

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1592

H.P. 1151

House of Representatives, April 18, 2019

**An Act To Allow the Dissolution of Regional School Units
Composed of a Single Municipality**

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GRAMLICH of Old Orchard Beach.
Cosponsored by Senator FARRIN of Somerset and
Representatives: AUSTIN of Skowhegan, CURTIS of Madison, PERRY of Bangor, Senators:
CHENETTE of York, DILL of Penobscot.

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

2 **Sec. 1. 20-A MRSA c. 103-A, sub-c. 7** is enacted to read:

3 **SUBCHAPTER 7**

4 **DISSOLUTION OF A REGIONAL SCHOOL UNIT**

5 **§1521. Dissolution of a regional school unit composed of a single municipality**

6 **1. Ten percent petition.** For a regional school unit composed of a single
7 municipality, upon receipt of a petition for dissolution of 10% of the number of voters in
8 the municipality who voted at the last gubernatorial election, the municipal officers shall
9 call and hold a special election in the manner provided for the calling and holding of town
10 meetings or city elections to vote on the dissolution of the regional school unit with the
11 following criteria:

12 A. At least 10 days before the special election a posted or otherwise advertised
13 public hearing on the petition for dissolution must be held by the municipal officers;
14 and

15 B. The petition for dissolution must be approved by secret ballot by a 2/3 vote of the
16 voters present and voting before it may be presented to the regional school unit board
17 and the state board. Voting in towns must be conducted in accordance with Title
18 30-A, section 2528 and section 2529, even if the town has not accepted the provisions
19 of Title 30-A, section 2529, and voting in cities must be conducted in accordance
20 with Title 21-A.

21 For purposes of this section, "municipality" and "municipal officer" have the same
22 meanings as in Title 30-A, section 2001.

23 **2. Form.** The article to be voted upon pursuant to subsection 1 must be in the
24 following form:

25 "Article: Be it resolved by the residents of the Town/City of
26 that a petition for dissolution be filed with the board of directors
27 of Regional School Unit No. and with the State Board of Education.

28 Yes No"

29 **3. Notice of vote; finding by regional school unit board.** If residents of the
30 municipality vote favorably on a petition for dissolution under this section, the municipal
31 clerk shall immediately give written notice, by certified mail, to the secretary of the
32 regional school unit, the state board and the commissioner that must include:

33 A. The petition for dissolution adopted by the voters, including total number of votes
34 cast in the affirmative and total number of votes cast in the negative; and

35 B. An explanation by the municipal officers stating, to the best of their knowledge,
36 the reason or reasons why the municipality seeks to dissolve the regional school unit.

1 **4. Agreement for dissolution; notice; changes in agreement.** An agreement for
2 dissolution must comply with the following.

3 A. The commissioner, after consultation with the regional school unit board,
4 municipal officers of the municipality and representatives of the group that filed the
5 petition for dissolution with the municipality, shall direct the municipality to select
6 representatives to a committee as follows: one member who is a director of the
7 regional school unit board representing the municipality selected by the directors
8 representing that municipality, one member from the municipal officers selected by
9 the municipal officers, one member from the group filing the petition selected by the
10 municipal officers and one member from the general public selected by the municipal
11 officers. The chair of the regional school unit board shall call a meeting of the
12 committee within 30 days of the filing of the notice of the vote on the petition for
13 dissolution in subsection 3. The chair of the regional school unit board shall open the
14 meeting by presiding over the election of a chair of the committee. The responsibility
15 for the preparation of the agreement for dissolution rests with the committee. The
16 committee may draw upon the resources of the department for information not
17 readily available at the local level. The agreement must be submitted to the state
18 board and the commissioner within 90 days after the committee is formed. An
19 extension of time may be granted by the commissioner upon request of the
20 committee. The agreement for dissolution must:

21 (1) Contain provisions to provide educational services for all students served by
22 the regional school unit. The agreement must provide that during the first year
23 following the dissolution, students may attend the school that they would have
24 attended if the regional school unit had not dissolved. The allowable tuition rate
25 for students sent from one municipality to another in the former regional school
26 unit must be determined under section 5804 and section 5805, except that the
27 allowable tuition rate is not subject to the state per pupil average limitation in
28 section 5805, subsection 2;

29 (2) Establish that the dissolution takes effect at the end of the regional school
30 unit's fiscal year;

31 (3) Establish that the dissolution will not cause a need within 5 years from the
32 effective date of dissolution for school construction projects that would be
33 eligible for state funds. This limitation does not apply when a need for school
34 construction existed prior to the effective date of the dissolution or when a need
35 for school construction would have arisen even if the regional school unit had not
36 dissolved;

37 (4) Establish how transportation services will be provided;

38 (5) Provide for administration of a school administrative unit, which would not
39 include the creation of new supervisory units if at all possible, or joining another
40 school administrative unit;

41 (6) Make provision for the distribution of financial commitments arising from
42 outstanding bonds, notes and any other contractual obligations that extend
43 beyond the effective date of dissolution;

1 (7) Make appropriate provision for the distribution of any outstanding financial
2 commitments to the superintendent of the regional school unit;

3 (8) If the municipality does not join another school administrative unit, provide
4 for the continuation and assignment of collective bargaining agreements as the
5 agreements apply to a new or reorganized school administrative unit for the
6 duration of those agreements and must provide for the continuation of
7 representational rights;

8 (9) Provide for the continuation of continuing contract rights under section
9 13201;

10 (10) Provide for the disposition of all real and personal property and other
11 monetary assets; and

12 (11) If the municipality does not join another school administrative unit, provide
13 for the transition of administration and governance of the regional school unit to
14 properly elected governing body of the newly created school administrative unit.

15 B. Within 60 days of the receipt of the agreement for dissolution, the state board
16 shall either give conditional acceptance or recommend changes with the advice of the
17 commissioner based upon the standards in paragraph A.

18 C. If the state board gives conditional approval of the agreement for dissolution, the
19 commissioner shall notify the directors of the regional school unit board and the
20 municipal officers by certified mail of the time and place of a public hearing at least
21 20 days prior to the date set for the hearing to discuss the merits of the proposed
22 agreement for dissolution.

23 (1) The directors of the regional school unit board shall post a public notice of
24 the time and location of the hearing at least 10 days before the hearing.

25 (2) Within 30 days following the hearing, the committee shall forward the final
26 agreement to the commissioner and the state board.

27 D. If the state board recommends changes to the agreement for dissolution, it shall:

28 (1) Send the agreement back to the committee for necessary corrections and
29 establish a maximum time limit by which to make the corrections; and

30 (2) Indicate that the corrected agreement must go through the steps outlined in
31 paragraphs A, B and C or other steps that the state board determines appropriate.

32 **5. Date of vote; notice; warrant; polling hours.** The date and time for voting on
33 the agreement for dissolution must be established as follows.

34 A. The state board shall determine the date upon which the municipality votes upon
35 the agreement for dissolution submitted to the municipality. The election must be
36 held as soon as practicable and the state board shall attempt to set the date of the vote
37 to coincide with a statewide election.

38 B. At least 35 days before the date set in paragraph A, the regional school unit board
39 shall give written notice by certified mail to the municipal clerk.

1 C. The municipal clerk shall immediately notify the municipal officers upon receipt
2 of notice and the municipal officers shall meet and immediately issue a warrant for a
3 special town meeting or city election to be held on the date designated by the state
4 board. No other date may be used.

5 D. In the warrant, the municipal officers shall direct that the polls open at 10:00 a.m.
6 and close at 8:00 p.m.

7 **6. Public hearing; municipal vote on agreement for dissolution; voting**
8 **procedures.** The following requirements apply to the municipal vote on agreement for
9 dissolution voting procedures.

10 A. At least 10 days before the municipal election on the agreement for dissolution, a
11 posted or otherwise advertised public hearing on the article must be held by the
12 municipal officers.

13 B. Except as otherwise provided in this section, the voting at the meeting held in
14 towns must be conducted in accordance with Title 30-A, section 2528 and section
15 2529, even if the town has not accepted the provisions of Title 30-A, section 2529.

16 C. The voting at the meeting held in cities must be conducted in accordance with
17 Title 21-A.

18 **7. Article.** The article to be voted upon pursuant to subsection 6 must be in the
19 following form:

20 "Article: Shall Regional School Unit No. be dissolved
21 subject to the terms and conditions of the agreement for dissolution dated
22 , 20...?

23 Yes No"

24 **8. Ballots; posting of agreement.** The agreement for dissolution need not be
25 printed on the ballot. Copies of the agreement must be posted in the municipality in the
26 same manner as specimen ballots are posted under Title 30-A, chapter 121.

27 **9. Determination of results; notification; execution of agreement.** Determination
28 of the result of the vote on the agreement for dissolution must comply with the following.

29 A. Upon receipt of the result of the vote on the agreement for dissolution, the
30 regional school unit board shall meet and compute and record the total number of
31 votes cast within the municipality in the affirmative and the total number of votes
32 cast in the negative on the article submitted.

33 B. The regional school unit board shall notify the state board by certified mail of the
34 results of the vote.

35 C. If the state board finds that a majority of the voters voting on the article have
36 voted in the affirmative, the state board shall notify the directors of the regional
37 school unit board to execute immediately the terms of the agreement for dissolution.

38 **10. Determination of vote.** The municipal clerk shall, within 24 hours of
39 determination of the result of the vote on the agreement for dissolution in the

1 municipality, certify the total number of votes cast in the affirmative and the total number
2 of votes cast in the negative on the article to the regional school unit board.

3 **11. Recount; checklists and ballots; disputed ballots.** The following provisions
4 apply to recounts, checklists, ballots and disputed ballots.

5 A. If, within 7 days of the computation and recording of the results of the voting
6 under subsection 9, the municipal officers request to the commissioner in writing a
7 recount of the votes, the commissioner shall immediately cause the checklists and all
8 the ballots cast to be collected and kept at the commissioner's office so the ballots
9 may be recounted by the municipality.

10 B. Notwithstanding any other provision of law to the contrary, the municipal clerk
11 may deliver the checklists and ballots to the commissioner.

12 C. The commissioner shall resolve any question with regard to a disputed ballot.

13 **12. Execution of agreement; certified record; certificate of dissolution.** When
14 the agreement for dissolution has been executed by the regional school unit board:

15 A. The regional school unit board shall notify the state board by certified mail that
16 the agreement of dissolution has been executed;

17 B. The regional school unit board shall file a complete certified record of the
18 transaction involved in the dissolution with the state board; and

19 C. The state board shall immediately issue a certificate of dissolution to be sent by
20 certified mail for filing with the regional school unit board and shall file a copy in the
21 office of the Secretary of State.

22 **13. Restriction on dissolution petitions.** A municipality that has voted on
23 dissolution may not petition for dissolution under subsection 1 within 2 years after the
24 date of the vote.

25 **14. Cost of agreement for dissolution and reimbursement.** Costs incurred in the
26 dissolution process must comply with the following.

27 A. The expense of employment of competent advisors in preparing the agreement for
28 dissolution must be paid by the state board.

29 B. If the residents of the municipality vote not to permit dissolution, the municipality
30 petitioning for dissolution shall reimburse the state board for expenses. If the
31 residents of the municipality vote to permit dissolution, the regional school unit shall
32 reimburse the state board for expenses.

33 **15. Outstanding indebtedness defined; indebtedness after dissolution.** Whenever
34 a regional school unit having indebtedness dissolves, the regional school unit shall remain
35 intact for the purpose of securing and retiring the indebtedness. The dissolution
36 agreement may provide for alternate means for retiring outstanding indebtedness.

37 "Outstanding indebtedness" means bonds or notes for school construction projects issued
38 by the regional school unit board pursuant to the authorization established under chapter
39 609 or Title 20, sections 3457 to 3460 or obligations pursuant to any contract, lease or

1 agreement made by the regional school unit board pursuant to approval in a meeting of
2 the regional school unit but does not include any indebtedness of any municipality
3 assumed by the regional school unit at the time of formation or any contract, lease or
4 agreement of the Maine School Building Authority to which by operation of law the
5 regional school unit has become the assignee.

6 **16. General purpose aid for local schools.** When a regional school unit dissolves,
7 the general purpose aid for local schools for the municipality must be computed in
8 accordance with chapter 606-B.

9 **SUMMARY**

10 This bill provides the steps necessary for a regional school unit composed of only one
11 municipality to dissolve, including petitioning to dissolve the regional school unit,
12 holding elections in the municipality, the provision of educational services for students
13 and the disposition of outstanding indebtedness if the vote is to dissolve the regional
14 school unit.