

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 1287

S.P. 468

In Senate, March 31, 2009

**An Act To Amend the Laws Governing Consolidation of School
Administrative Units To Eliminate Penalties, Establish Incentives
and Allow Alternative Voting Procedures for Budgets**

(EMERGENCY)

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 DAMON of Hancock.
Cosponsored by Representative SCHATZ of Blue Hill and
Senator: ROSEN of Hancock, Representatives: BRIGGS of Mexico, BROWNE of Vassalboro,
BURNS of Whiting, EDGECOMB of Caribou, FITTS of Pittsfield, McFADDEN of
Dennysville, SUTHERLAND of Chapman.

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,** the effort to consolidate the State's school administrative units has been an
4 extremely frustrating and confusing process for many school and municipal officials and
5 members of the general public who have been engaged in good faith in negotiating to
6 reorganize school administrative units for over a year; and

7 **Whereas,** the laws governing the school administrative unit consolidation process
8 penalize units that fail to consolidate in accordance with an extremely aggressive
9 timetable; and

10 **Whereas,** changes to the 2007 school administrative unit consolidation laws were
11 enacted in April 2008 that provided school administrative units with opportunities to
12 reorganize in different ways but the alternative organizational opportunities are difficult
13 to implement; and

14 **Whereas,** the school administrative unit consolidation laws mandate certain school
15 budget adoption procedures that involve redundant decision making and are expensive to
16 administer on the local level; and

17 **Whereas,** there are several elements of the school administrative unit consolidation
18 laws that are still contradictory, ambiguous or erroneously cross-referenced; and

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

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

24 **Sec. 1. 20-A MRSA §1305-C,** as amended by PL 2007, c. 668, §2 and affected by
25 §55, is further amended to read:

26 **§1305-C. Mandatory budget validation and cost center summary budget form**

27 Notwithstanding any other law, school administrative district budgets developed after
28 January 1, 2008 must conform to the format and referendum procedures for regional
29 school units as set forth in sections 1485 and 1486. A school administrative district is
30 deemed to be a regional school unit solely for the purpose of developing a budget
31 pursuant to sections 1485 ~~and~~, 1486 ~~and~~ 1487.

32 **Sec. 2. 20-A MRSA §1485, sub-§3,** as enacted by PL 2007, c. 240, Pt. XXXX,
33 §13, is amended to read:

34 **3. Budget approval.** A Except as provided in section 1486-A, a regional school
35 unit's cost center summary budget must be approved at a regional school unit budget
36 meeting and by a budget validation referendum as provided in section 1486.

1 **Sec. 3. 20-A MRSA §1486, sub-§2**, as amended by PL 2007, c. 668, §19, is
2 further amended to read:

3 **2. Validation referendum procedures.** The budget validation referendum must be
4 held on or before the 14th calendar day following the scheduled date of the regional
5 school unit budget meeting. The referendum may not be held on a Saturday, Sunday or
6 legal holiday. The vote at referendum is for the purpose of approving or rejecting the
7 total regional school unit budget approved at the regional school unit budget meeting.
8 The regional school unit board shall provide printed information ~~to~~ that must be displayed
9 at polling places, and may be displayed within each voting booth, to assist voters in
10 voting. That information is limited to the total amounts proposed by the regional school
11 unit board for each cost center summary budget category article, the amount approved at
12 the regional school unit budget meeting, a summary of the total authorized expenditures
13 and, if applicable because of action on an article under section 15690, subsection 3,
14 paragraph A, a statement that the amount approved at the regional school unit budget
15 meeting includes locally raised funds that exceed the maximum state and local spending
16 target pursuant to section 15671-A, subsection 5.

17 **Sec. 4. 20-A MRSA §1486, sub-§3**, as amended by PL 2007, c. 668, §20 and c.
18 695, Pt. G, §§1 and 2, is repealed and the following enacted in its place:

19 **3. Budget validation referendum voting.** The method of calling and voting at a
20 budget validation referendum is as provided in sections 1502 and 1503, except as
21 otherwise provided in this subsection or as is inconsistent with other requirements of this
22 section.

23 A. A public hearing is not required before the vote.

24 C. The warrant and absentee ballots must be delivered to the municipal clerk no later
25 than the day after the date of the regional school unit budget meeting.

26 D. Absentee ballots received by the municipal clerk may not be processed or counted
27 unless received on the day after the conclusion of the regional school unit budget
28 meeting and before the close of the polls.

29 E. All envelopes containing absentee ballots received before the day after the
30 conclusion of the regional school unit budget meeting or after the close of the polls
31 must be marked "rejected" by the municipal clerk.

32 F. The article to be voted on must be in the following form:

33 (1) "Do you favor approving the (name of regional school unit) budget for the
34 upcoming school year that was adopted at the latest regional school unit budget
35 meeting?"

36 Yes No"

37 **Sec. 5. 20-A MRSA §1486-A** is enacted to read:

1 declaration and computations to the municipal clerk of each municipality within the
2 regional school unit.

3 **2. Application.** Following the declaration that the article has passed under
4 subsection 1, paragraph F, the regional school unit board shall cause the voting at all
5 future budget meetings of the regional school unit to be called within each municipality
6 within the regional school unit after the proposed budget is approved by the board. The
7 voting must be held in accordance with the procedures set out in sections 1501 to 1504,
8 except that the warrant and absentee ballots for the meeting must be prepared and
9 distributed to the municipal clerks at least 14 days prior to the date of the referendum.
10 The board may hold informational meetings on voting procedure and the budget prior to
11 voting. The board is responsible for the form of the articles to be voted on in the
12 municipalities, except as otherwise provided by law.

13 **3. Failure to approve a budget.** If the budget or a portion of the budget fails to
14 receive a majority vote at the referendum, the regional school unit board shall make any
15 changes to the proposed budget considered necessary and initiate a subsequent
16 referendum to be conducted in accordance with the referendum procedure in subsection
17 2, which must be held within 45 days from the date of the failed referendum. The board
18 must continue in this manner until a school budget is finally adopted.

19 **Sec. 6. 20-A MRSA §1701-C,** as amended by PL 2007, c. 668, §26 and affected
20 by §55, is further amended to read:

21 **§1701-C. Mandatory budget validation and cost center summary budget form**

22 Notwithstanding any other law, community school district budgets developed after
23 January 1, 2008 must conform to the format and referendum procedures for regional
24 school units as set forth in sections 1485 and 1486. A community school district is
25 deemed to be a regional school unit solely for the purpose of developing a budget
26 pursuant to sections 1485 and 1486 and 1487.

27 **Sec. 7. 20-A MRSA §15696,** as amended by PL 2007, c. 668, §§39 to 41 and c.
28 695, Pt. A, §23, is repealed.

29 **Sec. 8. 20-A MRSA §15697** is enacted to read:

30 **§15697. Incentives for conforming school administrative units**

31 **1. Authorized adjustments.** Notwithstanding any other provision of this Title, the
32 following adjustments to the calculation of subsidy under chapter 606-B are required.
33 Beginning July 1, 2009 for each regional school unit that has been created pursuant to
34 chapter 103-A that is composed of 2 or more school administrative units that existed on
35 and before July 1, 2008, and continuing for 3 fiscal years thereafter, and beginning on the
36 July 1st representing the first operational day of any regional school unit created
37 according to the terms of chapter 103-A but after the various deadlines for submitting,
38 approving or implementing a reorganization plan and continuing for 3 fiscal years
39 thereafter:

1 A. The regional school unit receives more favorable consideration for approval and
2 funding for school construction pursuant to rules of the state board; and

3 B. The regional school unit's full-value education mill rate pursuant to section
4 15671-A is decreased by 2% for the purpose of calculating the regional school unit's
5 required contribution to meet the local share of education costs established pursuant
6 to section 15688, subsection 3-A.

7 **Emergency clause.** In view of the emergency cited in the preamble, this
8 legislation takes effect when approved.

9 **SUMMARY**

10 This bill makes several technical and substantive changes to the laws governing the
11 consolidation of school administrative units enacted in 2007 and amended in 2008. The
12 bill converts the penalty system in the current law, which establishes a financial penalty
13 to be applied to those school systems that fail to consolidate if required to, into a financial
14 incentive system that provides a reduced local effort requirement for those school systems
15 that achieve the required consolidation during the first 3 years. The bill also authorizes
16 regional school units to establish a school budget adoption system that is an alternative to
17 the current budget validation referendum process. The alternative system, if approved by
18 the voters of the regional school unit at referendum, would allow the budget to be
19 approved by the voters directly at referendum rather than go through the multi-step
20 approval process whereby the budget needs to be adopted by several local votes in
21 succession. The bill also makes several technical amendments, including:

22 1. Adding a cross-reference that was inadvertently omitted in existing law so that the
23 towns within any community school districts or school administrative districts that may
24 exist in the future can commit their taxes in the circumstance of a prolonged failure to
25 adopt a school budget, just as is currently available to municipal schools and regional
26 school units; and

27 2. Clarifying the procedures to be followed during a school budget referendum vote
28 regarding the display of informational material in the polling place and the voting booth.