

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2008

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Legislative Document

No. 2314

H.P. 1675

House of Representatives, April 9, 2008

### An Act To Amend School Funding Laws

(EMERGENCY)

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Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative NORTON of Bangor. (GOVERNOR'S BILL)  
Cosponsored by Senator ROTUNDO of Androscoggin and  
Representatives: CAIN of Orono, FISCHER of Presque Isle, FLOOD of Winthrop, MILLETT  
of Waterford, WEBSTER of Freeport, Senators: MILLS of Somerset, TURNER of  
Cumberland.

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

3       **Whereas,** certain financial barriers have been identified that may delay the  
4 implementation of the school district reorganization law, Public Law 2007, chapter 240,  
5 Part XXXX; and

6       **Whereas,** reorganization planning committees are engaged in negotiating proposed  
7 reorganization plans that, upon approval of the Commissioner of Education, are expected  
8 to be submitted to voters in affected municipalities across the State before the expiration  
9 of the 90-day period; and

10       **Whereas,** the removal of these financial barriers can reasonably be expected to  
11 enable reorganization planning committees to successfully negotiate and submit proposed  
12 reorganization plans in a timely manner; and

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

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

18       **Sec. 1. 20-A MRSA §1305-C,** as enacted by PL 2007, c. 240, Pt. XXXX, §11, is  
19 amended to read:

20       **§1305-C. Mandatory budget validation and cost center summary budget form**

21       Notwithstanding any other law, school administrative district budgets developed after  
22 January 1, 2008 must conform to the format and referendum procedures set forth in  
23 sections ~~1305-A and 1305-B~~ 1485 and 1486.

24       **Sec. 2. 20-A MRSA §1481,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is  
25 repealed.

26       **Sec. 3. 20-A MRSA §1481-A** is enacted to read:

27       **§1481-A. Finances**

28       **1. Apportionment of costs for regional school unit.** A regional school unit may  
29 raise money, in addition to the local contribution pursuant to section 15690, subsection 1,  
30 for establishing and maintaining public schools, erecting buildings and providing  
31 equipment for educational purposes. The additional costs of operating a regional school  
32 unit must be shared among all municipalities within the regional school unit by the same  
33 local share percentages for each municipality resulting from the determination of the local  
34 contribution under section 15688.

35       **2. Existing cost-sharing agreement.** Notwithstanding subsection 1, a cost-sharing  
36 agreement in existence on June 7, 2007 that was adopted pursuant to Public Law 2005,

1 chapter 2 or pursuant to a private and special law remains in existence unless the parties  
2 to the agreement modify or terminate the agreement:

- 3 A. As part of a reorganization to regional school units under this chapter; or
- 4 B. As a result of a negotiated agreement between the parties to the cost-sharing  
5 agreement.

6 **3. Method included in reorganization plan.** Notwithstanding subsection 1, a  
7 regional school unit may use a method of cost sharing that was included in a  
8 reorganization plan developed pursuant to section 1461 or Public Law 2007, chapter 240,  
9 Part XXXX, section 36 as long as the method complies with this subsection.

10 A. The costs of operating a regional school unit must be shared among all  
11 municipalities within the unit in one of the following ways.

12 (1) Under a property valuation method, municipalities in a unit shall share costs  
13 in the same proportion as each municipality's property fiscal capacity as defined  
14 in section 15672, subsection 23 is to the unit's property fiscal capacity.

15 (2) Under an alternate method of cost sharing, municipalities in a unit shall share  
16 costs based on:

- 17 (a) The number of resident pupils in each town;
- 18 (b) The property fiscal capacity of each member municipality as defined in  
19 section 15672, subsection 23;
- 20 (c) Any combination of divisions (a) and (b); or
- 21 (d) Any other factor or combination of factors that may, but need not,  
22 include divisions (a) or (b).

23 B. A process of amending the cost-sharing formula must be included in the  
24 reorganization plan that is filed with the Department of Education and approved by  
25 the commissioner.

26 Notwithstanding any provision of law to the contrary, a cost-sharing agreement in  
27 existence on June 7, 2007 that was adopted pursuant to Public Law 2005, chapter 2 or  
28 pursuant to a private and special law may not be construed to preempt the formation of a  
29 regional school unit under this chapter. Notwithstanding any provision of law to the  
30 contrary, a cost-sharing agreement between 2 or more municipalities in existence on June  
31 7, 2007 that was adopted prior to June 7, 2007 may not be construed to preempt the  
32 formation of a regional school unit under this chapter.

33 Notwithstanding any provision of law to the contrary, a municipality within a  
34 regional school unit may raise money and direct the spending of the funds to a school  
35 servicing children from kindergarten to no higher than grade 8.

36 **Sec. 4. 20-A MRSA §1701-C**, as enacted by PL 2007, c. 240, Pt. XXXX, §16, is  
37 amended to read:

