a
- 23 district may petition for dissolution within 2 years after the date of:
- 24 A. A municipal vote on a petition for dissolution if the petition received less than
- 25 60% of the votes cast; or
- 26 B. A district vote on a dissolution agreement if the agreement received less than 45%
- 27 of the votes cast.
- 28 **10. Costs of dissolution agreements.** If the school administrative district votes to
- 29 permit dissolution, then the district shall reimburse the petitioning municipality for the
- 30 authorized expenses incurred by the dissolution committee. If the district votes not to
- 31 permit dissolution, then the district will not be required to reimburse the petitioning
- 32 municipality for those expenses.
- 33 **11. Determination of vote.** The town and city clerks shall, within 24 hours of
- 34 determination of the result of the vote in their respective municipalities, certify the total
- 35 number of votes cast in the affirmative and the total number of votes cast in the negative
- 36 on the article to the board of directors.
- 37 **12. Determination of results; notification of commissioner; execution of**
- 38 **agreement.** Determination of results shall comply with the following.

1 A. Upon receipt of the results of the voting from all municipalities, the board of  
2 directors shall meet and shall compute and record the total number of votes cast in the  
3 municipalities in the affirmative and in the negative on the dissolution article.

4 B. The board of directors shall notify the commissioner by registered mail or by  
5 hand delivery of the results of the vote.

6 C. If the commissioner finds that a majority of the voters voting on the article have  
7 voted in the affirmative, he shall notify the directors of the district to take steps to  
8 dissolve the district in accordance with the terms of the agreement for dissolution.

9 **13. Recount; checklists and ballots; disputed ballots.** The following provisions  
10 apply to recounts, checklists, ballots and disputed ballots.

11 A. If, within 7 days of the computation and recording of the results of the voting  
12 from all municipalities, the municipal officers of any participating municipality  
13 request to the commissioner in writing a recount of the votes in the district, the  
14 commissioner shall immediately cause the checklists and all the ballots cast in all of  
15 the participating municipalities to be collected and kept at the commissioner's office  
16 so they may be recounted by interested municipalities.

17 B. The town clerks of the participating municipalities are authorized to deliver the  
18 checklists and ballots to the commissioner, notwithstanding any other provision of  
19 law to the contrary.

20 C. The commissioner shall resolve any question with regard to disputed ballots.

21 **14. Execution of agreement; certified record; certificate of withdrawal.** When  
22 the agreement for dissolution has been put in effect by the directors of the school  
23 administrative district, the directors shall notify the commissioner by certified mail that  
24 the agreement of dissolution has been executed.

25 A. A complete certified record of the transaction involved in the dissolution shall be  
26 filed with the commissioner.

27 B. The commissioner shall immediately issue a certificate of dissolution to be sent  
28 by certified mail for filing with the directors of the school administrative district and  
29 shall file a copy in the office of the Secretary of State.

30 **15. Indebtedness; indebtedness defined; indebtedness after dissolution.** The  
31 following provisions apply to outstanding indebtedness.

32 A. Whenever a district having outstanding indebtedness dissolves, the district shall  
33 remain intact for the purpose of securing and retiring the indebtedness; the  
34 dissolution agreement may provide for alternate means for retiring outstanding  
35 indebtedness.

36 B. "Outstanding indebtedness" means bonds or notes for school construction projects  
37 issued by the board of directors pursuant to the authorization established under  
38 chapter 609 or Title 20, sections 3457 to 3460 or obligations to the Maine School  
39 Building Authority pursuant to any contract, lease or agreement made by the board of  
40 directors pursuant to approval thereof in a district meeting of the school  
41 administrative district, but does not include any indebtedness of any municipality  
42 assumed by the school administrative district at the time of formation nor any



1 contract, lease or agreement of the Maine School Building Authority to which by  
2 operation of law the school administrative district has become the assignee.

3 **16. General purpose aid.** When a school administrative district dissolves, the  
4 general purpose aid for the individual municipalities must be computed in accordance  
5 with chapter 606-B.

6 **17. Committee recall.** If the commissioner determines that the dissolution  
7 committee has failed to comply with the requirements of this section, he may authorize  
8 the municipal officers and the district's board of directors to recall their representatives  
9 and to appoint new representatives to the committee.

10 **§1404. Reorganization of a school administrative district as a community school**  
11 **district**

12 **1. Petition for reorganization.** The residents of a municipality within a school  
13 administrative district may petition for dissolution of the school administrative district  
14 and reorganization as a community school district, which will operate grades 9 to 12 and  
15 any combination of kindergarten through grade 8 in accordance with chapter 105, in the  
16 manner authorized by section 1403 for dissolution of a district. The articles to be voted  
17 upon shall clearly set forth that a community school district will be formed upon the  
18 dissolution of the school administrative district.

19 **2. Vote required.** If the commissioner is petitioned pursuant to the authority of  
20 subsection 1, the board of directors of the school administrative district shall require the  
21 member municipalities of the district to vote on an article which shall be substantially as  
22 follows.

23 "Article ..... : Shall School Administrative District No. .... be dissolved subject to  
24 the terms and conditions of the dissolution agreement dated ..... 19 ....., and the  
25 towns of ..... form a community school district which shall be responsible for  
26 the operation of grades .....?"

27 Yes .... No ...."

28 **3. Governing body of community school district.** A school administrative district  
29 which dissolves and simultaneously forms a new community school district pursuant to  
30 this section shall have a single governing body which shall consist of a school committee  
31 performing all of the duties of the school committee and the board of trustees set forth in  
32 chapter 105.

33 **4. Commissioner.** The commissioner shall carry out his duties under sections 1403  
34 and 1602 regarding the dissolution of a school administrative district and the creation of a  
35 new community school district, except that the municipal officers and the board of  
36 directors shall be responsible for developing a plan to provide for the continuity of the  
37 educational program for each municipality to be included within the dissolution  
38 agreement.

39 **5. Outstanding indebtedness of the school administrative district and liability of**  
40 **the community school district.** If a school administrative district is dissolved and a  
41 community school district is formed, the community school district shall become liable  
42 for the school administrative district's outstanding indebtedness as defined in section  
43 1403, except as otherwise provided for in subsection 6.

1 6. Outstanding indebtedness of school administrative district; liability of  
2 individual municipalities. If the school administrative district is dissolved and the  
3 ensuing community school district does not include all grades kindergarten through 12,  
4 each member municipality shall be individually liable for any outstanding indebtedness  
5 which the school administrative district had relative to the grades which will be operated  
6 exclusively by that municipality or as otherwise provided for in the dissolution  
7 agreement.

8 7. General purpose aid. When a school administrative district dissolves and a new  
9 community school district is formed, the general purpose aid for the community school  
10 district and the individual municipalities shall be computed in accordance with chapter  
11 605.

12 §1405. Withdrawal of a single municipality from a school administrative district

13 1. Petition. The residents of a participating municipality within a school  
14 administrative district composed of 3 or more municipalities may petition to withdraw  
15 from the district in the same manner as they would petition for the dissolution of a school  
16 administrative district in accordance with section 1403, except that only a simple majority  
17 vote of those casting valid ballots in the municipality is required before the petition may  
18 be presented to the board of directors and to the commissioner.

19 2. Procedure. The steps set forth in section 1403 for dissolution apply to the  
20 withdrawal of a member municipality from a school administrative district, except that:

21 A. The responsible committee for preparing the withdrawal agreement shall be  
22 limited to individuals from the municipality;

23 B. Instead of a district election, a municipal election shall be conducted and a 2/3  
24 vote of those casting valid ballots in the municipality is required before it may  
25 withdraw;

26 C. Wherever there is reference in section 1403 to the term "dissolution," or other  
27 terms not consistent with withdrawal, the term "withdrawal" or other appropriate  
28 language shall be substituted;

29 D. All public hearings required under section 1403 shall be conducted by the  
30 municipal officers; and

31 E. A municipality may not petition for withdrawal within 2 years after the date of:

32 (1) A municipal vote on a petition for withdrawal if the petition received less  
33 than 45% of the votes cast; or

34 (2) A municipal vote on a withdrawal agreement if the agreement received less  
35 than 60% of the votes cast.

36 3. Cost of advisors. The expense of employing competent advisors by the  
37 municipality petitioning to withdraw shall be borne by the municipality and the expense  
38 of employing competent advisors by the district shall be borne by the district with the  
39 municipality bearing its share according to the district's cost-sharing agreement.

40 4. Commissioner recommended dissolution. The commissioner's responsibilities  
41 to initiate dissolution proceedings are as follows.

1 A. If a member town representing more than 50% of the total population in a district  
2 votes to withdraw from the district, then the commissioner shall analyze the  
3 educational impact of the town's withdrawal upon the district. The district's board of  
4 directors and the municipal officers from the remaining towns shall be consulted.

5 B. If the commissioner finds that it is impractical for the remaining towns to  
6 continue as a district, then he shall initiate the dissolution process set out in section  
7 1403 by having the district submit the following article to the voters at a district  
8 meeting called in accordance with sections 1351 to 1354.

9 "Article .....: Be it resolved by the voters of School Administrative District No.  
10 ..... that a dissolution committee be appointed and authorized to expend \$.....,  
11 and the directors of School Administrative District No. .... be authorized to issue  
12 notes or otherwise pledge the credit of School Administrative District No. .... in an  
13 amount not to exceed \$..... for this purpose?

14 Yes ..... No ....."

15 C. If the voters approve the article by a majority vote of those voting and present,  
16 then the rest of the dissolution process set forth in section 1403 shall apply except:

17 (1) A 2nd member from the general public shall be selected by the municipal  
18 officers to fill the position on the dissolution committee normally held by a  
19 representative of the group which would have filed the dissolution petition; and

20 (2) Costs of preparing a dissolution agreement shall be borne solely by the  
21 district.

22 5. Transfer of property. The district's board of directors may negotiate with the  
23 withdrawal committee regarding an equitable division of the district's property between  
24 the district and the municipality represented by the committee and transfer title of the  
25 property to the municipality following withdrawal. The board of directors shall  
26 determine that the district's educational program shall not be disrupted solely because of  
27 the transfer of any given property before it may complete the transfer.

28 **§1406. Transfer of a municipality from one school administrative district to another**

29 1. Petition to commissioner. The board of directors of 2 school administrative  
30 districts may petition the commissioner by joint resolution to permit a municipality to  
31 transfer from one school administrative district to another, provided that that municipality  
32 is being transferred to a district contiguous to the municipality.

33 2. Transfer agreement. The boards of directors of the 2 districts and the municipal  
34 officers of the municipality involved shall form a committee to prepare a transfer  
35 agreement within 60 days after being notified by the commissioner to prepare the  
36 agreement. Extensions of time may be granted by the commissioner.

37 A. The committee shall consider the standards set forth in section 1403, subsection 4,  
38 paragraph A in preparing the agreement.

39 B. The approval process for the agreement shall follow the steps set forth in section  
40 1403, subsection 4 to subsection 16.

1 C. The following question shall appear on the ballot when the transfer of a  
2 municipality is considered.

3 "Article .....: Shall School Administrative District No. .... vote to permit the  
4 municipality of ..... to transfer into School Administrative District No. ....  
5 as a participating municipality of that district subject to the terms and conditions of  
6 the agreement of transfer approved by the commissioner dated ..... 19 .....?

7 Yes ..... No ....."

8 (A copy of the agreement shall be posted with each warrant which directs the citizens  
9 to vote upon the question.)

10 D. The article must be approved by a majority of votes cast in both districts and by a  
11 majority of votes cast in the municipality to be transferred before the agreement may  
12 take effect.

13 E. A complete certified record of the transaction involved in the transfer shall be  
14 filed with the commissioner. He shall issue immediately a certificate of transfer to  
15 the secretary of each school administrative district by registered mail to be filed with  
16 the directors of the districts involved and shall file a copy of the certificate of transfer  
17 in the office of the Secretary of State.

18 **3. Outstanding indebtedness.** Whenever a municipality, or a part of a municipality,  
19 is detached from a district having outstanding indebtedness, the municipality or part of a  
20 municipality shall remain as part of the district from which it was detached for the  
21 purposes of paying its proper portion of such indebtedness until the indebtedness shall be  
22 redeemed. The municipality or part of a municipality shall not be part of the district from  
23 which it was detached for the purpose of any outstanding indebtedness incurred  
24 subsequent to the date of the certificate of transfer.

25 **§1407. Closing an elementary school**

26 **1. Vote; cost of election.** An elementary school in a member municipality of a  
27 school administrative district may not be closed pursuant to section 4102, subsection 3  
28 unless the voters in the member town vote on the following article in accordance with the  
29 procedure set forth in sections 1351 to 1354.

30 "Article .....: Shall the board of directors of School Administrative District No.  
31 ..... be authorized to close ..... (name of school)?

32 Yes ..... No ....."

33 (The election must be conducted only within that member municipality, and the costs  
34 of the election are borne by the district.)

35 **2. Expense of keeping the school open.** If the voters vote to keep the school open,  
36 the member municipality is liable for some additional expense for actual local operating  
37 costs and transportation operating costs as defined in section 15672. The determination  
38 of costs is subject to the approval of the commissioner. The cost to be borne by the town  
39 voting to keep an elementary school open is the amount that would be saved if the school  
40 were closed. Any additional costs that must be borne by the member municipality must  
41 be part of the article presented to the voters at the meeting to determine whether the  
42 school should remain open.

1 **3. Costs and procedures during subsequent years.** During any year subsequent to  
2 the year during which an elementary school remains open contrary to the school  
3 administrative district board of director's vote to close that elementary school, as a result  
4 of a municipal referendum, the elementary school will be open without any additional  
5 cost to the municipality except as described in paragraphs A and B.

6 A. If the school administrative district board of directors again vote to close the  
7 elementary school and the voters of the member municipality again vote to keep the  
8 elementary school open, as described in this paragraph, then the elementary school  
9 will remain open and the member municipality will be obligated to pay the additional  
10 costs as described in subsection 2.

11 B. If the school administrative district board of directors again votes to close the  
12 elementary school and the voters of the member municipality fail to vote to keep the  
13 elementary school open, then the elementary school is closed. In this event, the  
14 elementary school may be reopened only if the school administrative district board of  
15 directors vote to reopen the school.

16 **4. Definition of elementary school closing.** In this section, an elementary school  
17 closing shall be any action or actions by the school administrative district that have the  
18 effect of providing no instruction for any students at that elementary school.

19 **5. Method of payment by liable municipality.** If a municipality is liable for  
20 additional expenses as determined in subsection 1, paragraph B, then the amount of this  
21 additional expense shall be subtracted from the school administrative district budget  
22 before each member municipality's assessment is computed. This additional expense  
23 shall be paid by the member municipality which is liable in equal monthly amounts,  
24 unless the school administrative district and that member municipality mutually agree to  
25 another method of payment.

26 **§1408. State board review of commissioner's decisions**

27 A school administrative unit or other interested parties may request that the state  
28 board reconsider decisions made by the commissioner under this subchapter. The state  
29 board may have the authority to overturn decisions made by the commissioner. In  
30 exercising this power, the state board is limited by this subchapter.

31 **§1409. Rules**

32 The state board may adopt rules to carry out this subchapter.

33 **Sec. 13.** 20-A MRSA c. 103-A, as amended, is repealed.

34 **Sec. 14.** 20-A MRSA §1602, as repealed by PL 2007, c. 240, Pt. XXXX, §14, is  
35 reenacted to read:

36 **§1602. Formation**

37 A community school district may be formed by the residents of 2 or more  
38 municipalities only if the voters of each of those municipalities have voted to create the  
39 district.

1 1. Municipal vote. If the school board of each municipality's school administrative  
2 unit votes to join with another municipality to form a community school district, then the  
3 municipal officers of each municipality shall call a meeting of the voters of their  
4 respective municipality in a manner provided by law for the calling of town meetings.  
5 Those meetings shall vote to either favor or oppose articles in substantially the following  
6 forms.

7 A. "Article ...: To see if the municipality of ..... (name) will vote to join with  
8 the municipalities of ..... (naming them) to form a community school district to  
9 be known as ..... Community School District which shall be responsible for the  
10 operation of grades ..... (naming them)."

11 B. "Article ...: To see if the costs of operating ..... Community School District  
12 shall be shared among the municipalities of ..... (naming them) in  
13 accordance with (per student, state valuation, a combination thereof or any other  
14 formula authorized by the Legislature)."

15 C. "Article ...: To see if the municipality of ..... (name) will vote to have the  
16 community school district's school committee perform the duties of the board of  
17 trustees."

18 2. State board declaration. Each municipal clerk shall file a return of the votes cast  
19 at the meeting with the state board. If the state board determines that a majority of those  
20 voting in each of the municipalities favored the articles in subsection 1, paragraphs A and  
21 B, then the state board shall so declare. With the declaration, the commissioner shall  
22 issue to the community school district a certificate of organization which shall be  
23 conclusive evidence of its lawful organization. The community school district shall bear  
24 the name voted on.

25 3. Petition to reorganize to rename. The district school committee may petition  
26 the state board to change the name of the community school district or to change the  
27 number of grades which the community school district is responsible for operating.

28 A. The state board shall authorize the change if it finds the change to be in the best  
29 interest of the community school district.

30 B. If the State Board of Education authorizes the change, then the governing body  
31 of the community school district shall notify the municipal officers in each of the  
32 member towns who shall call a meeting of the inhabitants of their respective towns in  
33 the manner provided by law for calling of town meetings and those meetings shall  
34 vote to favor or oppose articles in substantially the following forms.

35 (1) "Article ... : To see if the town will vote to authorize the .....   
36 Community School District to change its name to ..... Community  
37 School District."

38 (2) "Article...: To see if the town will vote to authorize the .....   
39 Community School District to be responsible for the operation of grades  
40 ....."

41 C. The clerk in each of the member towns shall file a return of the votes cast in the  
42 town meeting with the state board. If the state board finds that a majority of those

1 voting in each of the towns favor the articles, then the community school district shall  
2 be reorganized accordingly.

3 4. Board to file return. Whenever the community school district is reorganized in  
4 the manner authorized in subsection 3 or under section 1751, the board of trustees shall  
5 file a return to that effect with the state board. A copy, certified by the commissioner, of  
6 the return shall be conclusive evidence of the reorganization of the community school  
7 district.

8 **Sec. 15. 20-A MRSA §1604**, as repealed by PL 2007, c. 240, Pt. XXXX, §15, is  
9 reenacted to read:

10 **§1604. Transition to new district**

11 **1. Transfer of contracts.** At the start of the school year after organization:

12 A. The contracts between the municipalities within the community school district  
13 and all teachers shall automatically be assigned to the community school district and  
14 the district shall be responsible for assigning teachers to their duties and making  
15 payments on their contract; and

16 B. The contracts between the superintendents and municipalities within the  
17 community school district shall automatically be assigned to the district.

18 (1) The superintendents' duties with regard to the community school district shall  
19 be determined by the district school committee.

20 (2) The community school district shall thereafter pay the proportionate part of  
21 the superintendents' salary that the municipalities were liable to pay.

22 **2. Transfer of assets.** Each municipality within the community school district, at  
23 the same time, shall transfer to the district:

24 A. All school supplies and equipment purchased for and in use by the school grades  
25 encompassed by the community school district formation; and

26 B. All real property, as requested by the district school committee, which was  
27 formerly used for the school grades encompassed by the district formation. The  
28 municipal officers shall execute quitclaim deeds for the transfer of real property  
29 requested by the district school committee.

30 **3. Initial budget.** The district school committee shall be responsible for preparing  
31 and submitting a budget to the voters, as authorized by section 1701, prior to the start of  
32 the first year.

33 **4. Operational date.** At the start of the school year after organization, the  
34 community school district shall become operative and the district school committee shall  
35 assume the sole management and control of the operation of all the public schools within  
36 the community school district for the authorized grade levels. It shall also adopt bylaws  
37 and an official seal.

38 **Sec. 16. 20-A MRSA §1701-C**, as enacted by PL 2007, c. 240, Pt. XXXX, §16, is  
39 repealed.

1        **Sec. 17. 20-A MRSA §1751**, as repealed by PL 2007, c. 240, Pt. XXXX, §17, is  
2 reenacted to read:

3        **§1751. Additions to, dissolution of and withdrawal from a district**

4            **1. Additions.** The inhabitants of any territory within any town, not originally in the  
5 district, may be included upon vote of all towns concerned in a manner similar to that  
6 prescribed for establishing the community school district in section 1602 under such  
7 terms and arrangements as may be recommended by the community school district's  
8 school committee.

9            **2. Dissolution.** The residents of a participating municipality within a community  
10 school district may petition and vote to dissolve the district in the same manner as a  
11 participating municipality within a school administrative district may petition and vote to  
12 dissolve a school administrative district in accordance with section 1403.

13            **3. Withdrawal.** The residents of a participating municipality within a community  
14 school district may petition and vote to withdraw from the district in the same manner as  
15 a participating municipality within a school administrative district may petition to  
16 withdraw in accordance with section 1405.

17            **4. Transfer.** The school committees of 2 community school districts may permit the  
18 transfer of a municipality from one community school district to another in the same  
19 manner the boards of directors of 2 school administrative districts may permit a transfer  
20 in accordance with section 1406.

21            **5. Closing elementary school.** If a community school district includes elementary  
22 grades, the closing of an elementary school in a member municipality pursuant to section  
23 4102, subsection 3 must follow the procedures established in section 1407 for closing an  
24 elementary school in a member municipality in a school administrative district.

25            **6. Substitution of terms.** Whenever there is reference in sections 1403 and 1405 to  
26 1407 to a school administrative district, for purposes of this section, the term "community  
27 school district" shall be substituted. Other terms consistent with the intent of subsections  
28 2 to 5, to allow municipalities to withdraw or transfer from or to dissolve the district or  
29 keep a municipal elementary school open, may also be substituted as necessary.

30        **Sec. 18. 20-A MRSA §1901**, as repealed by PL 2007, c. 240, Pt. XXXX, §18, is  
31 reenacted to read:

32        **§1901. Formation**

33            **1. Commissioner's authority.** The commissioner shall adjust the grouping of  
34 school administrative units within the State in accordance with this section.

35            **2. Size.** A school union shall include not less than 35 nor more than 75 teachers  
36 unless the commissioner, upon request of a school board, finds that because of  
37 geographic location or other reasons, it is to the advantage of the State and the  
38 municipalities that a school union shall include fewer than 35 or more than 75 teachers.

39            **3. Combining unions.** On presentation of a written plan of organization which has  
40 been approved by the school boards involved, the commissioner may combine 2 or more  
41 school unions, or their parts, into a larger school union.



1 A. The new school union shall be administered by a superintendent of schools and  
2 staff assistants, who may be employed by the union committee as provided in section  
3 1051.

4 B. The commissioner may adjust disbursements for supervision so that there will be  
5 no loss in state support because of the reorganization.

6 4. Exception for existing school unions with over 35 teachers. Existing school  
7 unions employing over 35 teachers shall not be regrouped unless the proposed regrouping  
8 has been approved by a majority of the school board members in the school  
9 administrative units involved.

10 5. School administrative units with more than 75 teachers. A school  
11 administrative unit with more than 75 teachers may employ a superintendent of schools  
12 without uniting with other school administrative units for this purpose.

13 A. The school administrative unit shall elect a superintendent in the same manner  
14 and for the same term, fix the salary and discharge the superintendent under the same  
15 conditions as superintendents employed under sections 1051 to 1054.

16 B. Annually and whenever a new superintendent is elected, the chairman and  
17 secretary of the school board shall certify to the commissioner, on the prescribed  
18 forms, all facts relative to the employment of the superintendent, including the  
19 amount of the salary to be paid.

20 6. Removal. If a school administrative unit having more than 75 teachers removes  
21 itself from an existing school union composed of not more than 2 units, the remaining  
22 unit shall, with the consent of its school board and the commissioner, be treated as though  
23 it had more than 75 teachers, provided that the remaining unit has more than 40 teachers.

24 7. Exception for remote administrative units. If the commissioner finds that a  
25 school administrative unit is remotely situated and that it is not practicable to combine it  
26 with other school administrative units for the purpose of employing a superintendent, the  
27 commissioner may place at the service of the school board of that unit the general agent  
28 for the schooling of the children in unorganized townships, or any other agent of the  
29 commissioner.

30 A. That agent shall, when assigned, serve as the superintendent of the school  
31 administrative unit. The agent shall have the same powers and shall perform the  
32 same service as superintendents of schools of municipalities. The agent's visits to the  
33 schools of the school administrative unit shall be at intervals as directed by the  
34 commissioner.

35 B. The treasurer of the school administrative unit shall pay to the agent a sum agreed  
36 upon by the agent and that school administrative unit. In case of dispute, the  
37 commissioner shall determine the amount to be paid.

38 8. Exception for school administrative unit with fewer than 35 teachers. If  
39 because of geographic location or other circumstances, it is not practicable to combine a  
40 school administrative unit or a school union employing less than 35 teachers with other  
41 school administrative units to form a school union, the school board may provide  
42 supervisory service, when approved by the commissioner. The school administrative unit  
43 or school union may provide for supervisory services by:

1 A. Employing a qualified person to serve as superintendent and as a supervising  
2 principal;

3 B. Contracting with another school administrative unit or school union for  
4 supervisory services; or

5 C. Employing a qualified agent to fulfill supervisory needs.

6 **Sec. 19. 20-A MRSA §2101, sub-§1**, as repealed by PL 2007, c. 240, Pt. XXXX,  
7 §19, is reenacted to read:

8 1. Establishment. If a union school is desired, the municipalities shall apply to the  
9 commissioner. The commissioner shall prepare an agreement setting out the terms and  
10 conditions under which a union school may operate.

11 **Sec. 20. 20-A MRSA §2101, sub-§2**, as repealed by PL 2007, c. 240, Pt. XXXX,  
12 §20, is reenacted to read:

13 2. Approval. Before a union school may operate, each municipality shall approve  
14 the agreement by an affirmative vote acting under an appropriate article at a regular or  
15 special town meeting or city election.

16 **Sec. 21. 20-A MRSA §2307**, as enacted by PL 2007, c. 240, Pt. XXXX, §21, is  
17 repealed.

18 **Sec. 22. 20-A MRSA c. 114**, as amended, is repealed.

19 **Sec. 23. 20-A MRSA §4102, last ¶**, as enacted by PL 2007, c. 240, Pt. XXXX,  
20 §23, is repealed.

21 **Sec. 24. 20-A MRSA §15671-A, sub-§2, ¶B**, as amended by PL 2007, c. 240,  
22 Pt. XXXX, §24, is further amended to read:

23 B. For property tax years beginning on or after April 1, 2005, the commissioner shall  
24 calculate the full-value education mill rate that is required to raise the statewide total  
25 local share. The full-value education mill rate is calculated for each fiscal year by  
26 dividing the applicable statewide total local share by the applicable statewide  
27 valuation. The full-value education mill rate must decline over the period from fiscal  
28 year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-  
29 06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill  
30 rate must be applied according to section 15688, subsection 3-A, paragraph A to  
31 determine a municipality's local cost share expectation. Full-value education mill  
32 rates must be derived according to the following schedule.

33 (1) For the 2005 property tax year, the full-value education mill rate is the  
34 amount necessary to result in a 47.4% statewide total local share in fiscal year  
35 2005-06.

36 (2) For the 2006 property tax year, the full-value education mill rate is the  
37 amount necessary to result in a 46.14% statewide total local share in fiscal year  
38 2006-07.

SENATE AMENDMENT "C" to H.P. 1645, L.D. 2280

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

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

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

12 **Sec. 25. 20-A MRSA §15680, sub-§1, ¶A,** as amended by PL 2007, c. 240, Pt.  
13 XXXX, §25, is further amended to read:

14 A. System administration. The per-pupil amount for "system administration" is the  
15 actual system administration expenditures, as defined in the State's accounting  
16 handbook for local school systems, for the most recent year available excluding  
17 expenditures for leases and the purchase of land and buildings, less revenues to  
18 system administration for services to other governments and refunds from a statewide  
19 school management association, divided by the average October and April enrollment  
20 counts for that fiscal year and then inflated to an estimated allocation year level by a  
21 10-year average increase in the Consumer Price Index or other comparable index.  
22 ~~Beginning in school year 2008-2009, this per-pupil amount must be based on school~~  
23 ~~year 2005-2006 system administration expenditures then reduced by 50% and~~  
24 ~~inflated to an estimated allocation year level by a 10-year average increase in the~~  
25 ~~Consumer Price Index or other comparable index;~~

26 **Sec. 26. 20-A MRSA §15680, sub-§1, ¶B,** as amended by PL 2007, c. 240, Pt.  
27 XXXX, §26, is further amended to read:

28 B. Operation and maintenance of plant. The per-pupil amount for "operation and  
29 maintenance of plant" is the actual operation and maintenance of plant expenditures,  
30 as defined in the State's accounting handbook for local school systems, for the most  
31 recent year available excluding expenditures for leases and the purchase of land and  
32 buildings, divided by the average October and April enrollment counts for that fiscal  
33 year and then inflated to an estimated allocation year level by a 10-year average  
34 increase in the Consumer Price Index or other comparable index. ~~For school year~~  
35 ~~2008-2009, the resulting per-pupil amount must be reduced by 5%;~~

36 **Sec. 27. 20-A MRSA §15681-A, sub-§2-A,** as enacted by PL 2007, c. 240, Pt.  
37 XXXX, §27, is repealed.

38 **Sec. 28. 20-A MRSA §15681-A, sub-§3-A,** as enacted by PL 2007, c. 240, Pt.  
39 XXXX, §28, is repealed.

40 **Sec. 29. 20-A MRSA §15688, sub-§2,** as amended by PL 2007, c. 240, Pt.  
41 XXXX, §29, is further amended to read:

1           **2. Member municipalities in school administrative districts or community**  
2 **school districts; total costs.** For each municipality that is a member of a school  
3 administrative district; or community school district ~~or regional school unit~~, the  
4 commissioner shall annually determine each municipality's total cost of education. A  
5 municipality's total cost of education is the school administrative district's; or community  
6 school district's ~~or regional school unit's~~ total cost of education multiplied by the  
7 percentage that the municipality's most recent calendar year average pupil count is to the  
8 school administrative district's; or community school district's ~~or regional school unit's~~  
9 most recent calendar year average pupil count.

10           **Sec. 30. 20-A MRSA §15688, sub-§3-A**, as amended by PL 2007, c. 240, Pt.  
11 XXXX, §30, is further amended to read:

12           **3-A. School administrative unit; contribution.** For each school administrative  
13 unit, the commissioner shall annually determine the school administrative unit's required  
14 contribution, the required contribution of each municipality that is a member of the unit,  
15 if the unit has more than one member, and the State's contribution to the unit's total cost  
16 of education in accordance with the following.

17           A. For a school administrative unit composed of only one municipality, the  
18 contribution of the unit and the municipality is the same and is the lesser of:

19                   (1) The total cost described in subsection 1; and

20                   (2) The total of the full-value education mill rate calculated in section 15671-A,  
21 subsection 2 multiplied by the property fiscal capacity of the municipality.

22           B. ~~Except as provided in paragraph B-1, for~~ For a school administrative district; or  
23 community school district ~~or regional school unit~~ composed of more than one  
24 municipality, each municipality's contribution to the total cost of education is the  
25 lesser of:

26                   (1) The municipality's total cost as described in subsection 2; and

27                   (2) The total of the full-value education mill rate calculated in section 15671-A,  
28 subsection 2 multiplied by the property fiscal capacity of the municipality.

29           ~~**B-1.** For a regional school unit, if the amount calculated pursuant to paragraph B is~~  
30 ~~less than 2 mills multiplied by the property fiscal capacity of the municipality, the~~  
31 ~~municipality's contribution to the total cost of education is an amount equal to 2 mills~~  
32 ~~multiplied by the property fiscal capacity of the municipality. The difference in the~~  
33 ~~amount calculated pursuant to paragraph B and the amount calculated pursuant to this~~  
34 ~~paragraph, which amount may not be less than zero, must be used to proportionally~~  
35 ~~lower the local contribution in the remaining municipalities.~~

36           C. For a school administrative district; or community school district ~~or regional~~  
37 ~~school unit~~ composed of more than one municipality, the unit's contribution to the  
38 total cost of education is the lesser of:

39                   (1) The total cost as described in subsection 1; and

1 (2) The sum of the totals calculated for each member municipality pursuant to  
2 paragraph B, subparagraph (2), ~~plus the total calculated pursuant to paragraph B-~~  
3 ~~if applicable.~~

4 D. The state contribution to the school administrative unit's total cost of education is  
5 the total cost of education calculated pursuant to subsection 1 less the school  
6 administrative unit's contribution calculated pursuant to paragraph A or C, as  
7 applicable. The state contribution is subject to reduction in accordance with section  
8 15690, subsection 1, paragraph C.

9 **Sec. 31. 20-A MRSA §15690, sub-§1, ¶B**, as amended by PL 2007, c. 240, Pt.  
10 XXXX, §31, is further amended to read:

11 B. For a school administrative district, or a community school district ~~or a regional~~  
12 ~~school unit~~, an article in substantially the following form must be used when the  
13 school administrative district, or community school district ~~or regional school unit~~ is  
14 considering the appropriation of an amount up to its required contribution to the total  
15 cost of education as described in section 15688.

16 (1) "Article ...: To see what sum the district will appropriate for the total cost of  
17 funding public education from kindergarten to grade 12 as described in the  
18 Essential Programs and Services Funding Act and to see what sum the district  
19 will raise and assess as each municipality's contribution to the total cost of  
20 funding public education from kindergarten to grade 12 as described in the  
21 Essential Programs and Services Funding Act in accordance with the Maine  
22 Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth  
23 below):

24	Total Appropriated (by municipality):	Total raised (district assessments
25		by municipality):
26	Town A (\$amount)	Town A (\$amount)
27	Town B (\$amount)	Town B (\$amount)
28	Town C (\$amount)	Town C (\$amount)
29	School District	School District
30	Total Appropriated	Total Raised
31	(\$sum of above)	(\$sum of above)"

32 (2) The following statement must accompany the article in subparagraph (1).  
33 "Explanation: The school administrative unit's contribution to the total cost of  
34 funding public education from kindergarten to grade 12 as described in the  
35 Essential Programs and Services Funding Act is the amount of money determined  
36 by state law to be the minimum amount that the district must raise and assess in  
37 order to receive the full amount of state dollars."

38 **Sec. 32. 20-A MRSA §15691-A**, as enacted by PL 2007, c. 240, Pt. XXXX, §32,  
39 is repealed.

40 **Sec. 33. 20-A MRSA §15696**, as enacted by PL 2007, c. 240, Pt. XXXX, §33, is  
41 repealed.

1       **Sec. 34. 20-A MRSA §15755**, as repealed by PL 2007, c. 240, Pt. XXXX, §34, is  
2 reenacted to read:

3       **§15755. Entitlement**

4       The State's school administrative units and municipalities are entitled to the  
5 appropriations required by this chapter.

6       **Sec. 35. 20-A MRSA §15904, sub-§3-A**, as enacted by PL 2007, c. 240, Pt.  
7 XXXX, §35, is repealed.

8       **Sec. 36. PL 2007, c. 240, Pt. XXXX, §36** is repealed.

9       **Sec. 37. PL 2007, c. 240, Pt. XXXX, §37** is repealed.

10       **Sec. 38. PL 2007, c. 240, Pt. XXXX, §38** is repealed.

11       **Sec. 39. PL 2007, c. 240, Pt. XXXX, §39** is repealed.

12       **Sec. 40. PL 2007, c. 240, Pt. XXXX, §40** is repealed.

13       **Sec. 41. PL 2007, c. 240, Pt. XXXX, §41** is repealed.

14       **Sec. 42. PL 2007, c. 240, Pt. XXXX, §42** is repealed.

15       **Sec. 43. PL 2007, c. 240, Pt. XXXX, §43** is repealed.

16       **Sec. 44. PL 2007, c. 240, Pt. XXXX, §44** is repealed.

17       **Sec. 45. PL 2007, c. 240, Pt. XXXX, §45** is repealed.

18       **Sec. 46. PL 2007, c. 240, Pt. XXXX, §46** is repealed.

19       **Sec. 47. PL 2007, c. 240, Pt. XXXX, §47** is repealed.

20       **Sec. 48. PL 2007, c. 240, Pt. XXXX, §48** is repealed.

21       **Sec. 49. Report; additional necessary legislation.** No later than January 31,  
22 2009, the Commissioner of Education shall submit to the joint standing committee of the  
23 Legislature having jurisdiction over education and cultural affairs a report that contains  
24 recommendations and any proposed legislation necessary to fully repeal the provisions of  
25 Public Law 2007, chapter 240, Part XXXX. Following receipt and review of the initial  
26 report, the joint standing committee of the Legislature having jurisdiction over education  
27 and cultural affairs may submit a bill to the First Regular Session of the 124th  
28 Legislature.

29       **Sec. 50. Appropriations and allocations.** The following appropriations and  
30 allocations are made.

31       **EDUCATION, DEPARTMENT OF**

32       **General Purpose Aid for Local Schools 0308**

33       Initiative: Appropriates funds that were deappropriated in Public Law 2007, chapter 240  
34 to reflect the savings anticipated as a result of the reorganization of school administrative  
35 units into regional school units.





# 123rd MAINE LEGISLATURE

LD 2280

LR 3490(10)

An Act To Clarify and Improve the Laws Governing the Formation of Regional School Units

Fiscal Note for Senate Amendment "C"

Sponsor: Sen. Raye of Washington

Fiscal Note Required: Yes

## Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$36,518,661	\$36,518,661	\$36,518,661
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$36,518,661	\$36,518,661	\$36,518,661

### Fiscal Detail and Notes

This amendment includes a General Fund appropriation of \$36,518,661 in fiscal year 2008-09 to the General Purpose Aid for Local Schools program within the Department of Education as a result of repealing the laws related to the consolidation of school administrative units. Public Law 2007, chapter 240, Part XXXX included provisions that reduced funding for system administration by 50% and for transportation, building and maintenance and special education by 5% in fiscal year 2008-09.