

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 806

S.P. 314

In Senate, March 3, 2009

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**An Act To Authorize Fuel Cost Stabilization Funds To Be  
Established in School Administrative Units**

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

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

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator ALFOND of Cumberland.  
Cosponsored by Representative SCHATZ of Blue Hill and  
Senators: DAMON of Hancock, GOODALL of Sagadahoc, HOBBS of York, SHERMAN  
of Aroostook, Representatives: MILLETT of Waterford, PIEH of Bremen, STRANG  
BURGESS of Cumberland, TARDY of Newport.

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

2 **Sec. 1. 20-A MRS §15008** is enacted to read:

3 **§15008. Fuel cost stabilization fund**

4 A school administrative unit may establish and expend a fuel cost stabilization fund  
5 as provided in this section.

6 **1. Establishment and funding.** The voters or other legislative body of a school  
7 administrative unit may establish a fuel cost stabilization fund and may raise and  
8 appropriate funds for that purpose in addition to the school operating budget. A separate  
9 warrant article for that purpose must be approved at the budget meeting and at the budget  
10 validation referendum. If a school administrative unit has discontinued the budget  
11 validation referendum process, the article must be approved by the voters or other  
12 legislative body using the same process as for approval of the school budget. If a school  
13 administrative unit has available fund balances at the end of a fiscal year, the transfer of  
14 those funds to the fuel cost stabilization fund may be authorized at a budget meeting or  
15 other meeting of the voters or other legislative body. An article authorizing an  
16 appropriation or transfer to the fuel cost stabilization fund must be accompanied by a  
17 statement that includes the balance in the fuel cost stabilization fund before and after the  
18 proposed appropriation or transfer, the amounts expended from the fund in each of the 2  
19 prior fiscal years and, in the case of a transfer, the amount expended from the fund in the  
20 current fiscal year.

21 **2. Fund limit.** An appropriation or transfer may not cause the aggregate amount in  
22 the fuel cost stabilization fund to exceed the school administrative unit's highest annual  
23 total cost for heating and transportation fuel in the 3 completed fiscal years prior to the  
24 authorization of that proposed funding amount. In the case of a regional school unit's first  
25 3 years, the fuel costs of the original school administrative units before reorganization  
26 may be aggregated for purposes of determining the total amount that may not be  
27 exceeded due to an appropriation or transfer.

28 **3. Expenditures.** In addition to its approved operating budget, a school board may  
29 expend funds in the fuel cost stabilization fund to offset fuel costs for heating and  
30 transportation that exceed budgeted amounts. A school board may transfer funds from  
31 the fuel cost stabilization fund for another purpose only when authorized to do so at a  
32 budget meeting or other meeting of the voters or other legislative body.

33 **4. Investment.** The money in the fuel cost stabilization fund may be invested as  
34 provided by law for school reserve funds pursuant to sections 1312, 1491 and 1706 with  
35 the earnings to be credited to that fund.

36 **5. Fund not to lapse.** A balance in the fuel cost stabilization fund at the end of a  
37 fiscal year does not lapse.

**SUMMARY**

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This bill permits a school administrative unit to establish a fuel cost stabilization fund for unexpected heating and transportation fuel costs. The appropriations and transfers into the fund may not exceed the highest annual cost for fuel that the school administrative unit has experienced in its 3 most recent fiscal years.