

### LAWS

#### OF THE

## **STATE OF MAINE**

#### AS PASSED BY THE

ONE HUNDRED AND ELEVENTH LEGISLATURE

SECOND SPECIAL SESSION November 18, 1983

AND AT THE

SECOND REGULAR SESSION January 4, 1984 to April 25, 1984

AND AT THE

THIRD SPECIAL SESSION September 4, 1984 to September 11, 1984

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

> J.S. McCarthy Co., Inc. Augusta, Maine 1986

# **PUBLIC LAWS**

#### OF THE

# **STATE OF MAINE**

#### AS PASSED AT THE

#### THIRD SPECIAL SESSION

of the

ONE HUNDRED AND ELEVENTH LEGISLATURE

1983

#### **CHAPTER 859**

H.P. 1895 - L.D. 2492

#### AN ACT to Implement the Recommendations of the Commission on the Status of Education in Maine.

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

#### PART A

Sec. 1. 20-A MRSA §253, sub-§1, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

1. <u>General duties</u>. The commissioner shall exercise the powers and perform the duties granted <u>and</u> <u>enforce the requirements</u> to the department in this Title and shall devote full time to the duties of the office.

Sec. 2. 20-A MRSA §258, as amended by PL 1983, c. 806, §6, is repealed.

Sec. 3. 20-A MRSA §258-A is enacted to read:

§258-A. Inspection of schools

1. Petition or request. The commissioner shall inspect a school or schools in a school administrative unit and report the findings and recommendations to the school board, addressing the concerns of the petition in light of applicable school approval standards, when:

A. Petitioned by 60% of the parents of the children of one school;

B. Requested by the school board or superintendent of schools; or

C. Petitioned by 20% of the registered voters of the unit.

2. Periodic reviews. The commissioner shall periodically review all public schools and all private schools which receive public funds, to determine their compliance with the applicable provisions of this Title. 3. Special reviews. The commissioner shall fulfill the monitoring functions required by any state or federal grants to school units or schools.

4. Private schools. The commissioner may, as a condition of approval, inspect any private school which applies for approval status.

Sec. 4. 20-A MRSA §1055, sub-§9, as enacted by PL 1983, c. 693, §§5 and 8, is amended to read:

9. <u>Report to the commissioner</u>. The superintendent shall <u>annually</u> report, under oath, to the commissioner before August 1st a date established by the commissioner, concerning the operation of the school unit. The report shall contain:

A. The amount appropriated and expended on elementary and secondary education in the preceding fiscal year;

B. The number of weeks schools were open;

C. The number of students registered;

D. The average attendance; and

E. The amount received for tuition- ; and

F. Other information required by rule adopted by the commissioner to demonstrate compliance with the requirements of this Title.

Sec. 5. 20-A MRSA §1258, sub-§2, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

2. Other facilities. Notwithstanding this section, a district may contract with a nearby school administrative unit or with a private school <u>approved</u> for tuition purposes to educate for all or part of its secondary pupils <u>students</u> in accordance with <u>chapter 115</u>. The contract may be for a term of from 2 to 10 years.

Sec. 6. 20-A MRSA §2703, sub-§1, ¶E, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

E. Shall meet any additional requirements set forth in rules established by the commissioner and shall be filed with the commissioner. Contracts with private schools shall be approved by the commissioner. Sec. 7. 20-A MRSA §2906 is enacted to read:

#### §2906. Accreditation

Any private school which chooses the accreditation method of approval shall make available to the commissioner on a timely basis all accreditation reports on the school and shall notify the commissioner promptly upon a determination that the school is not accredited or is on probation.

Sec. 8. 20-A MRSA §2951, sub-§4, as enacted by PL 1981, c. 693, §§5 and 8, is repealed.

Sec. 9. 20-A MRSA §2951, sub-§5 is enacted to read:

5. Additional requirements. Complies with the reporting and auditing requirements in sections 2952 and 2953 and the requirements adopted pursuant to section 2954.

Sec. 10. 20-A MRSA §2954, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

#### §2954. Rules of commissioner

The commissioner may adopt rules regarding tuition charges, accounting, <u>audits</u>, <u>contracts</u> and other aspects of <u>schooling privileges arranged between</u> a private secondary school and school administrative unit relationships.

Sec. 11. 20-A MRSA §2955, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

#### §2955. Penalty for noncompliance

Private secondary schools <u>approved for tuition</u> <u>purposes</u> which have not complied with sections 2951 to 2953 before September 1st of each year <u>this</u> <u>chapter</u> may not receive tuition payments from any school administrative unit.

Sec. 12. 20-A MRSA §3051, as enacted by PL 1981, c. 693, §§5 and 8, is repealed and the following enacted in its place:

#### §3051. Non-Maine students

Schools which enroll only students whose parents are not residents of the State shall meet all health and safety requirements of the State applicable to private schools. Sec. 13. 20-A MRSA §§4201 to 4203, as enacted by PL 1981, c. 693, §§5 and 8, are repealed.

Sec. 14. 20-A MRSA §4204, as amended by PL 1983, c. 806, §43, is repealed.

Sec. 15. 20-A MRSA §4205, as enacted by PL 1981, c. 693, §§5 and 8, is repealed.

Sec. 16. 20-A MRSA §4401, as enacted by PL 1981, c. 693, §§5 and 8, is repealed.

Sec. 17. 20-A MRSA §4402, as amended by PL 1983, c. 806, §44, is repealed.

Sec. 18. 20-A MRSA §§4403 to 4405, as enacted by PL 1981, c. 693, §§5 and 8, are repealed.

Sec. 19. 20-A MRSA §4406, as amended by PL 1983, c. 806, §45, is repealed.

Sec. 20. 20-A MRSA c. 206 is enacted to read:

#### CHAPTER 206 ELEMENTARY AND SECONDARY SCHOOLS

#### SUBCHAPTER I BASIC SCHOOL APPROVAL

#### §4501. Duty of school units

In accordance with the policy expressed in section 2, every school administrative unit shall raise and support annually sufficient funds to maintain or support elementary and secondary schools to provide free education for its resident students at all grade levels. These schools shall meet requirements of the basic school approval.

§4502. School approval requirements

1. General requirements. Elementary and secondary schools and school administrative units shall meet all requirements of this Title and other statutory requirements applicable to the public schools and basic school approval standards.

2. Curriculum standards. Schools shall also meet all curriculum standards established in chapters 207 and 207-A.

3. School year. Schools shall comply with section 4801. 4. Staff qualifications. School boards shall employ only teachers and other educational personnel who are properly certified in accordance with certification rules adopted pursuant to chapter 502 and other professional personnel who hold appropriate professional licenses issued by the State.

5. Other standards. The state board and the commissioner shall jointly adopt basic school approval rules governing school administrative units and elementary and secondary schools. These rules shall set minimum standards in the following areas, incorporating such standards as are established by statute:

A. Instructional time, including a minimum school day and week;

B. Staffing, including student-teacher ratios;

C. Physical facilities, incorporating the school construction rules of the state board;

D. Standards for equipment and libraries;

E. Minimum school size, but including recognition of geographically isolated schools;

F. Grade and program organization;

<u>G.</u> Assessment and evaluation of student performance;

H. Student personnel services, including guidance and counseling;

I. Records, record keeping and reporting reguirements;

J. Health, sanitation and safety requirements;

K. School improvement; and

L. Prepare and implement an on-going school improvement process and annually update a written school improvement plan, including a fully developed staff development plan, citing progress and trends with respect to school improvement.

6. Report by school board. The ongoing school improvement process and plan shall be reported annually to the citizens of the unit.

§4503. Secondary school organizations

 $\frac{1. \text{ Two years. A secondary school shall include}}{\text{ not fewer than 2 consecutive grades from grades 9 to}}$ 

2. Junior high school. A junior high school is a school which maintains a diversified program of studies of 2 or more consecutive grades from grades 6 to 9, which meets basic school approval and applicable curriculum requirements. A junior high school may be maintained in connection with or as part of an approved secondary school.

§4504. Implementation and enforcement

1. Implementation. The commissioner shall determine which schools and school units are in compliance with the basic school approval standards, in accordance with the procedures of the basic school approval rules and the provisions of this Title.

2. Comprehensive reviews. The commissioner shall, on a one-year to 5-year cycle, make a comprehensive review of each public school to determine whether the school is in compliance with basic school approval standards. These reviews shall, insofar as is practicable, be coordinated with reviews of other schools in the school unit, accreditation visits, special education reviews, federal program reviews and other required reviews or inspections, so as to reduce administrative burdens on school personnel.

3. Rules. Basic school approval rules shall be adopted and enforced in accordance with section 6801-A and the Maine Administrative Procedure Act, Title 5, chapter 375.

#### SUBCHAPTER II ACCREDITATION

§4511. Accreditation requirements

1. General authorization. The state board and the commissioner shall jointly adopt rules establishing accreditation standards for secondary and elementary schools of the State.

2. Intent. Accreditation standards are intended to encourage excellence in school programs. The rules shall include such components as the quality and variety of instructional programs, the credentials, experience and general performance of staff and adequacy of school facilities. 3. Specific requirements. In addition to standards that are adopted in subsection 1, accreditation standards shall include, but not be limited to, the following.

A. The school has a written statement of its educational goals and a process for evaluating its progress toward meeting the goals.

B. The school participates in the state student assessment program, makes the results available to students and parents through regular guidance sessions and integrates the results into a school improvement plan.

C. The school regularly evaluates its curriculum using student assessment results, other testing results and teacher participation.

D. The school has a plan of strict accountability for students, teachers and school administrators in meeting high standards of performance and achievement.

E. The school develops and maintains a decisionmaking process that involves members of the education community, including students, teachers, administrators, parents and the public.

F. The school has an explicit student disciplinary code, and homework, attendance and promotion policies.

G. The school has a written staff development plan which includes ways to strengthen the recruiting, training and retention of teachers. In addition, the school has a written staff evaluation and supervision plan which includes support mechanisms to assist teachers and administrators.

H. The school serves as a resource to the community.

I. The school assesses the educational needs of the community, and develops its own programs to address the needs, identifies readily available resources outside the school as alternatives to direct school involvement and works cooperatively with other schools or organizations to meet the identified needs.

§4512. Implementation

1. Accreditation optional. Any approved school may, through its school board, apply for accreditation.

2. Implementation. The commissioner shall determine which schools and school units meet the requirements of accreditation, in accordance with adopted rules and this Title.

3. Comprehensive reviews. The commissioner shall, on a one-year to 5-year cycle, make a comprehensive review of each accredited school to determine whether the school is continuing to meet the accreditation standards.

4. Rules. Accreditation rules shall be adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375.

5. Accreditation process. All school administrative units operating a secondary school shall undergo the state accreditation process on a 5-year cycle as established by the commissioner starting in the 1989-90 school year.

§4513. Cooperative effort

The rules may also establish alternate procedures for accreditation of secondary schools jointly with the New England Association of Schools and Colleges . or its successor.

§4514. Costs of accreditation process

The commissioner may require that schools applying for state accreditation pay the direct costs of the advisory committee, such as housing and meals of visiting committees, but these costs may not include the actual costs, salaries or general overhead expenses of the department.

§4515. Accreditation; evaluation and recommendation

The commissioner shall confer accreditation to those schools which meet established accreditation standards in accordance with the procedures established by rule.

A school may not be accredited until it has been evaluated and recommended for accreditation by an advisory committee of qualified personnel, including persons from outside the department. §4516. Rules

1. Adoption of rules. Accreditation rules shall be adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375.

2. Advisory committee. The commissioner, with the approval of the state board, shall appoint an advisory committee of professional and lay people to advise him in the adoption of accreditation standards.

#### <u>SUBCHAPTER III</u> GUIDANCE AND TECHNICAL ASSISTANCE

§4520. Guidance and technical assistance by the department

The commissioner shall provide guidance and technical assistance to school personnel, consistent with available resources, to aid them in meeting basic school approval requirements and established accreditation standards and to achieve general improvement in such areas as curriculum, school management, teaching and student assessment. This assistance may be given by departmental staff and by school approval specialists employed for limited periods.

Sec. 21. 20-A MRSA §6151, sub-§1, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

1. Duty of superintendent. The superintendent under oath shall, on or before August 1st the date established by the commissioner, make an annual report to the commissioner under eath. The report shall contain a full and complete return of all educational statistics required to be reported for the year ending June 30th.

Sec. 22. 20-A MRSA §6152, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

#### §6152. Rules

The commissioner shall adopt rules to carry out this section subchapter which are consistent with federal and state requirements.

Sec. 23. 20-A MRSA §6801, as enacted by PL 1981, c. 693, §§5 and 8, is repealed.

Sec. 24. 20-A MRSA §6801-A is enacted to read:

§6801-A. Compliance with requirements

The commissioner shall enforce the requirements of this Title as follows.

1. Authority to withhold state subsidy. If, after giving due notice and an opportunity for a hearing, the commissioner finds that a school administrative unit is not in compliance with the reporting, program or other requirements of this Title, the commissioner may withhold state subsidy from that unit. The withholding shall continue only as long as necessary to achieve compliance.

2. Duty to withhold state subsidy. If a school administrative unit has failed to file any financial report, audit or contract required by this Title, the commissioner shall withhold state subsidy until these documents are received.

3. Action by Attorney General. If compliance cannot be achieved by withholding subsidy payment, or if withholding would be an inappropriate remedy, or if a school or school unit which is not eligible for state subsidy is out of compliance with this Title, the commissioner may refer the matter to the Attorney General for action.

4. Other penalties. Nothing in this section may preclude the commissioner from employing other penalties authorized in this Title or required by federal law.

5. Complaint process. A complaint, that alleges that a school administrative unit is not in compliance with the requirements of this Title or of rules adopted by the department, shall be filed pursuant to the requirements for a petition under section 258.

Sec. 25. Effective date. This Part is effective August 1, 1985, except that the commissioner may grant up to an additional 2 years for compliance to those local school districts for which he finds a financial hardship.

#### PART B

Sec. 1. 20-A MRSA §255, sub-§5, ¶A, as enacted by PL 1981, c. 693, §§5 and 8, are amended to read:

A. Obtain information on school systems of <u>system</u> other in this State and other states and <u>other</u> countries and the condition and progress of public school education throughout the world;

Sec. 2. 20-A MRSA §255, sub-§5, ¶D, as amended by PL 1983, c. 806, §2, is further amended to read:

D. Do all in the commissioner's power to awaken and sustain an interest in education among the people and to stimulate <u>school officers</u>, teachers <u>and other educational personnel</u> to well directed efforts in their work.

Sec. 3. 20-A MRSA §256, sub-§1, as amended by PL 1983, c. 806, § 3, is further amended to read:

1. Report to Governor and Legislature. The commissioner annually, shall report prepare and deliver to the Governor and Legislature the result of the commissioner's inquiries and investigations and the facts obtained from the school returns, with an annual report on the status of public education in the State, including any suggestions and recommendations to improve public schools education.

The commissioner shall be invited by the Speaker of the House of Representatives and the President of the Senate annually, in January, to appear before a joint session of the Legislature to address the Legislature on the status of public education in the State and such related matters as the commissioner desires to bring to the Legislature's attention.

Sec. 4. Effective date. This Part shall take effect January 8, 1986.

#### PART C

Sec. 1. 20-A MRSA §1001, sub-§6, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

6. <u>General courses of study</u>. They shall <u>adopt</u> and direct the general courses of instruction <u>study in accordance with the requirements of this</u> <u>Title</u> and approve a uniform system of textbooks. A textbook thus approved may not be changed for 3 years unless by vote of the school board.

Sec. 2. 20-A MRSA §1001, sub-§10, as enacted by PL 1981, c. 693, §§ 5 and 8, is repealed.

Sec. 3. 20-A MRSA §1001, sub-§10-A is enacted to read:

10-A. Textbooks. They shall approve a uniform system of textbooks. A textbook thus approved may not be changed for 3 years unless by vote of the school board. Sec. 4. 20-A MRSA c. 207, as amended by PL 1983, c. 806, §§46 and 47, is repealed.

Sec. 5. 20-A MRSA c. 207-A is enacted to read:

#### CHAPTER 207-A

#### INSTRUCTION

#### SUBCHAPTER I

#### GENERAL REQUIREMENTS

§4701. English as language of instruction

The language of instruction in elementary and secondary schools shall meet these requirements.

<u>1. Basic language. The basic language of in-</u> struction in all schools shall be the English language.

2. Exceptions. A school may provide instruction in a language other than English in the following circumstances, subject to approval of the commissioner:

A. Transitional instruction using bilingual techniques may be provided to students of limited proficiency in English; and

B. Schools may also establish bilingual programs for the purpose of providing proficiency in both English and a 2nd language.

§4702. Special education

Elementary and secondary schools shall provide special education and related services in accordance with chapters 301 and 303.

§4703. Instruction for gifted and talented students in accordance with chapter 311.

Elementary and secondary schools may provide special instruction for gifted and talented students.

§4704. Courses prescribed by the commissioner

The commissioner shall prescribe by rule the basic courses of study for the elementary and secondary schools, consistent with the requirements of this chapter, and may include minimum time requirements and performance standards. §4705. Courses prescribed by local boards

The school board of each school administrative unit may prescribe instructional requirements in addition to minimum state requirements, subject to approval by the commissioner.

## <u>§4706. Instruction in American history and Maine</u> studies

The following subjects shall be required.

1. American history. American history and civil government, including the Constitution of the United States, the Declaration of Independence, the importance of voting and the privileges and responsibilities of citizenship, shall be taught in and required for graduation from all elementary and secondary schools, both public and private.

2. Maine studies. A course in the history, including the Constitution of Maine, Maine geography and the natural, industrial and economic resources of Maine and Maine's cultural and ethnic heritage shall be taught in at least one grade from grade 6 to grade 12, in all schools, both public and private.

#### SUBCHAPTER II ELEMENTARY SCHOOLS

#### §4711. Elementary course of study

The basic course of study for the elementary schools shall provide for the instruction of all students in the English language, including reading, writing, spelling and grammar; library instruction; mathematics; science; music, art and drama; American history and government; social studies; Maine studies, including the history, geography, culture and natural and industrial resources of the State; health, hygiene and safety; physical education; and physiology and hygiene, with special reference to the effects of substance abuse, including alcohol, tobacco and narcotics upon the human system.

#### SUBCHAPTER III SECONDARY SCHOOLS

#### §4721. General requirement

A secondary school shall provide a course of study of at least 2 years in length, which shall meet the requirements of this chapter. §4722. High school diploma standards

A secondary school shall provide at least one course of study leading to a high school diploma which shall meet the following standards.

1. Minimum instructional requirements. A diploma course of study shall include a minimum 4-year program of instruction which meets the curriculum requirements established by this chapter and any other instructional requirements established by the commissioner and the school board.

2. Required subjects. Courses in the following subjects shall be provided in separate or integrated study programs to all students and required for a high school diploma:

A. English--4 years;

<u>B.</u> Social studies and history, including American history and government--2 years;

C. Mathematics--2 years;

D. Science, including at least one year of laboratory study--2 years; and

E. Fine arts, which may include art, music, forensics or drama--one year.

3. Satisfactory completion. A diploma shall be awarded only to secondary school students who have satisfactorily completed all diploma requirements in accordance with the academic standards of the school administrative unit. Vocational students may, with the approval of the commissioner, satisfy the 2nd-year math and science and the 3rd-year social studies requirements through separate or integrated study within the vocational school curriculumn.

4. Exception. A secondary school student who has satisfactorily completed the freshman year in an accredited degree-granting institution of higher education may be eligible to receive a high school diploma from the school the student last attended, although the student may not meet the graduation requirements of this Title.

5. Advanced study. Nothing in this chapter may prevent the award of a diploma to a student who has completed all diploma requirements in fewer than 4 years of study.

#### §4723. Health and physical education

The secondary course of study shall include instruction in health, safety and physical education, as prescribed by the commissioner, and physiology and hygiene, with special reference to the effects of alcoholic drinks, stimulants and narcotics upon the human system.

#### §4724. Computer instruction

Instruction in the use and application of computer skills shall be available to secondary school students. Each school administrative unit shall develop, with the approval of the commissioner, standards for computer literacy, proficiency and performance levels which shall be required for graduation.

#### §4725. Vocational instruction

Each school administrative unit operating a secondary school shall provide vocational instruction through a vocational center or region in accordance with chapter 313.

§4726. Foreign languages

Each school administrative unit operating a secondary school shall offer at least one 2-year seguence in a foreign language. Schools are encouraged to offer 2 or more foreign languages as part of the secondary course of study.

#### §4727. Additional instruction

Secondary schools may provide additional instruction in vocational and other subjects not included within the vocational courses of study operating pursuant to chapter 313.

#### §4728. Driver education

Secondary schools may offer driver education as part of the secondary courses of study in accordance with chapter 316.

#### §4729. Alternative programs

A school administrative unit may establish one or more programs to meet the needs of excused students, as identified in section 5002, and the needs of truants, dropouts and others, as identified in section 5104, as alternatives to the regular courses of study.

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1. Coordination. These programs shall operate as part of the elementary or secondary school program.

2. Alternative schedules. Alternative programs may allow, for students of eligible age, to attend school part-time. Alternative programs may be scheduled apart from the regular school day.

Sec. 6. 20-A MRSA §5204, sub-§6, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

6. <u>Insufficient courses; time limitations</u>. If the secondary school does not offer 2 approved eceupational courses of study, a 2 year course in mathematics or science or 2 approved foreign language courses, then its students may attend another secondary school approved for tuition purposes to take the missing language courses of study provided that:

A. The receiving school accepts tuition students;

B. The students meet the qualifications for attending their own secondary school; and

C. The students have notified their own school administrative unit by April 1st, before the start of each academic <u>school</u> year, that they wish to take the course <u>foreign language</u> not being offered by their school administrative unit. Their school administrative unit shall notify them on or before July 15th of that year whether when the <u>language</u> course will be offered in the next academic school year.

Sec. 7. Effective date. This Part shall take effect August 1, 1988, except that the commissioner may grant up to 2 additional years for compliance to those local school districts for which the commissioner finds:

1. A financial hardship such that the local cost of compliance would result in a significant increase in local funding, and additional state funding to assure compliance is not available; and

2. The local school district has made substantial progress toward compliance and has adopted a plan which assures compliance within the extension period.

#### PART D

Sec. 1. 5 MRSA §12004, sub-§10, ¶A, as enacted by PL 1983, c. 812, §39, is amended to read:

A. This classification includes the following:

F	IELD	NAME OF ORGANIZATION	RATE OF COMPENSATI	STATUTORY ON REFERENCE
(1)	Agriculture	Eastern States Exposition Ad- visory Board	Not Autho- rized	7 MRSA §403
(2)	Civil Emer- gency	Citizens' Civil Emergency Com- mission	Expenses only	37-A MRSA §56-A
(3)	Community Services	Community Ser- vices Advisory Board	Expenses only	5 MRSA §3517
(4)	Corrections	Maine Correc- tional Advisory Commission	\$25/day	34-A MRSA §1204
(5)	Education	Advisory Com- mittee on Medi- cal Education	Not Autho- rized	20-A MRSA §11807
(6)	Education	Archives Advis- ory Board	Expenses only	5 MRSA §96
(7)	Education	Committee for the Training of Firemen	Expenses only	20-A MRSA §9002
(8)	Education	Indian Scholar- ship Committee	Not Autho- rízed	20-A MRSA §12403
(9)	Education	Maine Education Council	Not Autho- rized	20-A MRSA § 651
(10)	Education	Educational Leave Advisory Board	Not Autho- rized	5 MRSA §723
(11)	Education	Maine Historic Preservation Commission	Expenses only	27 MRSA \$501
(12)	Education	Maine Library Commission	Expenses only	27 MRSA §111

(13)	Education	Post-secondary Education Com- mission of Maine	Expenses only	20-A MRSA §10304
(14)	Education	Maine State Commission on the Arts and the Humanities	Expenses only	27 MRSA \$401
<u>(14A)</u>	Education	Advisory Com- mittee on Stu- dent Assessment	<u>\$25/day</u>	20-A MRSA § 6203
(15)	Energy	Advisory Coun- cil on Energy Efficiency Building Per- formance Stan- dards	Expenses only	10 MRSA §1414
(16)	Energy	State Energy Resources Ad- visory Board	Not Autho- rized	5 MRSA §5007
(17)	Environment	Low-level Waste Siting Commis- sion	Expenses only	38 MRSA §1476
(18)	Fouironment	Ground Water	Fypopsos	P&ST 1979 6 43

(18) Environment: Ground Water Expenses P&SL 1979, c. 43
Natural Re- Protection Com- only
sources mission

 (20) Finance Natural Re- \$25/day 10 MRSA \$985 source Financing and Marketing Board
 (21) Finance Standardization \$25/day; 5 MRSA \$1814 Committee Public Member

 (22) Finance Maine Veterans' Expenses 10 MRSA §1100-A Small Business only Loan Board
 (23) Housing Advisory Board Expenses 30 MRSA §4602 to the Maine only State Housing Authority

(24)	Housing	Passamaquoddy Indian Housing Authority - In- dian Township	Not Autho- rized	22 MRSA §4733
(25)	Housing	Passamaquoddy Indian Housing Authority - Pleasant Point		22 MRSA §4733
(26)	Housing	Penobscot Trib- al Reservation Housing Author- ity	Not Autho- rized	22 MRSA §4733
(27)	Human Ser- vices	Maine Aid to Families With Dependent Chil- dren Coordinat- ing Committee	Not Autho- rized	22 MRSA §3773
(28)	Human Ser- vices	Advisory Coun- cil to Maine Aid to Families With Dependent Children Coor- dinating Com- mittee	Not Autho- rízed	22 MRSA §3774
(29)	Human Ser- vices: Health Facilities		\$25/day	22 MRSA §307
(30)	Human Ser- vices	Maine Council on Alcohol and Drug Abuse Pre- vention and Treatment	Expenses only	22 MRSA §7107
(31)		Maine Dental Health Council	Expenses only	22 MRSA §2096
(32)	Human Ser <del>-</del> vices: Public Health	Environmental Health Advisory Committee	Expenses only	22 MRSA §1693
(33)		Hospital Advis- ory Committee		22 MRSA §396-P
(34)	Human Ser <del>-</del> vices: Health Finance	Payor Advisory Committee	Not Autho- rized	22 MRSA §396-P

#### PUBLIC LAWS, THIRD SPECIAL SESSION-1983

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(35)	Human Ser- vices	Professional Advisory Com- mittee	Not Autho- rized	22 MRSA §396-P
(36)	Human Ser- vices: Public Health	Radiological Emergency Preparedness Committee	Expenses only	37-B MRSA §954
(37)	Judiciary	Judicial Coun- cil	Expenses only	4 MRSA §451
(38)	Judiciary: Críminal law	Criminal Law Advisory Com- mission	Expenses only	17-A MRSA §1351
(39)	Judiciary: Law	Probate Law Re- vision Commis- sion	Expenses only	P&SL 1975, c. 14, §1
(40)	Labor	State Advisory Council	\$25/day	26 MRSA §1082
(41)	Labor	Displaced Homemakers Ad- visory Council	Not Autho- rized	26 MRS <u>A</u> §1604
(42)	Local and County Gov- ernment	County Records Board	Not Autho- rized	30 MRSA §347
(43)	Local and County Gov- ernment	Municipal Records Board	Not Autho- rized	30 MRSA §2214
(44)	Local and County Gov- ernment	Regional Coun- cil of Govern- ments	Paid by member gov- ernments	30 MRSA §1981
(45)	Marine Re- sources: In- dustry	Lobster Advis- ory Council	Expenses only	12 MRSA §6462
	dustry		(a) Total expe council shal \$2,000 per yea	l not exceed
(46)	Marine Re- <b>s</b> ource <del>s</del>	Atlantic Sea Run Salmon Com- mission	Expenses only	12 MRSA \$6251
(47)	Marine Re- sources	Maine Marine Resources Com- mission		nate Paper 64, 1973

- (48) Mental Health Board of Visi- Not Autho- 34-B MRSA \$1403
  and Retarda- tors (for each rized
  tion State institution under the
  department)
- (49) Mental Health Maine Committee Expenses 34-B MRSA \$1210
  and Retarda- on the Problems only
  tion of the Mentally
  Retarded
- (50) Mental Health Mental Health Not Autho- 34-B MRSA §1209 and Retarda- Advisory Coun-rized tion cil
- (51) Mental Health State Planning Expenses 34-B MRSA §1211 and Retarda- and Advisory only tion Council on Developmental Disabilities
- (52) Natural Re- Forest Fire Ad- Expenses 12 MRSA §9621 sources: For- visory Council only ests
- (53) Natural Re- Forest Land Expenses 36 MRSA §584 sources: For- Valuation Ad- only ests visory Council
- (54) Natural Re- Keep Maine Sce- Expenses 12 MRSA §633 sources: Pro- nic Committee only tection and Promotion
- (55) Natural Re- Maine Trails Not Autho- 12 MRSA \$602 sources: System Advisory rized Recreation Committee
- (56) Natural Re- White Water Ad- \$25/day 12 MRSA \$7369-A sources: visory Commit-Recreation tee
- (57) Natural Re- White Water \$25/day 12MRSA \$7367
  sources: Safety CommitRecreation tee
- (58) Occupations: Auctioneers Ad- Expenses 32 MRSA §271 Auctioneers visory Board only
- (59) Occupations: Emergency Medi- \$20/day 32 MRSA \$88
  Ambulance cal Services'
  Services Advisory Board

#### PUBLIC LAWS, THIRD SPECIAL SESSION-1983

5 MRSA §1855 (60) Occupations: Computer Ser- \$25/day Computers vices Advisory Board Occupations: General Lines Expenses 24-A MRSA §1525 (61) Insurance Agent Examina- only tion Advisory Board (62) Occupations: Life Agent Ex- Expenses 24-A MRSA §1525 Insurance amination Ad- only visory Board Occupations: Continuing Edu- Not Autho- 32 MRSA §4115-B (63) Real Estate cation Commit-rized tee (64) Occupations: Professional Not Autho- 24 MRSA §2802 Medicine Malpractice Ad- rized visory Panel State Govern- Capitol Plan~ Expenses 5MRSA §298 (65) ment ning Commission only State Govern- State Compensa- Expenses 3 MRSA §2-A (66) ment tion Commission only State Govern- State Govern- Expenses 5 MRSA §293 (67) ment Internship only ment Program Advisory Committee State Plan- Maine Critical Expenses 5 MRSA §3313 (68) Areas Advisory only ning Board . (69) Transporta- Maine Aeronau- Not Autho- 6 MRSA §302 tion: Motor tical Advisory rized Vehicles Board

- (70) Transporta- Maine State Not Autho- 23 MRSA §4301 tion: Ferry Ferry Advisory rized Service Board
- (71) Transporta- Maine Highway Not Autho- 25 MRSA §2902 tion: Highway Safety Commit-rized tee
- (72) Transporta- Advisory and Expenses 29 MRSA §2246
  tion: Motor Review Board on only
  Vehicles Driver Licensing and Vehicle
  Registration

- (73) Transporta- Medical Advis- Not Autho- 29 MRSA \$547
  tion: Motor ory Board (Li- rized
  Vehicles censing of
  Drivers)
- (74) Transporta- Public Trans- Not Autho- 23 MRSA §4209 tion: Public portation Ad- rized Transportation visory Committee
- (75) Tourism Travel Informa- \$25/day 23MRSA \$1904 tion Advisory Council
- (76) Tourism Maine Vacation Expenses 5MRSA \$7005
   - Travel Com- only
   mission
- (77) Telecommuni- Advisory Com- Not Autho- 5 MRSA §350
   cations mittee on State rized
   Telecommuni cations
- (78) Telecommuni- Advisory Com- Expenses 20-A MRSA §801
   cations mittee on Maine only
   Public Broad casting
  - Sec. 2. 20-A MRSA §259, as enacted by PL 1981,c. 693, §§5 and 8, is repealed.

Sec. 3. 20-A MRSA c. 222 is enacted to read:

#### CHAPTER 222

#### STATE ASSESSMENT OF STUDENT PERFORMANCE

§6201. Legislative intent

The Legislature concurs with the recommendation of the 1984 report of the Commission on the Status of Education in Maine that a state-wide educational assessment program be implemented.

There is a need for assessment information at both the state and local level to identify the need for educational changes.

The development of a state-wide assessment program necessitates an immediate effort to develop tests to allow testing to begin during the 1985-86 school year. The program shall have the following objectives:

#### PUBLIC LAWS, THIRD SPECIAL SESSION-1983

1. State-wide assessment. To provide information on the academic achievement and progress of Maine students;

2. State goals. To establish a process for a continuing evaluation of state educational goals and to aid in the development of educational policies, standards and programs;

3. Local programs. To provide school officials with information to assess the quality, effectiveness and appropriateness of educational materials, methods and curriculum needs, including remediation and enrichment in their schools;

4. Individual students. To provide school staffs with information about the individual students which may be used, with other information, to meet individual and educational needs of the student. The assessment program shall not be the only criteria for judging student performance;

5. Trends. To identify year-to-year trends in student achievement; and

6. Parents. To provide parents with information about the achievements of their children on the assessment program.

§6202. Assessment program established; content

The commissioner shall establish a statewide assessment program to measure and evaluate on a continuing basis the academic achievements of students at grades 4, 8 and 11 in the public elementary and secondary schools and in all schools approved for tuition purposes. The assessment program shall be adapted to meet the needs of exceptional students as defined in section 7001, subsection 2 or other students as defined under rules by the commissioner. The program shall include the following components.

1. Assessment in basic subjects. The program shall provide an annual assessment of student performance in the curriculum areas of reading, writing and mathematics.

2. Additional subjects. The assessment program may be extended, consistent with available resources, to include assessments in science and social studies on a sampling basis in alternate years.

§6203. Implementation

To implement this program, the commissioner shall take the following action:

1. Staff. To appoint departmental staff to implement the assessment program, including test development and administration, analysis and interpretation of test results, and the provision of technical assistance to local schools on utilization of test information for curriculum development;

2. Contracts. To enter into such contracts as may be necessary to carry out the development and implementation of the assessment program;

3. Rules. To adopt rules to implement the program; and

4. Advisory Committee on Student Assessment. To select a committee, including teachers, curriculum supervisors and content specialists from higher education, in the areas of reading, writing, mathematics, science and social studies to develop the instructional objectives to be assessed; review and select questions to be included on the tests; and to interpret the assessment results, with specific recommendations to the commissioner on needed improvements.

§6204. Reports

1. State profile report. The commissioner shall annually report the results of the state assessment program with regard to the general performance profile of the students of the state's elementary and secondary schools.

2. School profile reports. The commissioner shall also provide each participating school with a profile of student achievement based upon data from the assessment program.

3. Teacher evaluation. The student assessment program is separate from local practices and procedures regarding supervision and evaluation of a teacher for retention by a school administrative unit.

#### §6205. Assessment data

The department shall provide each school with assessment data on individual students. Such assessment data shall become part of the student's educational record and shall be made available to the parents of each student or student of majority age in accordance with local school policies. It shall be held confidential from unauthorized persons in accordance with the confidentiality provisions of this Title and federal law.

#### §6206. Educational costs

Costs relating to the development of the state assessment program, printing, distribution, analysis and dissemination of results for each school administrative unit shall be paid by the department.

#### §6207. Optional participation

Private schools approved for attendance purposes may participate in the assessment program, with the approval of the commissioner and upon payment of a fee established by the commissioner. The fee shall reflect the actual cost of the assessment.

Sec. 4. Effective date. This Part shall take effect 90 days after adjournment of the Legislature, and the state assessment of student performance shall be first administered in the school year 1985-86 and shall continue in each succeeding school year.

#### PART E

Sec. 1. 20-A MRSA c. 612 is enacted to read:

#### CHAPTER 612

#### INNOVATIVE EDUCATIONAL GRANTS

#### §17101. Intent

The intent of this chapter is to promote creative improvement in the schools of the State. The Commissioner of Educational and Cultural Services shall promote innovative projects by means of grants to teachers, school administrative units or private schools approved for tuition purposes. It is not the intent of this chapter to provide funds for programs or services normally provided by those school systems. Project dissemination will be accomplished through the department through instructional support group staff. The use of state, regional and national diffusion networks will be encouraged.

#### §17102. Classroom-based projects

1. Objectives. Innovative educational grants may be awarded to promote classroom-based projects initiated by a teacher or group of teachers. These projects may include, but are not limited to, the following objectives:

A. To provide training programs for teachers and administrators to promote effective teaching and management techniques;

B. To develop learning environments that encourage improved student achievement;

C. To develop new curricula to teach difficult concepts or new skills, encourage student interaction and cooperation or improve motivation to learn;

D. To develop programs to promote closer school-community relationships and learning opportunities at home and within the community; and

E. To provide opportunities to complement existing school programs which may include, but are not limited to, the following: Reading, writing, oral expression, mathematics and computer literacy.

2. Competitive awards. Grants shall be awarded on a competitive basis to teams of teachers working in several schools, to teams of teachers working cooperatively within a school and to individual teachers.

A. The first-year grants shall be up to \$2,000 for individual teacher projects and up to \$5,000 for 2 or more teachers who develop collaborative projects.

B. Second year costs shall not exceed the amount of the grant for the first year. Total funds for 2nd year proposals shall not exceed 25% of the total funds available for the grant program.

C. Additional state funding may be made available for dissemination of results of projects identified by the commissioner as having exceptional merit.

§17103. School-based innovative projects

1. Objectives. Innovative project matching grants may be awarded to a single school, group of schools or groups of school administrative units for projects which promote improvement on a school-wide basis. These grants will be on the same matching basis as set forth in section 4254. These projects may include, but are not limited to, one or more of the following objectives:

A. To develop programs to reduce the number of student dropouts;

B. To initiate creative approaches to improve average daily attendance in the schools;

C. To prepare curriculum guidelines and strategies to improve teaching, raise student expectations and increase the commitment to academic excellence;

D. To develop strategies for the effective use of school volunteers;

E. To promote improved guidance and counseling services, particularly within elementary schools;

F. To implement methods to increase the amount of time students devote to their academic subjects;

<u>G.</u> To develop programs to raise academic standards and to provide services for students with special learning needs;

H. To develop new and improved programs in the basic academic areas;

I. To identify and provide in-service educational programs to improve the basic course of study in the school or schools;

J. To provide management and leadership programs for principals, superintendents and other supervisory personnel;

K. To develop a teachers' academy; and

L. To develop foreign language programs in elementary schools.

2. Competitive awards. Matching grants shall be awarded on a competitive basis to schools working collaboratively and to single schools. Priority shall be given to proposals that the commissioner believes are most likely to make a lasting contribution to Maine education, that are reasonably cost-effective and that can be replicated elsewhere. Additional priority areas shall be identified by the commissioner, using information from basic school approval, accreditation and statewide student assessment programs. In exceptional circumstances, the commissioner may waive the local-state matching fund requirement.

A. Single schools may be awarded matching grants up to \$10,000.

B. Groups of schools may be awarded matching grants up to \$20,000.

C. Second-year awards may not exceed the amount of the award obtained the first year. The total amount of funds for 2nd-year awards may not exceed 33% of the total funds available for school-based innovative projects.

D. Awards in subsequent years may be made for projects identified by the commissioner as having exceptional merit.

§17104. Grant procedures

Application for grants, review of proposals and final awards shall meet the requirements of a grant review process established by the commissioner, in accordance with departmental rules on grant awards.

Sec. 2. Effective date. This Part shall take effect 90 days after adjournment of the Legislature.

Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Part.

1984-85

#### EDUCATIONAL AND CULTURAL SERVICES, DEPARTMENT OF

Personal Services	\$35,500
All Other	8,000
Capital Expenditures	1,000

Provides funds and the authority to hire a Foreign Language Educational Specialist and a half-time clercial assistant.

\$44,500

#### PART F

Sec. 1. 20-A MRSA c. 428 is enacted to read:

#### CHAPTER 428

#### BLAINE HOUSE SCHOLARS PROGRAM

§12501. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Academic achievement. "Academic achievement" means graduation in the top 1/2 of the class.

2. Duly enrolled. "Duly enrolled" means the time at which an eligible individual has attended the first class meeting.

3. Eligible individuals. "Eligible individuals" means students who meet eligibility requirements as determined in sections 12505 and 12507.

4. Institution of higher education. "Institution of higher education" means an institution of higher education located within this State, another state or a foreign country.

5. Preservice. "Preservice" means preparation to become a teacher, either through completion of a 4-year teacher training program or through a liberal arts program, and teaching pedagogy leading to certification in the subject area or areas to be taught.

6. Return service. "Return service" means teacher service in public elementary and secondary schools in Maine or a Maine private school approved for tuition purposes for a full school year.

7. Underserved subject areas. "Underserved subject areas" means those subjects or programs, required or authorized to be taught in the public schools for which there is an insufficient supply of teachers, as may be determined by the commissioner, including but not limited to, special education, computer studies, science and math.

<u>§12502.</u> Blaine House Scholars and Financial Assistance Program

There is established the Blaine House Scholars and Financial Assistance Program to recognize Maine high school graduates who attain high academic achievement, and to provide financial assistance for post-secondary education of high school students and advanced degree or continued study by teachers. The program shall recognize outstanding high school students as described in section 12503 and disburse interest free loans as described in section 12504. The program shall be administered by the commissioner.

#### §12503. Blaine House scholars

Each year graduating high school seniors who show evidence of academic achievement shall be considered for recognition as Blaine House scholars. Nominations and applications shall be submitted to the commissioner at a time and in a format to be determined by rule of the commissioner.

The Governor, after consultation with the commissioner, shall announce the names of those individuals who are recognized as Blaine House scholars.

#### §12504. Allocation of funds

Funds available under this chapter shall be allocated as follows: Fifty percent for Blaine House scholars entering preservice; 25% teachers engaged in graduate continuing education and 25% to Blaine House scholars not entering preservice.

Loans of up to \$1,500 per academic year or \$6,000 total may be made to eligible individuals. Loans shall be for one academic year and shall be automatically renewed if the recipient maintains a grade point average of 2.5 based on a 4.0 grade point system.

#### §12505. Eligibility requirements

1. Eligibility for post-secondary education loans. Post-secondary education loans shall be given only to a high school graduate who is a resident of the State, who has been recognized as a Blaine House scholar and who has met other eligibility criteria established by rule of the commissioner. Preference shall be given to students enrolled in a program which has been determined to be an underserved subject area.

2. Eligibility for graduate study or continuing education loans. Graduate study or continuing education loans shall be given only to a teacher in a Maine school. Preference shall be given to teachers of subjects which have been determined to be underserved.

#### §12506. Payment provisions

Payment of loans shall be made directly to the institution for credit to the student's account and be made within 60 days following evidence that the student has become duly enrolled at the post-secondary institution.

If a recipient of a loan withdraws from an institution and if the student is entitled to a refund of tuition, fees or other charges, the institution shall pay directly to the State from that refund a sum which represents the portion of the loan paid to the student for the portion of the academic year that the student did not complete.

<u>§12507. Repayment and return service provisions -</u> <u>loans for general post-secondary education</u> and preservice teacher preparation

Each recipient of a loan may cancel the total amount of the loan by completing 4 years of return service in the public schools or private schools approved for tuition purposes in the State. The repayment period shall be 2 years if return service is performed in underserved subject areas or in geographically isolated areas as determined by the commissioner. Return service may also cancel the loan on a proportional basis, reducing the total amount of the debt by 25% for each year of return service. Return service for this purpose shall be performed within 5 years of graduation from the institution of higher education. Failure to fulfill the return service option will necessitate repayment to the State as follows.

 $\frac{1. \quad \text{Debt calculation.} \quad \text{The debt shall include to-}}{\text{amount of the loan less the amount, if any, which}} \\ \frac{1}{\text{has been cancelled by return service.}}$ 

2. Time for repayment. The total debt shall be repaid to the State within 5 years of graduation from the institution of higher education according to a schedule established by the commissioner. Due dates for repayments shall be set by the commissioner.

<u>§12508.</u> Repayment and return service provisions loans for teachers

Each recipient of a loan designated for teachers pursuing an advanced degree or continued study may cancel the total amount of the loan by completing 2 years of return service in the public schools or private schools approved for tuition purposes in the State. The repayment period shall be one year if return service is performed in underserved subject areas or in geographically isolated areas as determined by the commissioner. Return service may also cancel the loan on a proportional basis, reducing the total amount of the debt by 50% for each year of return service. Return service for this purpose shall be performed within 3 years of graduation from the institution of higher education or completion of the course or courses for which the funds were given. Failure to fulfill the return service option will necessitate repayment to the State as follows.

1. Debt calculation. The debt shall include total amount of the loan less the amount, if any, which has been canceled by return service.

2. Time for repayment. The total debt shall be repaid to the State within 3 years of graduation from the institution of higher education or courses for which the funds were given according to a schedule established by the commissioner. Due dates for repayments shall be set by the commissioner.

§12509. Nonlapsing revolving fund

A nonlapsing, interest earning, revolving fund, known as the Blaine House Scholars Fund, is created to implement the purposes of this chapter. Any unexpended balance of funds may be carried over for continued use in the program and funds returned through loan repayments shall be invested by the Treasurer of State, as provided by law, with the earned income to be added to the fund. The revolving fund may receive, invest and expend moneys from gifts, grants, bequests and donations in addition to moneys appropriated by the State.

#### §12510. Rules

Rules to implement this chapter shall be adopted by the commissioner.

Sec. 2. Effective date. This Part shall take effect 90 days after adjournment of the Legislature.

#### PART G

Sec. 1. 20-A MRSA c. 605, as amended, is repealed.

Sec. 2. 20-A MRSA c. 606 is enacted to read:
#### CHAPTER 606

SCHOOL FINANCE ACT OF 1985

§15601. Short title

This chapter may be cited as the "School Finance Act of 1985."

§15602. Intent

1. Contributions from General Fund. It is the intent of the Legislature to provide at least 55% of the cost of the total allocation from General Fund revenue sources or a percentage no less than that provided in the year prior to the year of allocation, whichever is greater.

2. Amount of actual operating and program costs. It is the intent of the Legislature that the actual operating and program costs, as annually established by the Legislature, shall be an amount sufficient to meet the level of the costs in the year prior to the year of allocation.

§15603. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Actual education costs. "Actual education costs" means the state and local expenditures during the base year for the programs and adjustments specified in sections 15604 and 15612.

2. Actual local operating costs. "Actual local operating costs" include all costs except the follow-ing:

A. Program costs for special education costs in subsection 22, vocational education costs in subsection 30, transportation operating costs in subsection 29 and bus purchase costs in subsection 7;

B. Debt service costs;

C. Community service costs;

D. Major capital costs; and

<u>E. Expenditures from all federal revenue</u> sources, except for amounts received under United States Public Law 81-874. 3. Actual local operating costs adjusted. "Actual local operating costs adjusted" means actual operating costs in subsection 2 adjusted to meet the level of the costs in the year prior to the year of allocation.

4. Actual local program costs. "Actual local program costs" include all costs for the following:

A. Special education costs in subsection 22;

B. Vocational education costs in subsection 30;

C. Transportation operating costs in subsection 29;

D. Bus purchase costs in subsection 7; and

E. Early childhood educational program costs in subsection 10.

5. Actual local program costs adjusted. "Actual local program costs adjusted" means actual program costs in subsection 4, adjusted to meet the level of the costs in the year prior to the year of allocation.

6. Base year. "Base year" means the 2nd year prior to the year of allocation of funds.

7. Bus purchase costs. "Bus purchase costs" includes:

A. Expenditures for bus purchases approved by the commissioner and made during the year prior to the year of allocation.

8. Debt service costs. "Debt service costs," for subsidy purposes, includes:

A. Principal and interest costs for approved major capital projects in the year of allocation;

B. Lease costs for school buildings when the leases have been approved by the commissioner for the year prior to the year of allocation;

C. The portion of the tuition costs applicable to the insured value factor computed under Title 20-A, section 5806, for the base year; and

D. Funds allocated by the state board to administrative units to cover the costs of new school construction projects funded in the current fiscal year.

9. Debt service millage limit. "Debt service millage limit" means the equivalent of a mill rate which, if applied to the state valuation of an administrative unit, limits the local share of debt service required under section 15611, subsection 1, paragraph A.

10. Early childhood educational programs. "Early childhood educational programs" means the excess cost of approved plans implemented under chapter 203, subchapter II.

11. Elementary grades. "Elementary grades" includes a childhood educational program, as defined by section 5201, through grade 8.

12. Foundation allocation. "Foundation allocation" means the total of actual local operating costs and actual local program costs adjusted to the equivalent of the year prior to the year of allocation.

13. Foundation per pupil operating rate. "Foundation per pupil operating rate" means the rate established by the Legislature in section 15607, subsection 1.

14. Institutional resident. "Institutional resident" means a person between the ages of 5 years and 20 years who is attending a public school of the school administrative unit and who is committed or otherwise legally admitted to, and residing at, a state-operated institution. It does not include students attending private facilities, regardless of the means of placement.

15. Local share of the foundation allocation. "Local share of the foundation allocation" means a school administrative unit's share of the foundation allocation.

16. Local share percentage. "Local share percentage" means the rate computed by dividing the local share of the operating cost allocation by the maximum operating cost allocation, expressed as a percentage under section 15609, subsection 1, paragraph A.

<u>17. Major capital costs.</u> "Major capital costs" means costs relating to school construction projects, as defined in section 15901.

18. Minor capital costs. "Minor capital costs" means costs relating to maintenance of plant and minor remodeling and site development not in conjunction with a construction project.

A. Minor capital costs shall not include construction of new buildings or the purchase of land.

B. Expenditures to repay funds borrowed for maintenance of plant and minor remodeling shall be considered minor capital costs in the year in which these funds are repaid.

<u>19. Municipality. "Municipality" includes</u> cities, towns and organized plantations.

20. Program millage limit. "Program millage limit" means the equivalent of a mill rate which, if applied to the state valuation of an administrative unit, shall limit the local share of the program allocation required under section 15609, subsection 1, paragraph B.

21. Secondary grades. "Secondary grades" means grades 9 to 12.

22. Special education costs. "Special education costs" for subsidy purposes includes:

A. The salary and benefit costs of certified professionals, assistants and aides or persons contracted to perform a special education service;

B. The costs of tuition and board to other schools for programs which have been approved by the commissioner. Medical costs shall not be allowable as part of a tuition charge; and

C. The cost of programs for gifted and talented students which have been approved by the commissioner.

23. State-operated institution. "State-operated institution" means any residential facility or institution which is operated by the Department of Mental Health and Mental Retardation.

24. State share of the foundation allocation. "State share of the foundation allocation" means the state's share of the foundation allocation. 25. State share percentage. "State share percentage" means the rate computed by dividing the state share of the operating costs allocation by the maximum operating cost allocation, expressed as a percentage, under section 15609, subsection 1, paragraph A.

26. State subsidy. "State subsidy" means the total of the state share of the foundation allocation, the state share of the debt service allocation, if any, and the state share of the bus purchase allocation, if any.

27. Subsidy indices. "Subsidy indices" means the equivalent of mill rates which, if applied to the state valuation of all municipalities, would raise not more than 45% of the total allocation and would establish the operating cost millage, the program millage limit and the debt service millage limit.

These indices may not be levied, but shall be used for the purpose of computing allocations.

28. Total allocation. "Total allocation" means the total of the foundation allocation and the debt service allocation.

29. Transportation operating costs. "Transportation operating costs," for subsidy purposes, means all costs incurred in the transportation of pupils in kindergarten to grade 12, excluding the costs of bus purchases.

30. Vocational education costs. "Vocational education costs" for subsidy purposes means all costs incurred by the vocational regions, centers or satellites in providing approved secondary school vocational education programs, excluding transportation, capital costs and debt service.

31. Year. "Year" means a fiscal year starting July 1st and ending June 30th of the succeeding year.

§15604. Notification of actual educational costs; other information; mandatory reports; audit adjustments

1. Notification; items. Prior to December 1st of each year, the commissioner shall notify the Legislature and the Bureau of the Budget of actual education costs. This notification includes the following items: A. Operating costs;

B. Special education costs for programs operated by school administrative units;

C. Special education tuition and board, excluding medical costs, defined as follows:

(1) Tuition and board for pupils placed by school administrative units;

(2) Tuition and board for pupils placed directly by the State in accordance with rules adopted or amended by the commissioner;

(3) Special education tuition and other tuition for institutional residents of state-operated institutions attending programs in school administrative units in accordance with rules adopted or amended by the commissioner; and

(4) Adjustments under section 15612, subsection 6;

D. Vocational education costs;

E. Transportation operating costs;

F. Bus purchase costs;

G. Debt service costs;

H. Cost of reimbursement for private school services;

I. Cost of state expenditures for teachers' retirement benefits; and

J. Early childhood educational programs.

2. Additional information. The commissioner shall provide additional information requested by the Legislature.

3. Required reports; subsidy payments withheld. A school administrative unit shall provide the commissioner with information which the commissioner requests to carry out the purposes of this chapter, according to time schedules which the commissioner shall establish.

The commissioner may withhold monthly subsidy payments from a school administrative unit when information is not filed in specified format and content and within specified time schedules.

4. Audit adjustments. The commissioner may correct errors revealed by audit.

§15605. Commissioner's recommendation for funding levels; computations; guidelines

1. Annual certification. Prior to December 15th of each year, the commissioner, with the approval of the state board, shall certify to the Governor and the Bureau of the Budget the funding levels which the commissioner recommends for sections 15604 and 15613.

2. Funding level computations. The following are the funding level computations that support the commissioner's funding level recommendations.

A. The foundation per pupil operating rate shall be the summary of actual local operating costs of all school administrative units of the base year adjusted to the year prior to the year of allocation divided by the average total resident pupils in sections 5104 and 6004 educated at public expense in kindergarten to grade 12 on April 1st and October 1st of the calendar year prior to the year of allocation.

(1) The elementary foundation per pupil operating rate shall be the summary of actual local operating costs of all school administrative units of the base year adjusted to the year prior to the year of allocation divided by the average total resident pupils in sections 5104 and 6004 educated at public expense in kindergarten to grade 8 on April lst and October 1st of the calendar year prior to the year of allocation.

(2) The secondary foundation per pupil operating rate shall be the summary of actual local operating costs of all school administrative units of the base year adjusted to the year prior to the year of allocation divided by the average total resident pupils in sections 5104 and 6004 educated at public expense in grades 9 to 12 on April 1st and October 1st of the calendar year prior to the year of allocation.

B. The requested funding levels for operating costs under section 15604, subsection 1, paragraph A, shall be the actual local operating costs for the base year adjusted to the equivalent of the year prior to the year of allocation.

C. The requested funding levels for program costs under section 15604, subsection 1, paragraph B; section 15604, subsection 1, paragraph C, subparagraph (1); section 15604, subsection 1, paragraphs D, E and J, shall be the actual local program costs for the base year adjusted to the equivalent of the year prior to the year of allocation; and under section 15604, subsection 1, paragraph F, for the year prior to the year of allocation.

D. The requested funding levels for debt service under section 15604, subsection 1, paragraph G, shall be as follows:

(1) The known obligations and estimates of anticipated principal and interest costs for the year of allocation;

(2) The expenditures for the insured value factor for the base year;

(3) The level of leases approved by the commissioner for the year prior to the year of allocation; and

(4) Funds allocated by the state board for new school construction projects funded in the current fiscal year.

E. The requested funding levels for special education under section 15604, subsection 1, paragraph C, subparagraphs (2) and (3), shall be computed by estimating costs for the year of allocation.

F. The requested funding levels for adjustments under section 15612 shall be computed by estimating costs for the year of allocation.

G. The requested funding levels for reimbursement for private school services under section 15604, subsection 1, paragraph H, shall be the actual costs for the base year.

3. Guidelines for actual local operating and program costs. The commissioner's recommendation for actual local operating and program costs adjusted shall reflect changes in pupil enrollment, economic factors, actual changes in educational costs and any other considerations which effect a change in the costs of education. The commissioner shall be conscious of the need for prudent restraint in educational financing.

§15606. Governor's recommendation for funding levels

The Bureau of the Budget shall annually certify to the Legislature the funding levels which the Governor recommends for sections 15604 and 15612.

The Governor's recommendations shall be transmitted to the Legislature within the time schedules set forth by Title 5, section 1666.

§15607. Actions by the Legislature

The Legislature shall annually, prior to April 1st, enact legislation which shall:

1. Foundation per pupil operating rate. Establish the foundation per pupil operating rate and the elementary and secondary foundation per pupil operating rates;

2. Subsidy indices. Establish an operating cost millage, a program millage limit and a debt service millage limit;

3. Appropriation for the state share of the foundation. Appropriate the necessary funds to meet the maximum state obligation for the state's share of the foundation allocation under section 15610;

4. Appropriation for state share of debt service. Appropriate the necessary funds for the state's share of debt service under section 15611;

5. Appropriation for geographic isolation. Appropriate the required funds for adjustments due to geographic isolation under section 15612, subsection 2;

6. Appropriation for unusual enrollment increase. Appropriate the required funds for adjustments for unusual enrollment increases under section 15612, subsection 3;

7. Appropriation for small administrative units. Appropriate the necessary funds for adjustments to small school administrative units which qualify under section 15612, subsection 4;

8. Appropriation for quality programs. Appropriate the necessary funds for quality incentive adjustment for school administrative units which qualify under section 15612, subsection 1;

9. Appropriation for special education pupils placed directly by the State. Appropriate the necessary funds for:

A. Tuition and board for pupils placed directly by the State in accordance with rules adopted or amended by the commissioner; and

B. Special educational tuition and other tuition for residents of state-operated institutions attending programs in school administrative units in accordance with rules adopted or amended by the commissioner;

10. Appropriation for audit adjustments. Appropriate the necessary funds for audit adjustments; and

11. Appropriation for nonpublic school services. Appropriate the necessary funds for reimbursement for nonpublic school services under section 15613, subsection 4.

§15608. Computation of the maximum state-local allocation prior to adjustments

The commissioner shall compute the maximum foundation allocation for each school administrative unit as follows.

1. Operating cost allocation. The maximum operating cost allocation shall be the total of:

A. The product determined by multiplying the average number of resident pupils in kindergarten and grades one to 8 in the unit on April 1st and October 1st of the calendar year immediately prior to the year of allocation, excluding special education tuition pupils, by the elementary foundation per pupil operating rate as established in section 15607; and

B. The product determined by multiplying the average number of resident pupils in grades 9 to 12 in the unit on April 1st and October 1st of the calendar year immediately prior to the year of allocation, excluding special education tuition pupils, by the secondary foundation per pupil operating rate as established in section 15607. 2. Program costs allocation. The program costs allocation shall be the total of the following program costs.

A. The special education portion of the program cost allocation shall be the special education costs in section 15603, subsection 22, as adjusted.

B. The vocational education portion of the program costs allocation shall be the actual expenditures for vocational education programs in section 15603, subsection 30, as adjusted.

C. The transportation operating portion of the program costs allocation shall be the actual expenditures for transportation operating costs for the unit as adjusted.

D. The bus purchases portion of the program costs allocation shall be the actual expenditures for bus purchases in section 15603, subsection 7.

§15609. Computation of maximum local share of the foundation allocation

1. Maximum local share of the foundation allocation computation. The commissioner shall compute the local share of the foundation allocation by adding the following.

A. The local share of the allocation for operating costs shall be the product of the operating cost millage established under section 15607 and the state valuation of the municipalities in the administrative units. The commissioner's computation of the local share of the allocation for operating costs for each unit or member municipality within a school administrative district or community school district shall not exceed the total operating allocation of each municipality.

> (1) The local share percentage shall be the proportion that the local share of the allocation for operating cost is to the maximum operating cost allocation. The state share percentage shall be the proportion that the state share of the allocation for operating cost is to the maximum operating cost allocation.

B. The local share of the allocation for program costs shall be the actual local program costs in the base year adjusted and bus purchase costs in

the year prior to the year of allocation multiplied by the local share percentage determined in paragraph A or the program millage limit established in section 15607 times the state valuation of the municipalities in the administrative unit, whichever is less.

(1) The program millage limit shall be the mills derived by dividing 40% of the program costs adjusted as defined in section 15603, subsection 5, by the state valuation of all municipalities.

 $\underline{\$15610.}$  Computation of state share of the foundation  $\underline{allocation}$ 

1. State share of the foundation allocation computation; limitation. The commissioner shall compute the state share of the foundation allocation for each unit as follows.

A. The state share of the allocation for operating costs shall be the difference between the local share of the allocation and the maximum operating cost allocation.

B. The state share of the allocation for program costs shall be the difference between the local share of the allocation and the total program cost allocation.

C. The state share of the foundation allocation for each administrative unit shall be limited to the same proportion of the maximum allocation as the local administrative unit raises of its maximum local share of the foundation allocation.

D. The commissioner shall reduce the state share of the foundation allocation to an administrative unit in the current year or following year by an amount that represents the state share of expenditures for salaries and benefits paid to uncertified personnel.

§15611. Computation of local and state shares for debt service

1. Local share. The commissioner shall compute the local share of allocation for debt service for each unit as follows.

A. The local share of allocation for debt service shall be the product of the debt service allocation multiplied by the percentage local share determined in section 15609 or the debt service millage limit established in section 15607 times the state valuation of the municipalities in the administrative units, whichever is less.

> (1) The debt service millage limit shall be the mills derived by dividing 45% of the debt service costs as defined in section 15603, subsection 8, by the state valuation of all municipalities.

2. State share. The state share of allocation for debt service shall be the difference between the local share of allocation for debt service and the debt service costs in section 15603, subsection 8.

§15612. Adjustments to the state share of the foundation allocation

Adjustments to the state share of the foundation allocation shall be made as allowed in subsections 1 to 4 for each school administrative unit that has raised the maximum amount of its local share of the foundation allocation for operating costs.

1. Quality incentive adjustments; computation of adjustment. The following provisions apply to incentives for quality programs.

A. A school administrative unit qualifies for a quality incentive adjustment if its per pupil operating costs in the base year exceed the foundation per pupil operating rate in the year of allocation by 20% or less.

B. The adjustment shall be 1/2 of the difference between the unit's operating costs in the base year and the operating allocation in the year of allocation multiplied by the state share percentage as determined in section 15609.

2. Geographic isolation; determination; adjustment limitation. The following provisions apply to geographic isolation, determination and adjustment limitation.

A. The commissioner, with the approval of the State Board of Education, shall determine geographic isolation if a school administrative unit operates a school which is located an unreasonably long distance from another school facility in another unit or is situated in a location which has unique problems in transporting students to another school administrative unit. B. If the school administrative unit is declared to be geographically isolated, the commissioner shall adjust the operating allocation to meet the educational needs of that unit.

C. The geographic isolation adjustment shall not exceed the amounts expended by the school administrative unit in the base year which were in excess of the operating allocation in the year of allocation.

3. Unusual enrollment increase, computation of adjustment; local authorization. The following provisions apply to unusual enrollment increase, computation of adjustment, proration, local authorization and contingent accounts.

A. A school administrative unit may qualify for an unusual enrollment adjustment when the increase in pupils between October 1st of the year of allocation of funds and October 1st of the year prior to the year of allocation of funds is 3% or more. The number of pupils in excess of a 3% increase shall be multiplied by the foundation per pupil operating rate as established in section 15603 to determine the allowable adjustment.

B. A school administrative unit may expend any funds received through this adjustment without calling for a special meeting of the local legislative body.

4. Small administrative unit subsidy adjustments; legislative intent. A school administrative unit may qualify for one of the following small unit subsidy adjustments.

A. If a school administrative unit is operating an elementary school with 25 pupils or less in kindergarten and grade one to grade 8 during the school year immediately prior to the year of allocation, it shall receive a minimum allocation for operating costs equal to 5/3 of the state average elementary teachers salary in the school year immediately prior to the year of allocation as determined by the commissioner.

B. If a school administrative unit is not operating an elementary school or a secondary school and has 25 pupils or less in kindergarten and grade one to grade 8 during the school year immediately prior to the year of allocation, it shall receive a minimum allocation computed by multiplying the elementary or secondary pupil enrollment on October 1st in the year of allocation by the foundation per pupil operating rate or the actual cost of tuition payment in the year of allocation, whichever is less.

C. The small unit subsidy adjustment shall guarantee a minimum subsidy payment for operating costs to those school administrative units which gualify and it shall be made only after the adjustments in subsections 1 to 3 have been made.

5. Pupils on federal land; adjustment; limitation. The following provisions apply to pupils on federal land, adjustment and limitation.

A. A school administrative unit which enrolls eligible pupils under the United States laws of September 30, 1950, chapter 1124, United States Code, Section 236, et seq., Public Law 81-874, shall count those pupils as resident pupils for purposes of this chapter.

B. The state share of the foundation allocation to that school administrative unit shall be adjusted by subtracting the receipts under the United States laws of September 30, 1950, Chapter 1124, United States Code, Section 236, et seq., Public Law 81-874, in the same proportion that total local revenues under the state equalization program are to total local revenues for education in that unit.

C. The amount subtracted under paragraph B may not exceed 90% of the school administrative unit's entitlement for the year prior to the year of allocation or the year of allocation, whichever is less. In adjusting the allocation, the amounts subtracted for pupils residing on land under control of the Federal Government or a federal agency, or on a federal military reservation shall not exceed 1/2 of the national average expenditure per pupil, as computed by the Federal Government, multiplied by the number of students in the school administrative unit.

6. Special educational adjustment; guidelines; limits; local authorization. The following provisions apply to special educational adjustment, guidelines, limits and location authorization.

A. If a school administrative unit petitions the commissioner and demonstrates that the unexpected

costs of placement for educational purposes of a student in a special educational program will cause a budgetary hardship, the commissioner may adjust the unit's state share of state subsidy to include an amount not to exceed the educational cost of the placement under rules adopted or amended by the commissioner.

B. The funds for the adjustment shall be limited to the amount appropriated by the Legislature for that purpose.

C. School boards may expend the funds allocated without seeking approval from their legislative bodies.

7. Audit adjustments. The following provisions apply to audit adjustments.

A. If errors are revealed by audit and by the commissioner, the school administrative unit's foundation allocation shall be adjusted to include corrections.

§15613. Authorization and schedules of payment of state subsidy; appeals; limitations

1. Schedules of payment of unit allocation. The commissioner shall authorize state subsidy payments to the school administrative units to be made in accordance with time schedules set forth in section 15005, sections 15901 to 15910 and Title 20, sections 3457 to 3460.

2. Notification of allocation; commissioner's duty; superintendent's duty. The following provisions apply to notification of allocation, commissioner's duty and superintendent's duty.

A. The commissioner shall annually, prior to April 21st, notify each school board of the amount allocated to the school administrative unit.

B. Each superintendent shall report to the municipal officers whenever the school administrative unit is notified of the allocation or a change is made in the allocation resulting from an adjustment.

3. Payments of state subsidy to unit's treasurer; basis. State subsidy payments shall be made directly to the treasurer of each school administrative unit. They shall be based on audited financial reports submitted by school administrative units.

4. Nonpublic school service reimbursements. The following provisions apply to nonpublic school service reimbursements.

A. Notwithstanding any other provision of this chapter, if students attend nonpublic schools that are not operated for profit in whole or in part, the commissioner shall reimburse 50% of the expenditures of the base year for providing services to these nonpublic school students as authorized by Title 30, section 5104, subsections 5 to 8. Municipal officers shall report these expenditures to the commissioner on forms provided by the commissioner.

B. The total amount reimbursed under this subsection shall not exceed the level of funds appropriated for this item under section .15607, subsection 12.

C. Municipal officers shall submit documentation demonstrating the amount of money appropriated for nonpublic school student services for the base year.

D. The commissioner may adopt or amend rules to assure that:

(1) All sums reimbursed were utilized and actually expended for programs authorized pursuant to Title 30, section 5104, subsections 5 to 8;

(2) No municipality receives reimbursement for a student who attends school at public expense; and

(3) All services provided to nonpublic school students that require professional personnel are provided by public employees.

5. Direct special educational payments. The commissioner may make tuition and board payments directly to private special educational boarding schools which receive state wards or other pupils placed directly by the State.

6. Education of institutional residents. The commissioner may pay tuition to school administrative

units for institutional residents within the limits of the appropriation made under section 15607, subsection 12.

7. Appeals. A school board may appeal the computation of state subsidy for the school administrative unit to the state board in writing within 30 days of the date of notification of the computed amount. The state board shall review the appeal and make an adjustment if, in its judgment, an adjustment is justified. The state board's decision shall be final as to facts supported by the record of the appeal.

8. School purpose expense requirement. Notwithstanding any other public or private statute, money allocated for school purposes shall be expended only for school purposes.

9. Balance of allocations. Notwithstanding any other public or private statute, balances of allocations at the end of a school administrative unit's fiscal year shall be carried forward to meet the next year's school needs.

10. Payment of previous year's state share of local leeway. For the 1985-86 fiscal year only, the commissioner may pay to eligible local administrative units the state share of local leeway for the period January 1984 to June 1984.

11. Guarantee of state subsidy for 1985-86 and 1986-87. For the 1985-86 and 1986-87 years only, the commissioner shall pay local educational units the 1984-85 state subsidy or the 1985-86 or 1986-87 state allocation respectively, whichever is greater.

# §15614. Local appropriations

The following provisions shall apply to local appropriations for school purposes.

1. Foundation allocation. The legislative body of each school administrative unit may vote to raise and appropriate an amount up to the local share of the foundation allocation.

A. An article in substantially the following form shall be used when a school administrative unit is considering the appropriation of the foundation allocation. (1) "Article : To see what sum the municipality/district will appropriate from the foundation allocation for school purposes (Recommend \$) and to see what sum the municipality/district will raise as the local share of the foundation allocation (Recommend \$)."

2. Debt service allocation. The legislative body of each school administrative unit may vote to raise and appropriate an amount up to the local share of the debt service allocation.

A. An article in substantially the following form shall be used when a school administrative unit is considering the appropriation for debt service allocation.

(1) "Article : To see what sum the municipality/district will raise as the local share of debt service (Recommend \$ )."

3. Additional local appropriation. A school administrative unit may raise and expend funds for educational purposes in addition to the funds under subsections 1 and 2.

4. Actions in subsections 1 to 3 shall be taken by a recorded vote.

5. Exception. The provisions of subsections 1 to 3 shall not apply to a school administrative unit in which the local share of the foundation allocation is equal to or greater than its foundation allocation, but that unit shall report to the commissioner the amount of the appropriation for foundation allocation, debt service allocation and additional local appropriation.

6. Administrative costs for units with no pupils. If a school administrative unit is required to pay administrative costs and has no allocation of state or local funds, that unit may raise and expend funds for administrative costs.

§15615. Municipal assessment paid to district

1. Presentation of assessment schedule. The assessment schedule based on the budget approved at a community school district or school administrative district budget meeting shall be presented to the treasurer of each municipality which is a member of the district. The assessment schedule shall include each member municipality's share of the district's local allocation, local share of debt service and additional local appropriations.

2. Municipal treasurer's payment schedule. The treasurer of the member municipality, after being presented with the assessment schedule, shall forward 1/12 of that member municipality's share to the treasurer of the district on or before the 20th day of each month of the fiscal year beginning in July.

§15616. Special school districts

1. School administrative unit. For the purposes of section 15619 and Title 20, sections 3457 to 3460, a special school district shall be deemed to be a school administrative unit.

2. Debt service. Debt service on bonds or notes issued by a special school district shall be included in the school budget of the school administrative unit which operates the schools constructed by that district. The school board for the school administrative unit which operates the special district's schools shall pay to the special school district all sums necessary to meet the payments of principal and interest on bonds or notes when due and to cover maintenance or other costs for which the special school district is responsible.

§15617. School budget; budget formats

1. Content. A school administrative unit shall include in its school budget document:

A. Its foundation allocation, its debt service allocation, if any, any additional expenditures authorized by statute; and

B. A summary of anticipated revenues and estimated school expenditures for the fiscal year.

2. Budget deadlines. The following time limitations shall apply to adoption of a budget.

A. At least 7 days before the initial meeting of the legislative body responsible for adopting a budget, a detailed budget document shall be available to that legislative body and to any person residing within the geographic area served by the school administrative unit. B. Notwithstanding a provision of statute or charter to the contrary, school administrative units may adopt an annual budget prior to June 30th, except that the school budgets for vocational regions shall be adopted on or before August 1st.

3. Budget format. The following provisions shall apply to a budget format.

A. Except as provided in subsection 4, the budget format shall be that prescribed by a majority of the school board until an article prescribing the school budget format is approved by a majority of voters in an election in which the total vote is at least 20% of the number of votes cast in the municipality in the last gubernatorial election, or 200, whichever is less.

B. The format of the school budget may be determined in accordance with section 1306.

C. It is the intent of the Legislature that a school board shall attempt to obtain public participation in the development of the school budget.

4. Budget format; town or city charter. In a municipality where the responsibility for final adoption of the school budget is vested by municipal charter in a council, the school budget format may be changed through amendment of the charter under the home rule procedures of Title 30, sections 1911 to 1920, except that the amendment shall be approved by a majority of voters in an election in which the total vote is at least 20% of the number of votes cast in the municipality in the last gubernatorial election.

5. Budget format; town meeting. When the final budget authority is vested in a town meeting operating under the general enabling procedures of Title 30, the format of the school budget may be determined by the town meeting or under the procedures of Title 30, section 2053 or 2061.

6. Budget format; community school district. The following provisions shall apply to the budget format of a community school district.

A. An article containing the district's proposed budget format shall be placed on the next warrant issued or ballot printed if: (1) A majority of the district school committee votes to place it on the warrant or ballot; or

(2) A written petition of at least 10% of the number of voters voting in the last gubernatorial election in each municipality within the community school district request it to be on the warrant or ballot.

B. The article containing the budget format may be voted on by secret ballot at an election conducted in accordance with Title 30, sections 2061 to 2065.

C. The district school committee shall:

(1) Issue a warrant specifying that the municipal officers of the municipalities within the community school district place the budget format article on the secret ballot; and

(2) Prepare and furnish the required number of ballots for carrying out the election, including absentee ballots.

7. Budget format; articles. The articles prescribed in this chapter shall be included in the budget format and voted on in the adoption of the budget in order to determine state and local cost sharing.

8. Change in budget format. Any change in the budget format shall be voted on at least 90 days prior to the budget year for which that change is to be effective.

§15618. Actions on budget

The following provisions shall apply to approving a budget.

1. Checklist required. Prior to the articles dealing with school appropriations being voted on, the moderator of a regular or special school budget meeting shall require the clerk or secretary to make a checklist of the registered voters present. The number of voters listed on the checklist shall be conclusive evidence of the number present at the meeting.

2. Reconsideration. Notwithstanding another statute to the contrary, in school administrative

units where the school budget is finally approved by the voters, a special budget meeting to reconsider action taken on the budget may only be called as follows.

A. It shall be held within 30 days of the regular budget meeting.

B. In a school administrative district or community school district, it shall be called by the school board, or as follows.

> (1) At least 10% of the number of voters voting in the last gubernatorial election in member municipalities of the school administrative unit, or 100 voters, whichever is less, shall present a signed petition within 15 days of the regular budget meeting to the school board, specifying the article or articles to be reconsidered.

> (2) On receiving the petition, the school board shall call the special reconsideration budget meeting to be held within 15 days of the date the petition was received.

C. In a municipality, the meeting shall be called by the municipal officers:

(1) Within 15 days after receipt of a request from the school board, if the request is received within 15 days of the budget meeting and it specifies the article or articles to be reconsidered; or

(2) Within 15 days after receipt of a petition presented in accordance with Title 30, section 2065, if the petition is received within 15 days of the budget meeting and it specifies the article or articles to be reconsidered.

3. Invalidation of action of a special reconsideration budget meeting. If a special budget meeting is called to reconsider action taken at a regular budget meeting, the actions of the meeting shall be invalid if the number of voters at the special budget meeting is less than the number of voters present at the regular budget meeting.

4. Line item transfers. Meetings requested by a school board for the purpose of transferring funds from one category or line item to another shall be

posted for voter or council action within 15 days of the date of the request.

§15619. Bonds; notes; other

All bonds, notes or other evidences of indebtedness issued for school purposes by a school administrative unit, as defined in section 15603, for major capital expenses, bus purchases or for current operating expenses, including tax or other revenue anticipation notes, shall be general obligations of the unit.

1. Tax assessments. The municipal officers or school board shall require the sums which may be necessary to meet in full the principal of and interest on these bonds, notes or other evidences of indebtedness payable in each year to be assessed and collected in the manner provided by law for the assessment and collection of taxes.

2. Reduction. The sums to be assessed and collected shall be reduced by the amount of an allocation of funds appropriated by the Legislature to pay the principal and interest owed by the unit in a given year as certified to the school administrative unit by the commissioner. The commissioner shall certify the amount due to the unit within 30 days of its appropriation by the Legislature.

3. Collection. After assessment and reduction, the remaining sum shall be payable from ad valorem taxes which may be levied without limit as to rate or amount upon all the taxable property within the unit.

Sec. 3. Unallocated balances to be carried forward. Any unallocated balances in the School Finance Act shall be carried forward to the next fiscal year.

Sec. 4. Effective date. This Part shall take effect July 1, 1985.

### PART H

Sec. 1. Consolidation of certain programs. The Certification and Placement of Teachers function and the Teacher Education function shall be combined and operated as a single unit with the Department of Educational and Cultural Services.

For the remainder of the fiscal year ending June 30, 1985, this new function shall be funded through the 2 existing appropriations. Effective in the fis-

cal year ending June 30, 1986, the 2 appropriations will be combined for funding purposes.

The combined functions shall be known as "Certification, Placement and Teacher Education."

Sec. 2. Effective date. This Part shall take effect 90 days after adjournment of the Legislature.

## PART I

Sec. 1. 20-A MRSA §13012, sub-§5 is enacted to read:

5. Qualifying examinations. The provisional teacher certificate shall only be issued to those applicants who have taken the teacher qualifying examinations set forth in chapter 502-A.

Sec. 2. 20-A MRSA c. 502-A is enacted to read:

#### CHAPTER 502-A

#### QUALIFYING EXAMINATIONS FOR INITIAL TEACHERS

§13031. Purpose

The Legislature declares that the purpose of this chapter is to establish standardized qualifying examinations for those persons seeking provisional teacher certificates to teach in the State.

#### §13032. Qualifying examination

The provisional teacher certificate shall only be issued to those applicants who have taken the teacher qualifying examinations. The examinations may be administered in separate parts and may be taken by applicants for provisional teacher certificates at any time after completion of the sophomore year of attendance at a post-secondary higher education institution. The examinations shall test the applicant in the following areas:

1. Communication skills. Communication skills, which include listening, reading and writing;

2. General knowledge. General knowledge, which includes concepts from a variety of disciplines, including literature and fine arts, mathematics, science and social studies; and 3. Professional knowledge. Professional knowledge, which focuses on the knowledge and cognitive processes the teacher uses in decision-making, with emphasis on how those processes will be applied in the classroom.

The applicant shall be responsible for the costs associated with taking the teacher qualifying examinations.

# §13033. Transitional period and study

The Department of Educational and Cultural Services shall conduct a study during the first 3 years of the program in order to validate the use of a nationally accepted teacher examination or a state created teacher examination to be authorized by the State Board of Education and the commissioner in accordance with the procedures required under the Maine Administrative Procedure Act, Title 5, chapter 375. The study shall be used to establish the minimum score requirements which an applicant shall attain to qualify for a provisional teacher certificate and shall also provide statewide information on the qualifications of applicants for provisional certificates.

## §13034. Certification records

The score on the teacher gualifying examinations shall become part of a teacher's certification records. These records shall be confidential to the extent authorized under section 13004.

§13035. Qualifying scores

An applicant will not be eligible to receive a provisional teacher certificate after June 30, 1988, unless he has received a minimum qualifying score on the teacher qualifying examinations. The minimum qualifying score shall be determined by the State Board of Education and the commissioner by December 1, 1987, to be based on their study of the data developed during the first 3 years the tests are administered.

# §13036. Applicant rights

An applicant shall be informed of the results of the qualifying examinations and have the right to retake the qualifying examinations, in whole or in part. Sec. 3. Effective date. This Part shall take effect 90 days after adjournment of the Legislature.

#### PART J

Sec. 1. 5 MRSA §1001, sub-§9, as amended by PL 1983, c. 82, is further amended to read:

9. Earnable compensation. "Earnable compensation" means actual compensation, including workers' compensation benefits and maintenance if any, but shall not include payment for more than 30 days of accumulated or accrued sick leave or unused vacation leave or a combination of both, nor include any other payment which is not compensation for actual services rendered or which is not paid at the time these services are rendered. Any money paid by an employer under an annuity contract for the future benefit of an employee shall be considered part of the employee's earnable compensation. The earnable compensation of a member retired with a disability retirement allowance under section 1122 shall be as-sumed, for the purposes of determining benefits under this chapter, to be continued after his date of termination of service at the same rate as received immediately prior thereto, subject to the same percentage adjustments, if any, that may apply to the amount of retirement allowance of the beneficiary under section 1128. The term "earnable compensation" does not include Teacher Recognition Grants paid pursuant to Title 20-A, section 13503.

Sec. 2. 20-A MRSA c. 506 is enacted to read:

#### CHAPTER 506

#### TEACHER RECOGNITION GRANTS

§13501. Purpose

This chapter establishes the Teacher Recognition Grants Program, a state-funded program to recognize the importance of teachers in our state's schools.

It is the purpose of this program to retain and attract intelligent people within the teaching profession by providing state funded recognition grants in addition to, and not in lieu of, locally established salary schedules. The program will be administered by the commissioner.

§13502. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

<u>1. Qualifying schools. "Qualifying schools"</u> means the following:

A. Public schools that are governed by a school board of a school administrative unit;

B. Private secondary schools approved for tuition whose school enrollments are at least 60% publicly-funded students as determined by the previous school year's October to April average enrollment; and

<u>C.</u> Schools operated by an agency of State Government, including the following:

- (1) Baxter School for the Deaf;
- (2) Arthur R. Gould School;
- (3) Pineland State (Berman School); and

(4) Education of children in unorganized territories.

2. Teacher. "Teacher" means a person certified by the Department of Educational and Cultural Services who is an employee of a public school, an eligible private school or a state operated school including elementary and secondary teacher, specialized subject teacher, vocational-industrial teacher as defined in the certification rules of the State Board of Education. "Teacher" includes, by position title, only the following:

- A. Classroom teacher;
- B. Itinerant teacher;
- C. Guidance counselor;
- D. Librarian-media specialist;
- E. Special education teacher;
- F. Special teacher of reading; and
- G. Speech clinician-teacher.

## §13503. Teacher recognition grants

Teacher recognition grants of \$1,000 shall be awarded twice during the school year to only those teachers who have been employed full time in qualifying schools since the first day of each corresponding semester. Teachers employed less than full time or less than a full semester, as determined by the qualifying school, shall not receive a prorated grant amount.

§13504. Schedule of payment

<u>Grants will be issued by the Treasurer of State</u> on February 15th and August 15th of 1986.

§13505. Local filing; certification

Qualifying schools shall file with the commissioner a certified list of teachers eligible to receive grants under this chapter, including their names, mailing addresses, social security numbers, income tax withholding status and current salary. Filing information shall be submitted on or before January 15th for the February 15th schedule of payment; the filing for the August 15th schedule of payment shall be submitted on or before July 15th.

§13506. Responsibility of the commissioner

The responsibilities of the commissioner to implement this program are as follows.

1. Notification of filing deadlines. The commissioner shall notify all qualifying schools at least 45 days in advance of the filing deadline.

2. Transmittal of information. The commissioner shall transmit the necessary filing data to the Department of Finance and Administration in sufficient time to allow the issuance of payments on Febuary 15th and August 15th of each year.

3. Financial records. The commissioner shall design and maintain financial and filing records.

4. Rulemaking. The commissioner may adopt rules pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375, to implement this chapter.

§13507. Local collective bargaining

The state-funding recognition grants shall not be considered during local collective bargaining for the purposes of setting teachers' salaries.

§13508. Future appropriations

It is the intent of the Legislature that \$13,500,000 be appropriated in fiscal year 1985-86, \$27,000,000 be appropriated in fiscal year 1986-87, and \$27,000,000 and any additional funds that may be appropriated in fiscal year 1987-88 by the 112th and 113th Legislatures to carry out the intent of this chapter. It is also the intent that appropriations shall be made in subsequent years to continue the programs established under this chapter. The appropriations referred to in this section shall be placed in a nonlapsing account to be used to carry out the intent of this chapter.

§13509. Payments

Payments made under this chapter shall be made:

1. School year 1985-86. For the school year 1985-86, in accordance with sections 13503 to 13505;

2. School year 1986-87. For the school year 1986-87, in accordance with the interim recommendations of the commission established in section 13510; and

3. School year 1987-88 and subsequent years. For the school year 1987-88 and subsequent years, in accordance with the permanent recommendations of the commission established in section 13510 for a permanent solution.

§13510. Special Commission to Study the Implementation of Educational Reform

1. Commission established. There is created the Special Commission to Study the Implementation of Educational Reform. The commission shall consist of 12 members. Eight members shall be legislators of whom 5 shall be members of the Joint Standing Committee on Education and 3 of whom shall be members of the Joint Standing Committee on Appropriations and Financial Affairs. The President of the Senate shall appoint 3 of the legislator members; and the Speaker of the House shall appoint 5 of the legislator members. Legislative members shall represent a bipartisan point of view. The remaining 4 members shall be appointed by the Governor and shall be persons familiar with education and education finance, 2 of whom shall be the Commissioner of Educational and Cultural Services, or his designee, and the Commissioner of Finance and Administration, or his designee. Members shall serve until accomplishment of the tasks specified in this chapter. Legislative members shall not be disqualified for discontinuance of legislative service. Vacancies may be filled with qualified appointees by the appointing authority.

2. Commission duties. The commission shall study issues related to the implementation of education reform in Maine. The commission shall address the following concerns and take the following action.

A. Study the impact on local communities of the education finance act and of implementing increased curriculum and graduation requirements and recommend ways to meet increased local needs. The commission shall estimate projected local costs, including catastrophic costs, and propose alternative methods for meeting those costs, including recommendations for additional state funding of education costs;

B. Study and make recommendations on ways to permanently enhance teacher compensation, including examination of a statewide salary schedule, a minimum base salary, stipends and other options which may be submitted to the commission for consideration;

C. Study and make recommendations on the need for and methods of ensuring the maintenance of local educational efforts and that state funded recognition grants shall not be considered in the collective bargaining process;

D. Study the definition of teacher, including part-time personnel, for the purpose of determining which educational personnel qualify for teacher recognition grants. In conducting this part of its study the commissioner shall bear in mind that the purpose for those grants was to enhance the status of and to reward classroom teachers. The commission shall make recommendations on the short-term and long-term implementation of a teacher compensation plan; and shall include in its report an assessment of the need for a panel to settle disputes regarding teacher compensation; E. Study the advantages and disadvantages of and make recommendations on the inclusion of teacher recognition grants in earnable compensation for retirement purposes;

F. Study the operation of collective bargaining at the local level and make recommendations for changes which would improve the quality of education; and

G. Examine and make recommendations on other issues which the commission determines affect the quality of education in Maine.

3. Commission report. The commission shall report to the Joint Standing Committee on Education. The report shall include estimated state and local costs of recommendations and implementing legislation, if necessary. The first report shall be due on April 1, 1985. In the succeeding years, the commission shall report annually on January 1st, until such time as the committee determines it has completed its task.

A. On April 1, 1985, the commission shall recommend an interim mechanism for expending allocated moneys to enhance teacher remuneration.

B. The commission's permanent recommendation for the use of allocated funds shall be in accordance with the following intent of the Legislature.

It is the intent of the Legislature that the \$27,000,000 per year initially utilized for teacher recognition grants and such additional moneys as the Legislature may appropriate to implement this chapter shall continue to be available to enhance education in Maine, including use for teacher compensation, increasing state aid to local units through the finance act or other programs which the Legislature determines will enhance the quality of education in Maine.

Sec. 3. Study of career ladder. The Commissioner of Educational and Cultural Services and the State Board of Education shall study integrating the Teacher Recognition Grant Program with the establishment of a career ladder. The results will be presented as part of the study required by Public Law 1984, chapter 845, AN ACT to Revise the Laws Governing Certification of Educational Personnel. Sec. 4. Nonlapsing account. Moneys allocated to fund this chapter shall be placed in a nonlapsing account to be used for teacher compensation.

Sec. 5. Staff. The commission may request staff assistance from the Legislative Council and the Governor's Office.

Sec. 6. Appropriation. There is appropriated from the General Fund \$3,000 for the fiscal year ending June 30, 1985 to carry out the purposes of this Part.

1984-85

\$1,250

1,750

## SPECIAL COMMISSION TO STUDY THE IMPLEMENTATION OF EDUCATIONAL REFORM

Personal Services Per diem for Legislators

All Other Travel and expenses for members

Total

\$3,000

Sec. 7. Effective date. This Part shall take effect 90 days after adjournment of the Legislature, except that section 3 becomes effective on August 1, 1985, for the school year 1985-86. The first payment to teachers will be made on February 15, 1986.

# PART K

Sec. 1. 7 MRSA 12004, sub-10, A, as enacted by PL 1983, c.812, 39, is amended to read:

A. This classification includes the following:

	FIELD	NAME OF ORGANIZATION	RATE OF STATUTORY COMPENSATION REFERENCE
(1)	Agriculture	Eastern States Exposition Ad- visory Boa <u>rd</u>	Not Autho- 7 MRSA §403 rized
. (2)	Civil Emer- gency	Citizens' Civil Emergency Com- mission	Expenses 37-A MRSA §56-A only
(3)	Community Services	Community Ser- vices Advisory Board	Expenses 5 MRSA §3517 only

#### 4372 CHAP. 859

# PUBLIC LAWS, THIRD SPECIAL SESSION-1983

(4)	Corrections	Maine Correc- tional Advisory Commission	\$25/day	34-A MRSA §1204
(5)	Education	Advisory Com- mittee on Medi- cal Education	Not Autho- rized	20-A MRSA §11807
(6)	Education	Archives Advis- ory Board	Expenses only	5 MRSA §96
(7)	Education	Committee for the Training of Firemen	Expenses only	20-A MRSA §9002
(8)	Education	Indi <u>a</u> n Scholar- ship Committee		20-A MRSA §12403
(9)	Education	Maine Education Council	Not Autho- rized	20-A MRSA § 651
(10)	Education	Educational Leave Advisory Board		5 MRSA §723
(11)	Education	Maine Historic Preservation Commission	Expenses only	27 MRSA §501
(12)	Education	Maine Library Commission	Expenses only	27 MRSA §111
(13)	Education	Post-secondary Education <sup>.</sup> Com- mission of Maine	Expenses only	20-A MRSA §10304
(14)	Education	Maine State Commission on the Arts and the Humanities	Expenses only	27 MRSA §401
<u>(148)</u>	)Education	Advisory Com- mittee on Early Elementary Education	<u>\$25/day</u>	20-A MRSA §260
(15)	Energy	Advisory Coun- cil on Energy Efficiency Building Per- formance Stan- dards	Expenses only	10 MRSA §1414

# PUBLIC LAWS, THIRD SPECIAL SESSION-1983

(16)	Energy	State Energy Resources Ad- visory Board	Not Autho- rízed	5 MRSA §5007
(17) <sub>.</sub>	Environment	Low-level Waste Siting Commis- sion	-	38 MRSA §1476
(18)	Environment: Natural Re- sources	Ground Water Protection Com- mission	<b>▲</b>	P&SL 1979, c. 43
(19)	Finance	Advisory Coun- cil on Deferred Compensation Plans	-	5 MRSA §884
(20)	Finance	Natural Re- source Financ- ing and Market- ing Board	\$25/day	10 MRSA §985
(21)	Finance	Standardization Committee	\$25/day; Public Mem- ber	5 MRSA §1814
(22)	Finance	Maine Veterans' Small Business Loan Board	Expenses only	10 MRSA §1100-A
(23)	Housing	Advisory Board to the Maine State Housing Authority	Expenses only	30 MRSA §4602
(24)	Housing	Passamaquoddy Indian Housing Authority - In- dian Township		22 MRSA §4733
(25)	Housing	Passamaquoddy Indian Housing Authority - Pleasant Point		22 MRSA §4733
(26)	Housing	Penobscot Trib- al Reservation Housing Author- ity	Not Autho- rized	22 MRSA §4733
(27)	Human Ser- vices	Maine Aid to Families With Dependent Chil- dren Coordinat- ing Committee	Not Autho- rized	22 MRSA §3773

•.

4374 CHAP. 859

Ser- Advisory Coun- Not Autho- 22 MRSA §3774 (28) Human cil to Maine rized vices Aid to Families With Dependent Children Coordinating Committee 22 MRSA §307 Ser- Certificate of \$25/day (29) Human vices: Health Need Advisory Facilities Committee . (30) Human Ser- Maine Council Expenses 22 MRSA §7107 on Alcohol and only vices Drug Abuse Prevention and Treatment (31) Human Ser- Maine Dental Exóenses 22 MRSA §2096 vices Health Council only (32) Human Ser- Environmental Expenses 22 MRSA §1693 vices: Public Health Advisory only Health Committee Ser- Hospital Advis- Not Autho- 22 MRSA §396-P (33) Human vices: Hospi- ory Committee rized tals (34) Human Ser- Payor Advisory Not Autho- 22 MRSA §396-P vices: Health Committee rized Finance (35) Human Ser- Professional Not Autho- 22 MRSA §396-P Advisory Com- rized vices mittee 37-B MRSA §954 Ser- Radiological Expenses (36) Human vices: Public Emergency only Preparedness Health Committee 4 MRSA §451 (37) Judiciary Judicial Coun- Expenses cil only 17-A MRSA §1351 (38) Judiciary: Criminal Law Expenses Criminal law Advisory Com- only mission (39) Judiciary: Probate Law Re- Expenses P&SL 1975, c. 14, §1 vision Commis- only Law sion
(40)	Labor	State Advisory Council	\$25/day	26 MRSA §1082
(41)	Labor	Displaced Homemakers Ad- visory Council	Not Autho- rized	26 MRSA §1604
(42)	Local and County Gov- ernment	County Records Board	Not Autho- rized	30 MRSA §347
(43)	Local and County Gov- ernment	Municipal Records Board	Not Autho- rized	30 MRSA §2214
(44)	Local and County Gov- ernment	Regional Coun- cil of Govern- ments	Paid by member gov- ernments	30 MRSA §1981
(45)		Lobster Advis- ory Council	Expenses only	12 MRSA §6462
	distry		<ul><li>(a) Total expenses for the council shall not exceed</li><li>\$2,000 per year</li></ul>	
(46)	Marine Re- sources	Atlantic Sea Run Salmon Com- mission	Expenses only	12 MRSA §6251
(47)	Marine Re- sources	Maine Marine Resources Com- mission	Expenses only	Senate Paper 64, 1973
(48)		Board of Visi- tors (for each State institu- tion under the department)	Not Autho- rized	34-B MRSA §1403
(49)	Mental Health and Retarda- tion	Maine Committee on the Problems of the Mentally Retarded	Expenses only	34-B MRSA §1210
(50)	Mental Health	Mental Health Advisory Coun-	Not Autho- rized	34-B MRSA §1209
	and Retarda- tion	cil	11200	

(52) Natural Re- Forest Fire Ad-Expenses 12 MRSA §9621 sources: For- visory Council only ests (53) Natural Re- Forest Land Expenses 36 MRSA §584 sources: For- Valuation Adonly visory Council ests (54) Natural Re- Keep Maine Sce- Expenses 12 MRSA §633 sources: Pro- nic Committee only tection and Promotion (55) Natural Re- Maine Trails Not Autho- 12 MRSA §602 System Advisory rized sources: Recreation Committee (56) Natural Re- White Water Ad- \$25/day 12 MRSA §7369-A visory Commitsources: Recreation tee (57) Natural Re- White Water 12 MRSA §7367 \$25/day sources: Safety Commit-Recreation tee (58) Occupations: Auctioneers Ad-Auctioneers visory Board Expenses 32 MRSA §271 only (59) Occupations: Emergency Medi-\$20/day 32 MRSA §88 Ambulance cal Services' Services Advisory Board (60) Occupations: Computer Ser-\$25/day 5 MRSA §1855 Computers vices Advisory Board (61) Occupations: General Lines Expenses 24-A MRSA §1525 Insurance Agent Examinaonly tion Advisory Board (62) Occupations: Life Agent Ex-Expenses 24-A MRSA \$1525 Insurance amination Adonly visory Board (63) Occupations: Continuing Edu- Not Autho-32 MRSA §4115-B Real Estate cation Commit- rized tee Professional (64) Occupations: Not Autho- 24 MRSA §2802 Medicine Malpractice Ad- rized visory Panel

(65) State Govern- ment	Capitol Plan- ning Commission		5 MRSA §298
(66) State Govern- ment	State Compensa- tion Commission		3 MRSA §2-A
(67) State Govern- ment	State Govern- ment Internship Program Advis- ory Committee	Expenses only	5 MRSA §293
(68) State Plan- ning	Maine Critical Areas Advisory Board	<b>▲</b>	5 MRSA §3313
(69) Transporta- tion: Motor Vehicles		Not Autho- rized	6 MRSA §302
(70) Transporta- tion: Ferry Service			23 MRSA §4301
(71) Transporta- tion: Highway		Not Autho- rized	25 MRSA §2902
(72) Transporta- tion: Motor Vehicles	Advisory and Review Board on Driver Licens- ing and Vehicle Registration	Expenses only	29 MRSA §2246
(73) Transporta- tion: Motor Vehicles		Not Autho- rized	29 MRSA §547
(74) Transporta- tion: Public Transportation	Public Trans- portation Ad- visory Commit- tee	Not Autho- rized	23 MRSA \$4209
(75) Tourism	Travel Informa- tion Advisory Council	\$25/day	23 MRSA §1904
(76) Tourism	Maine Vacation - Travel Com- mission		5 MRSA §7005
(77) Telecommuni- cations	Advisory Com- mittee on State Telecommuni- cations		5 MRSA §350

(78) Telecommuni-Advisory Com- Expenses 20-A MRSA §801 cations mittee on Maine only Public Broadcasting

# Sec. 2. 20-A MRSA §260 is enacted to read:

§260. Early elementary, kindergarten to grade 3, school assistance program

Program established. The commissioner shall establish a state early elementary, kindergarten to grade 3, school assistance program which shall include the following.

A. There shall be a statewide kindergarten screening and assessment program as part of the statewide assessment program.

B. The commissioner shall direct the research, development and distribution of an integrated, standardized kindergarten to grade 3 screening and assessment program to assist schools and teachers in assessing performance and progress in kindergarten to grade 3.

C. The commissioner shall require the research and development of kindergarten to grade 3 curriculum guide for distribution to schools.

2. Implementation. To implement this program, the commissioner shall take the following action:

A. Employ departmental staff to implement the assistance program;

B. Enter into such contracts as may be necessary to carry out the development and implementation of the assistance program;

C. Adopt rules to implement the program; and

D. Appoint the Advisory Committee on Early Elementary Education of not more than 8 persons qualified and experienced in early elementary education to advise and assist the department in designing and implementing the program.

Sec.3. 20-A MRSA §1001, sub-§8, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

8. Operate kindergarten and grades 1 to 12. They shall either operate programs in kindergarten and grades 1 to 12 or otherwise provide for students to participate in those grades as authorized elsewhere in this Title. They shall determine which students shall attend each school, classify them and transfer them from school to school where more than one school is maintained at the same time.

Sec. 4. 20-A MRSA §15509, first ¶, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

Adjustments to the state-local allocation shall be made as allowed in subsections 1 to 8 9. A school administrative unit may not be eligible for the adjustments identified in subsections 2, 4, 5, 6 and 8 unless it has raised the maximum amount of its local allocation.

Sec. 5. 20-A MRSA §15509, sub-§9 is enacted to read:

9. Kindergarten adjustment. Administrative units, which operate a one-year kindergarten program starting in the school year 1985-86 but did not operate one in the 1984-85 school year, will have their cost paid directly by the commissioner in the fiscal years ending on June 30, 1986, and June 30, 1987, to cover the allowable costs of operating a kindergarten program in those years. This direct payment may not extend beyond the fiscal year ending in June 30, 1987. The costs of operating the kindergarten program for the base years ending on June 30, 1986, and June 30, 1987, may be reported for future subsidy allocations.

Sec. 6. 20-A MRSA §15612, sub-§8 is enacted to read:

8. Kindergarten adjustment. Administrative units, which operate a one-year kindergarten program starting in the school year 1985-86 but did not operate one in the 1984-85 school year, will have their operating costs adjusted by the commissioner in the fiscal years ending on June 30, 1986, and June 30, 1987, to cover the allowable costs of operating a kindergarten program in those years. This adjustment may not extend beyond the fiscal year ending in June 30, 1987. The costs of operating the kindergarten program for the base years ending on June 30, 1986, and June 30, 1987, may be reported for future subsidy allocations.

Sec. 7. Effective date. This Part shall take effect 90 days after adjournment of the Legislature, except that section 6 of this Part shall take effect July 1, 1985.

### PART L

Sec. 1. 20-A MRSA §15905, sub-§1, ¶A, as amended by PL 1983, c. 426, §3, is further amended to read:

A. The state board may approve projects so long as no project approval will cause debt service costs, as defined in section 15503, subsection 9, paragraphs A and D, to exceed \$30,000,000 \$35,000,000 in a subsequent fiscal year.

Sec. 2. Intent It is the intent of the Legislature that the state board should examine priorities for approval of school construction grants in light of the increased requirements and to reduce the num-'ber of wavers.

Sec. 3. Effective date. This Part shall take effect July 1, 1986.

#### PART M

Sec. 1. 36 MRSA §1752, sub-§2-B is enacted to read:

2-B. Extended cable television services. "Extended cable television services" means all cable television service which is in addition to the minimum service which can be purchased from a cable television supplier including the use of associated equipment for which a charge is made. It does not include installation of the associated equipment for which a separate charge is levied.

Sec. 2. 36 MRSA §1752, sub-§11, as amended by PL 1983, c. 560, §§1 and 6, is further amended to read:

11. <u>Retail sale or sale at retail.</u> "Retail sale" or "sale at retail" means any sale of tangible personal property, in the ordinary course of business, for consumption or use, or for any purpose other than for resale, except resale as a casual sale, in the form of tangible personal property, any rental of living quarters in any hotel, rooming house, tourist or trailer camp, any rental of automobiles on a short-term basis, other than rental to a person engaged in the business of renting automobiles, and the

sale of telephone or telegraph service and the sale of extended cable television service. The term "re-tail sale" or "sale at retail" includes conditional sales, installment lease sales, and any other transfer of tangible personal property when the title is retained as security for the payment of the purchase price and is intended to be transferred later. The term "retail sale" or "sale at retail" also means sale of products for internal human consumption to a person for resale through coin-operated vending machines when sold to a retailer whose gross receipts from the retail sale of tangible personal property derived through sales from vending machines are more than 50% of his gross receipts, which tax shall be paid by the retailer to the State. The term "retail sale" or "sale at retail" does not include any sale by an executor or administrator in the settlement of an estate, unless such sale is made through a retailer, or unless such sale is made in the continuation or operation of a business; nor does the term include any other isolated transaction in which any tangible personal property is sold, transferred, offered for sale or delivered by the owner thereof, such sale, transfer, offer for sale, or delivery not being made in the ordinary course of repeated and successive transactions of a like character by such owner, such transactions being elsewhere sometimes referred to as "casual sales." "Casual sales" includes transactions by a civic, religious or fraternal organization, which is not a registered retailer, at bazaars, fairs, rummage sales, picnics or similar events but not exceeding 8 days in a calendar year. The sale by a registered retailer of tangible personal property, which that retailer has used in the course of his or its business, is not a casual sale and is a retail sale subject to taxation under this Part, if that property is of a like character to that sold in the ordinary course of repeated and successive transactions. "Casual sale" shall not include any transaction in which tangible personal property is sold, transferred or offered for sale by a representative for the owner's account when such representative is a registered retailer, in which event such registered retailer shall have the same duties respecting such sale as if he had sold on his own account. "Retail sale" and "sale at retail" do not include the sale of tangible personal property which becomes an ingredient or component part of, or which is consumed or destroyed or loses its identity in the manufacture of, tangible personal property for later sale or lease, other than lease for use in this State, but shall include fuel and electricity but shall not include electricity separately metered and consumed in any

electrolytic process for the manufacture of tangible personal property for later sale, nor any fuel oil or the by-products from the burning of which becoal, come an ingredient or component part of tangible personal property for later sale. "Retail sale" and "sale at retail" do not include the sale, to a person engaged in the business of renting automobiles, of automobiles, or integral parts thereof or accessories thereto, for rental or for use in an automobile rented, on a short-term basis. It shall be considered that tangible personal property is "consumed or destroyed" or "loses its identity" in such manufacture, if it has a normal physical life expectancy of less than one year as a usable item in the use to which it is applied. "Retail sale" or "sale at retail" do not include the sale of containers, boxes, crates, bags, cores, twines, tapes, bindings, wrappings, labels and other packing, packaging and shipping materials when sold to persons for use in packing, packaging or shipping tangible personal property sold by them or upon which they have performed the service of cleaning, pressing, dyeing, washing, repairing or reconditioning in their regular course of business and which are transferred to the possession of the purchaser of such tangible personal property.

Sec. 3. 36 MRSA §1754, sub-§9 is enacted to read:

9. Extended cable television service. Every person furnishing extended cable television service.

Sec. 4. 36 MRSA §1760, sub-§11 is repealed.

Sec. 5. 36 MRSA §1760, sub-§36, as enacted by PL 1975, c. 741, §33, is repealed.

Sec. 6. 36 MRSA §1760, sub-§50 is enacted to read:

50. Certain libraries. Sales to any nonprofit free public lending library which is funded in part or wholly by the State or any political subdivision or the federal government.

Sec. 7. 36 MRSA §1811, first ¶, as amended by PL 1977, c. 198, §6, is further amended to read:

A tax is imposed at the rate of 5% on the value of all tangible personal property and, on telephone and telegraph service and on extended cable television service sold at retail in this State, and upon the rental charged for living quarters in hotels,

rooming houses, tourist or trailer camps and the rental charged for automobiles rented on a short-term basis, other than a rental charged to a person engaged in the business of renting automobiles, measured by the sale price, except as in chapters 211 to 225 provided. Retailers shall pay such tax at the time and in the manner provided, and it shall be in addition to all other taxes.

Sec. 8. 36 MRSA §4365, as amended by PL 1983, c. 477, Pt. F, sub-Pt. 2, is further amended to read:

#### §4365. Rate of tax

A tax is imposed on all cigarettes held in this State by any person for sale, said the tax to be at the rate of 10 14 mills for each cigarette and the payment thereof to be evidenced by the affixing of stamps to the packages containing the cigarettes. If a federal program similar to that provided in Title 22, section 3185, becomes effective, this tax is reduced by one mill for each cigarette. The Governor shall determine by proclamation when the federal program has become effective. Any cigarette on which a tax has been paid, such payment being evidenced by the affixing of such stamp, shall not be subject to a further tax under this chapter. Nothing contained in this chapter shall be construed to impose a tax on any transaction, the taxation of which by this State is prohibited by the Constitution of the United States.

Each unclassified importer shall, within 24 hours after receipt of any unstamped cigarettes in this State, notify the State Tax Assessor of the number of cigarettes received, and the name and address of consignor. The State Tax Assessor thereupon shall notify the unclassified importer of the amount of the tax due thereon, which shall be at the rate of  $10 \quad 14$ mills per cigarette. Payment of the amount due the State shall be made within 10 days from mailing date of notice thereof.

Sec. 9. 36 MRSA §4641-A, as enacted by PL 1975, c. 572, §1, is amended to read:

### §4641-A. Rate of tax

There is imposed a tax upon the privilege of transferring title to real property at the rate of  $550 \pm 1.10$  for each \$500 or fractional part thereof, of consideration therefor. The grantor shall be liable for payment of said the tax.

Sec. 10. 36 MRSA 4641-B, 5th  $\P$ , as amended by P&SL 1975, c. 78, 21, is further amended to read:

Each register of deeds shall, on or before the 10th day of each month, pay over to the State Tax Assessor  $85\% \ \underline{90\%}$  of the tax collected during the previous month. The remaining  $\underline{15\%} \ \underline{10\%}$  shall be retained for the county by the register of deeds and accounted for to the county treasurer as reimbursement for services rendered by the county in collecting the tax.

Sec. 11. 36 MRSA §5102, sub-§11, as amended by PL 1983, c. 855, §14, is further amended to read:

11. Other terms. Any other term used in this Part has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes, unless a different meaning, is clearly required. Any reference in this Part to the laws of the United States shall be construed as a reference to the provisions of the United States Internal Revenue Code of 1954, and amendments thereto and other provisions of the laws of the United States relating to federal income taxes as of January 31 1983 September 1, 1984. This subsection shall be ef-fective as to items of income, deductions, loss or gain accruing in taxable years ending on or after January 1, 1984 but only to the extent that those items have been earned, received, incurred or accrued on or after that effective date. Notwithstanding other provisions of this subsection, for taxable years ending in 1981 and 1982, any reference in this Part to the laws of the United States shall be construed as a reference to the provisions of the United States Internal Revenue Code of 1954, and amendments thereto and other provisions of the laws of the United States relating to federal income taxes as of December 31, 1981 for items of income, deductions, loss or gain earned, incurred or accrued within those taxable years. Notwithstanding other provisions of this subsection, for taxable years ending in 1983, any reference in this Part to the laws of the United States shall be construed as a reference to the provisions of the United States Internal Revenue Code of 1954, and amendments thereto and other provisions of the laws of the United States relating to federal income taxes as of January 31, 1983 for items of income, deductions, loss or gain earned, incurred or accrued within those taxable years.

Sec. 12. Appropriation. The following funds are • appropriated from the General Fund to carry out the purposes of this Act.

4385 CHAP. 859

# FINANCE AND ADMINISTRATION, DEPARTMENT OF

Bureau of Taxation

Positions Personal Services All Other Capital Expenditures

> This appropriation provides funding to establish by January 1, 1985, an audit job classification beyond that of senior revenue agent to support acquisition of 4 auditors who are certified public accountants to enhance the bureau's audit and collection capabilities.

1984-85

(4) \$90,000 16,000 2,000

TOTAL

\$108,000

Sec. 13. Effective date. Section 9 of this Part shall be effective October 1, 1985. All other sections shall be effective December 15, 1984.

#### . PART N

Sec. 1. 30 MRSA §4863, sub-§1, as amended by PL 1983, c. 858, §1, is repealed and the following enacted in its place:

1. Districts. The governing body of a municipality may designate development districts within the boundaries of the municipality. Prior to designating a district, the governing body shall consult with the municipal planning agency or department and with an advisory board, if established under section 4870, and shall also hold at least one public hearing, notice of which shall be published at least 10 days prior to the hearing in a newspaper of general circulation within the municipality. A. Not less than 25%, by area, of the real property within such district shall meet at least one of the following criteria:

(1) Is a blighted area;

(2) Is in need of rehabilitation or conservation work; or

(3) Is suitable for industrial sites.

B. The total area of a single development district shall not exceed 2% of the total acreage of the municipality and all development districts shall not exceed 5% of the total acreage of the municipality. The aggregate value of equalized taxable property of the district plus all existing districts does not exceed 5% of the total value of equalized taxable property within the municipality. The boundaries of a district may be altered only after meeting the requirements for adoption under this subsection.

C. The designation of captured assessed value of property within a development district shall be subject to the following limitations:

(1) The annual increase in captured assessed value of property within development districts must not exceed \$5,000,000 in any county; and

(2) The annual increase in captured assessed value of property within development districts must not exceed \$15,000,000 statewide. The Director of the State Development Office shall promulgate any rules necessary to allocate or apportion the designation of captured assessed value of property within development districts in accordance with these limitations.

D. Before final designation of a district, the Director of the State Development Office shall review the proposal to ensure that it is in compliance with statutory requirements and shall identify tax shifts within the county where the district will exist. A designation under this subsection shall be effective upon approval by the governing body of the municipality and the Director of the State Development Office. If the municipality has a charter, the designation shall be done in accordance with the provisions of the charter. Sec. 2. 30 MRSA §5055, sub-§4, ¶B, as amended by PL 1983, c. 858, §2, is further amended to read:

B. <u>Property tax burden</u>. "Property tax burden" shall mean the total real and personal property taxes assessed in the most recently completed municipal fiscal year, except the taxes assessed from on captured value within a tax increment financing district, divided by the latest state valuation certified to the Secretary of State.

Sec. 3. 36 MRSA §305, sub-§1, as amended by PL 1983, c. 858, §3, is further amended to read:

Just value. Certify to the Secretary of State 1. before the first day of February in the year of the regular session of the Legislature the equalized just value of all real and personal property in each municipality and unorganized place which is subject to taxation under the laws of this State, except captured assessed value located within a tax increment financing district. Such equalized just value shall be uniformly assessed in each municipality and unorganized place and shall be based on 100% of the current market value. It shall separately show for each municipality and unorganized place the actual or estimated value of all real estate which is exempt from property taxation by law or is the captured value within a tax increment financing district. The valuation as filed shall remain in effect until the next. valuation is filed and shall be the basis for the computation and apportionment of the state and county taxes;

Sec. 4. 36 MRSA §381, as amended by PL 1983, c. 858, §4, is further amended to read:

# <u>§381.</u> State valuation; definition; to be filed with Bureau of Taxation annually; abatement

The term "state valuation" as used in reference to the unorganized territory in this Title, except in this chapter, means an annual valuation of all property subject to a Maine property tax but not taxable by a municipality. The annual valuation is to be completed by and on file in the office of the Bureau of Taxation prior to the assessment of the annual property tax in the unorganized territory. The annual valuation is to be based on the status of property on April 1st. In this chapter and outside of this Title, the term "state valuation" means the valuation filed with the Secretary of State pursuant to section 305, subsection 17 except captured value located within a tax increment financing district.

Effective December 11, 1984.

# **CHAPTER 860**

H.P. 1901 - L.D. 2496

AN ACT to Create a Special Commission to Study the Implementation of Educational Reform.

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

Whereas, educational reform measures are being considered and must be implemented now in order to improve the quality of education in Maine; and

Whereas, the implementation of educational reform measures necessarily involves additional costs; and

Whereas, the impact of these additional costs needs to be carefully assessed to determine what they are and their impact on local communities; and

Whereas, it is necessary to begin to assess these costs now rather than to wait until the local communities have felt the brunt of their burden; 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 §256, sub-§1, as amended by PL 1983, c. 859, Pt. B., §3, is further amended to read:

1. <u>Report to Governor and Legislature</u>. The commissioner shall prepare and deliver to the Governor and Legislature an annual report on the status of public education in the State, including any suggestions and recommendations to improve public education.