

MAINE STATE LEGISLATURE

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1 B. In an election under Method B pursuant to section 1472, subsection 2, a reduction
2 in the number of directors, the addition of directors and the terms of office of
3 additional directors must be in accordance with this chapter.

4 C. In an election under Method C pursuant to section 1472, subsection 3:

5 (1) Nominations for directors must be made on petitions provided by the
6 regional school unit secretary. The petitions must be signed as provided in Title
7 30-A, section 2528, subsection 4 or, if the candidate is a voting resident in a
8 municipality having a population of less than 200, signed by at least 20% of the
9 registered voters of that municipality;

10 (2) The petitions must be submitted to the registrar or voters in the respective
11 municipalities for certification of the voting residence of the nominee and of the
12 voters signing the petition;

13 (3) The registrar of voters must return the certified petitions to the regional
14 school unit secretary not later than 30 days prior to the date of the annual election
15 to be held in the municipality;

16 (4) The ballots must be prepared and distributed by the regional school unit
17 secretary. It must give the number of offices to be filled and list the candidates by
18 the municipality or subdistrict in which they are resident;

19 (5) Notwithstanding any other provision of law, regional school unit board
20 directors must be elected by secret ballot;

21 (6) If member municipalities do not all conduct the election for directors on the
22 same date, then all ballots cast in the elections must be impounded by the clerk of
23 each municipality;

24 (a) After all municipalities have voted, the clerks and one or more
25 election supervisors designated by the municipal officers of each
26 municipality shall meet at an agreed-upon location and tally the
27 ballots;

28 (b) The tally must be completed within one day of the last member
29 municipality election;

30 (c) The election supervisors shall select from among their members a
31 chair, who shall supervise the tally of ballots; and

32 (d) The clerk of each municipality shall as promptly as possible after
33 the election certify to the regional school unit board the result of the
34 voting in that municipality; and

35 (7) Any recount petitions must be filed with the secretary of the regional school
36 unit, and recounts must be conducted in each member municipality in accordance
37 with the applicable laws.

38 §1474. Vacancies

39 1. Definition of vacancy. A vacancy on a regional school unit board occurs:

- 1 A. When the term of office of a regional school unit board director expires;
2 B. When a regional school unit board director changes residency from the
3 municipality or subdistrict from which elected. Evidence that an individual is
4 registered to vote in a municipality is prima facie evidence of that individual's
5 residency;
6 C. On the death of a regional school unit board director; or
7 D. When a regional school unit board director resigns.

8 In addition to paragraphs A, B, C and D, except in municipalities having a municipal
9 charter, when a director is absent without excuse from 3 consecutive regular board
10 meetings, the regional school unit board may declare that a vacancy exists.

11 2. Regional school unit board. The regional school unit board shall notify the
12 municipal officers of the municipalities within the regional school unit of a vacancy
13 before the annual town meeting or before the regular municipal election.

14 3. Filling vacancies. A vacancy on a regional school unit board must be filled
15 according to this subsection.

16 A. The municipal officers of the municipality in which the director resided shall
17 select an interim director for the municipality or subdistrict to serve until the next
18 annual municipal election. The interim director shall serve until a successor is elected
19 and qualified.

20 B. The municipal officers shall provide at the next municipal or subdistrict election
21 for the election of a director to fill the vacancy.

22 §1475. Reapportionment

23 The commissioner shall determine the necessity for reapportionment.

24 1. Duties of commissioner. The commissioner shall determine if a regional school
25 unit is apportioned in accordance with the one-person, one-vote principle if:

26 A. The commissioner receives a request by the regional school unit board; or

27 B. The commissioner receives a petition signed by a number of regional school unit
28 voters equal to at least 10% of the voters who voted in the last gubernatorial election
29 in the regional school unit.

30 In addition to a determination initiated by a request pursuant to paragraph A or a petition
31 pursuant to paragraph B, the commissioner may, of the commissioner's own accord,
32 determine that a regional school unit is not apportioned according to the one-person, one-
33 vote principle.

34 The commissioner shall make a determination under paragraph A or B within 30 days of
35 receiving the request or the petition.

36 2. Awaiting census results. If the commissioner receives a request within 12
37 months before a Federal Decennial Census or Federal Estimated Census, the

1 commissioner may wait until after the new census figures are available to make a
2 determination under subsection 1.

3 **3. Findings and order.** If the commissioner finds the regional school unit
4 representation is not apportioned in accordance with the principle of one person, one
5 vote, the commissioner, within 7 days of that decision, shall notify the superintendent of
6 the regional school unit of the finding and order the superintendent to notify the
7 municipal officers in each municipality in the regional school unit and the regional school
8 unit board to create a reapportionment committee. The superintendent's notification must
9 include the commissioner's notification, the information provided pursuant to subsection
10 6 and the time and place for the first meeting of the committee, which must be held not
11 later than 20 days after the notification.

12 **4. Reapportionment committee membership.** The reapportionment committee
13 consists of one municipal officer and one citizen from each member municipality, chosen
14 by the respective municipal officers, and one director from each municipality, chosen by
15 the board of directors. The appointments must be made prior to the first meeting of the
16 committee.

17 **5. Quorum.** A majority of the reapportionment committee constitutes a quorum.

18 **6. Duties of commissioner.** The commissioner shall provide the superintendent of
19 the regional school unit with the most recent Federal Decennial Census or Federal
20 Estimated Census figures for each municipality in the regional school unit and at least
21 one recommended apportionment plan.

22 **7. Duties of the reapportionment committee.** The reapportionment committee
23 shall:

24 **A.** Elect a chair and secretary and may adopt suitable rules of procedure;

25 **B.** Consider and by majority vote adopt a reapportionment plan including the method
26 of representation, total number of directors and number of directors representing each
27 municipality or subdistrict; and

28 **C.** Within 90 days of the first meeting, send a report of its reapportionment plan to
29 the state board for approval. It may, within the 90-day limit, submit alternative plans
30 for apportionment.

31 **8. Commissioner approval.** The commissioner shall approve or disapprove the
32 reapportionment committee plan under subsection 7 within 30 days of receiving it.

33 **9. Failure to gain commissioner approval.** If a reapportionment plan has not been
34 adopted by the reapportionment committee or approved by the commissioner within the
35 time limits of subsection 7, the commissioner shall prepare a suitable plan.

36 **10. Putting the approved plan into effect.** On approval of a reapportionment plan,
37 the commissioner shall send a certified copy to the municipal officers and regional school
38 unit board. The original reapportionment plan must be retained in the department files.

1 A. The reapportionment plan takes effect immediately upon approval. The
2 reapportionment committee shall determine the terms of the directors to be elected at
3 the next annual municipal elections so as to comply with this chapter.

4 B. If the approved reapportionment plan requires a reduction of the number of
5 directors to be elected in a municipality, the reduction must be achieved in
6 accordance with this paragraph.

7 (1) If possible, the reduction must be achieved by the voluntary resignation of
8 one or more of the directors.

9 (2) If the reduction cannot be achieved in accordance with subparagraph (1) and
10 the plan is approved and filed less than 30 days prior to the annual municipal
11 election, the number of open positions to be filled by the election process must be
12 reduced to the number required by the approved plan.

13 (3) If the reduction cannot be achieved in accordance with subparagraph (1) or
14 (2), or a combination of the 2, all of the remaining existing directors representing
15 the municipality shall choose by lot which directors' terms must terminate.

16 C. If the approved reapportionment plan requires that additional directors be elected
17 in a municipality, the municipal officers shall fill the vacancies by appointment. A
18 new director serves until a successor is elected and qualified at the next annual
19 municipal election.

20 D. The reapportionment committee is dissolved after the approved reapportionment
21 plan is implemented.

22 **11. Duties of present directors during reapportionment.** The regional school unit
23 board, during the reapportionment of its membership, serves as the legal representative of
24 the regional school unit until the reapportionment is completed. The board shall carry out
25 all business of the regional school unit, including the borrowing of funds that may be
26 required during the period of reapportionment.

27 **12. State board review of commissioner's decisions.** A regional school unit board
28 or interested parties may request that the state board reconsider decisions made by the
29 commissioner under this section. The state board has the authority to overturn a decision
30 made by the commissioner. In exercising this power, the state board is limited by this
31 section.

32 **§1476. Powers and duties**

33 The regional school unit board:

34 **1. Regional school unit name.** May select an unofficial name for the regional
35 school unit;

36 **2. Finance committee.** May elect a finance committee of 3 or more members, who
37 must be directors;

38 **3. Operating schools.** Shall authorize and oversee the operation of schools within
39 the regional school unit;

1 4. Purchase land outside the regional school unit. May purchase land outside of
2 the geographical limits of the regional school unit and erect a school on that land if,
3 because of the location of other schools within the regional school unit or transportation
4 difficulties, a school within the geographical limits of the regional school unit would not
5 be in the best interests of the regional school unit community;

6 5. Bylaws. Shall adopt bylaws for the regulation of the affairs of the regional school
7 unit board and the conduct of its business; and

8 6. Gifts. May accept and receive money or other property, outright or in trust, for
9 any specified benevolent or educational purpose. The regional school unit board shall
10 comply with this subsection in accepting gifts.

11 A. If the regional school unit board receives written notice from a prospective donor
12 or a representative of the donor of a proposed gift, the regional school unit board
13 shall submit the matter to its next regular meeting or shall call a special meeting and
14 shall, within 10 days after the meeting, send written notice to the prospective donor
15 or representative of its acceptance or rejection.

16 B. If the gift is in trust, the regional school unit board shall cause the trust funds to be
17 deposited or invested according to Title 30-A, chapter 223, subchapter 3-A.

18 (1) Unless prohibited by a trust instrument, the regional school unit may treat
19 any 2 or more trust funds as a single fund for the purposes of investment.

20 (2) After deduction for management expenses, any interest earned or capital
21 gains realized must be prorated among the various trust funds.

22 (3) Property or securities included in the corpus of a trust fund must be retained
23 where the trust instrument so provides.

24 (4) Unless otherwise specified in the trust instrument, only the annual income
25 from the trust fund may be spent.

26 (5) If the regional school unit fails to comply with the terms of the trust
27 instrument, the trust fund reverts to the donor or the donor's heirs.

28 C. If the money or other property is a conditional gift for any specified benevolent or
29 educational purpose, this paragraph applies.

30 (1) Prior to the acceptance of a gift, the regional school unit board must obtain
31 approval of the legislative body of the regional school unit.

32 (2) When the donor's part of the agreement respecting the execution of the
33 conditional gift has been completed, the regional school unit shall perpetually
34 comply with, and may raise money to carry into effect, the conditions upon
35 which it was made.

36 (3) Unless otherwise specified by its terms, a conditional gift of money must be
37 deposited or invested according to Title 30-A, chapter 223, subchapter 3-A.

1 **§1477. Quorum**

2 A majority of the regional school unit board directors in number and voting power
3 constitutes a quorum.

4 **§1478. Local school committees**

5 A regional school unit board may create local school committees and specify their
6 powers and duties.

7 **§1479. Program**

8 A regional school unit shall maintain a program that includes kindergarten to grade
9 12.

10 **1. Secondary school.** A secondary school facility may be operated as a 4-year
11 school, as a 6-year school for grades 7 to 12 or as 2 or more 3-year schools, except that
12 students living in an area remote from a public school may be provided for under section
13 5204.

14 **2. Contracts for secondary school programs.** In addition to the provisions for a
15 secondary school facility set forth in subsection 1, a regional school unit may contract
16 with a nearby regional school unit or with a private school approved for tuition purposes
17 for all or some of its secondary school students. The contract may run from a period of 2
18 to 10 years. The contract must also comply with section 2703 and may provide for the
19 formation of a joint committee in accordance with section 2704. A regional school unit
20 in which a previous education unit has contracted for secondary school programs is
21 bound by the terms of that contract, unless otherwise negotiated by the parties.

22 **3. Expiration of contract.** After July 1, 2008, if a contract between a previous
23 education unit and another previous education unit or a private school approved for
24 tuition purposes expires, and the previous education unit that was the sending unit is a
25 member of a regional school unit under this chapter, the provisions of this subsection
26 apply.

27 **A.** A student from the previous education unit that was the sending unit may attend a
28 public school in another school administrative unit or private school approved for
29 tuition purposes, subject to the provisions of chapter 219 if that option was available
30 from the previous education unit for the area in which that student resides.

31 **B.** The regional school unit may negotiate the contract pursuant to chapter 115.

32 **4. Absence of contract; maintenance of school choice opportunities.** A student
33 who resides in a school administrative unit that does not maintain that student's grade
34 from kindergarten to grade 12, and that does not enter into a contract for the education of
35 its students pursuant to this chapter, has the option of attending a public school in another
36 school administrative unit or private school approved for tuition purposes subject to the
37 provisions of chapter 219 if that option was available from the previous school unit for
38 the area in which that student resides.

1 5. Additional expense. If, pursuant to subsection 4, a student attends a public
2 school in another school administrative unit or private school approved for tuition
3 purposes subject to the provisions of chapter 219, the number of secondary school
4 students from one or more municipalities in a regional school unit that attend a public
5 school in a different school administrative unit or an approved private school is less than
6 all the secondary school students in the regional school unit, the sending municipality of
7 the regional school unit is responsible for the additional expense calculated under this
8 subsection.

9 A. For each secondary school student who attends a public school in another school
10 administrative unit, the sending regional school unit is responsible for an amount
11 equal to the number of secondary school students from that regional school unit
12 multiplied by the amount that the receiving regional school unit's tuition rate
13 pursuant to section 5805 exceeds the amount of the sending regional school unit's
14 tuition rate pursuant to section 5805.

15 B. For each secondary school student who attends a private school approved for
16 tuition purposes subject to the provisions of chapter 219, the sending regional school
17 unit is responsible for an amount equal to the number of secondary school students
18 from the regional school unit attending the private school multiplied by the amount
19 that the private school's tuition rate pursuant to section 5806, or the tuition rate per
20 the contract, if less, exceeds the amount of the sending regional school unit's tuition
21 rate pursuant to section 5805.

22 Any additional expense may not be included in the regional school unit budget when
23 determining each member municipality's local contribution.

24 Any additional expense must be paid by the responsible municipality in equal monthly
25 amounts unless the regional school unit and the member municipality agree to another
26 payment schedule.

27 SUBCHAPTER 4

28 FINANCING

29 §1481. Finances

30 A regional school unit may raise money, in addition to the local contribution pursuant
31 to section 15690, subsection 1, for establishing and maintaining public schools, erecting
32 buildings and providing equipment for educational purposes. The additional costs of
33 operating a regional school unit must be shared among all municipalities within the
34 regional school unit by the same local share percentages for each municipality resulting
35 from the determination of the local contribution under section 15688, except that cost-
36 sharing agreements in existence on the effective date of this section that were adopted
37 pursuant to Public Law 2005, chapter 2 or pursuant to a private and special law remain in
38 existence unless the agreement is modified or eliminated;

39 1. Reorganization. As part of a reorganization to regional school units under this
40 chapter; or

1 2. Negotiated agreement. As a result of a negotiated agreement between the parties
2 to the cost-sharing agreement.

3 Notwithstanding any provision of law to the contrary, a cost-sharing agreement in
4 existence on the effective date of this section that was adopted pursuant to Public Law
5 2005, chapter 2 or pursuant to a private and special law may not be construed to preempt
6 the formation of a regional school unit under this chapter.

7 Notwithstanding any provision of law to the contrary, a cost-sharing agreement
8 between 2 or more municipalities in existence on the effective date of this section that
9 was adopted prior to the effective date of this section may not be construed to preempt the
10 formation of a regional school unit under this chapter.

11 **§1482. Budget preparation**

12 1. Preparation by regional school unit board. A regional school unit board shall
13 annually prepare a budget for:

- 14 A. Operational costs;
- 15 B. Bonds falling due;
- 16 C. Interest on bonds or other obligations;
- 17 D. Rentals and other charges in a contract; and
- 18 E. Temporary loans.

19 2. Distribution. At least 7 days before a regional school unit budget meeting, the
20 regional school unit board shall make available to the legislative body responsible for
21 final budget approval and residents of the regional school unit a detailed budget
22 document. The detailed budget document must include a summary of anticipated
23 revenues and estimated school expenditures.

24 **§1483. Regional school unit budget; budget formats**

25 1. Content. Beginning with the budget for the 2008-2009 school year, a regional
26 school unit shall include in its budget document:

- 27 A. The regional school unit's total cost of funding public education from
28 kindergarten to grade 12, its non-state-funded debt service, if any, and any additional
29 expenditures authorized by law;
- 30 B. A summary of anticipated revenues and estimated school expenditures for the
31 fiscal year; and
- 32 C. The following statement, including the estimated dollar amount of state retirement
33 payments: "This budget does not include the estimated amount of \$..... in employer
34 share of teacher retirement costs that is paid directly by the State."

35 **§1484. Checklist required**

36 Beginning with the budget for the 2008-2009 school year, prior to a vote on articles
37 dealing with regional school unit appropriations, the moderator of a regular or special

1 regional school unit budget meeting shall require the clerk or secretary of the regional
2 school unit board to make a checklist of the registered voters present. The number of
3 voters listed on the checklist is conclusive evidence of the number present at the meeting.

4 **§1485. Cost center summary budget format**

5 After January 31, 2008, the format of the annual budget of a regional school unit
6 must be in accordance with this section.

7 1. Cost center summary budget format. The regional school unit budget must
8 consist of the following cost centers and supporting data:

9 A. Expenditures:

10 (1) Regular instruction;

11 (2) Special education;

12 (3) Career and technical education;

13 (4) Other instruction, including summer school and extracurricular instruction;

14 (5) Student and staff support;

15 (6) System administration;

16 (7) School administration;

17 (8) Transportation and buses;

18 (9) Facilities maintenance;

19 (10) Debt service and other commitments; and

20 (11) All other expenditures, including school lunch;

21 B. Revenue sources:

22 (1) Total education costs appropriated pursuant to section 15690, subsection 1;

23 (2) Non-state-funded debt service costs approved pursuant to section 15690,
24 subsection 2, if any; and

25 (3) Additional local funds, if any, approved pursuant to section 15690,
26 subsection 3, paragraph A;

27 C. A summary of total regional school unit expenditures;

28 D. Other optional local data showing the amount and percentage of changes
29 proposed in the state allocation, the local share and the total regional school unit
30 budget and related information determined appropriate by the regional school unit
31 board of directors;

32 E. Data similar to that provided in paragraph A for a high-performing regional
33 school unit of a size and demographic profile determined by the department that is
34 comparable to the regional school unit; and

1 F. For fiscal year 2008-09, data documenting state and local savings from the
2 reorganization to regional school units and the resulting mill rate reduction for each
3 municipality.

4 **2. Budget warrant.** The warrant articles presented to the legislative body of the
5 regional school unit for approval of the regional school unit budget must correspond to
6 the categories of the cost center summary budget described in subsection 1. In addition to
7 expenditure and revenue cost center summary totals, the regional school unit board shall
8 provide to voters a reasonably detailed breakdown for each major subcategory within
9 each budget category. The department shall adopt routine technical rules pursuant to Title
10 5, chapter 375, subchapter 2-A defining and establishing the content of those
11 informational subcategories.

12 **3. Budget approval.** A regional school unit's cost center summary budget must be
13 approved at a regional school unit budget meeting and by a budget validation referendum
14 as provided in section 1486.

15 **4. Transfer between budget cost center lines.** During the year for which the
16 budget is approved using the cost center summary budget format, the regional school unit
17 board may transfer an amount not exceeding 5% of the total appropriation for any cost
18 center to another cost center or among other cost centers without voter approval.

19 **§1486. Budget validation referendum**

20 After January 31, 2008, the procedure for approval of the annual budget of a regional
21 school unit must be in accordance with this section and section 1485.

22 **1. Budget validation.** Following development of the annual regional school unit
23 budget and approval at a regional school unit budget meeting as provided in section 1485,
24 a referendum must be held in the regional school unit as provided in this section to allow
25 the voters to validate or reject the total budget adopted at the regional school unit budget
26 meeting.

27 Every 3 years, the voters in a regional school unit shall consider continued use of the
28 budget validation referendum process. The warrant at the budget validation referendum
29 in the 3rd year following adoption or continuation of the referendum process must
30 include an article by which the voters of the school administrative district may indicate
31 whether they wish to continue the process for another 3 years. A vote to continue retains
32 the process for 3 additional years. A vote to discontinue the process ends its use
33 beginning with the following budget year and prohibits its reconsideration for at least 3
34 years.

35 **2. Validation referendum procedures.** The budget validation referendum must be
36 held on or before the 10th day, other than Saturday, Sunday or a legal holiday, following
37 the scheduled date of the regional school unit budget meeting. The vote at referendum is
38 for the purpose of approving or rejecting the total regional school unit budget approved at
39 the regional school unit budget meeting. The regional school unit board shall provide
40 printed information to be displayed at polling places to assist voters in voting. That
41 information is limited to the total amounts proposed by the regional school unit board for
42 each cost center summary budget category article, the amount approved at the regional

1 school unit budget meeting, a summary of the total authorized expenditures and, if
2 applicable because of action on an article under section 15690, subsection 3, paragraph A,
3 a statement that the amount approved at the regional school unit budget meeting includes
4 locally raised funds over and above the regional school unit's local contribution to the
5 total cost of funding public education from kindergarten to grade 12 as described in the
6 Essential Programs and Services Funding Act.

7 **3. Budget validation referendum voting.** The method of calling and voting at a
8 budget validation referendum is as provided in sections 1503 and 1504, except as
9 otherwise provided in this subsection or as is inconsistent with other requirements of this
10 section.

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

12 B. The warrant for a regional school unit budget meeting to be followed by a budget
13 validation referendum may be a consolidated warrant covering both.

14 C. The warrant and absentee ballots must be delivered to the municipal clerk at least
15 7 days before the date of the regional school unit budget meeting.

16 D. Absentee ballots received by the municipal clerk may not be processed or counted
17 unless received after the conclusion of the regional school unit budget meeting and
18 before the close of the polls.

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

22 F. If the school budget does not exceed the maximum state and local spending target
23 pursuant to section 15671-A, subsection 5, the article to be voted on must be in the
24 following form:

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

28 Yes No"

29 G. If the school budget exceeds the maximum state and local spending target
30 pursuant to section 15671-A, subsection 5, the article to be voted on for a budget that
31 includes locally raised funds over and above the regional school unit's local
32 contribution to the total cost of funding public education from kindergarten to grade
33 12 as described in the Essential Programs and Services Funding Act must be in the
34 following form:

35 (1) "Do you favor approving the (name of regional school unit) budget for the
36 upcoming school year that was adopted at the latest regional school unit budget
37 meeting and that includes locally raised funds that exceed the required local
38 contribution as described in the Essential Programs and Services Funding Act?

39 Yes No

40 A YES vote allows the additional money to be spent for K-12 public education.

1 A NO vote results in a reduction in the property tax mill rate required for
2 education purposes."

3 **4. Failure to approve budget.** If the voters do not validate the budget approved in
4 the regional school unit budget meeting at the budget validation referendum vote, the
5 regional school unit board shall hold another regional school unit budget meeting in
6 accordance with this section and section 1485 at least 10 days after the referendum to
7 vote on a budget approved by the regional school unit board. The budget approved at the
8 regional school unit budget meeting must be submitted to the voters for validation at
9 referendum in accordance with this section. The process must be repeated until a budget
10 is approved at a regional school unit budget meeting and validated at referendum. If a
11 budget is not approved and validated before July 1st of each year, section 1487 applies.

12 **§1487. Failure to pass budget**

13 If a budget for the operation of a regional school unit is not approved prior to July
14 1st, the latest budget as submitted by the regional school unit board is automatically
15 considered the budget for operational expenses for the ensuing year until a final budget is
16 approved, except that, when the regional school unit board delays the regional school unit
17 budget meeting, the operating budget must be approved within 30 days of the date the
18 commissioner notifies the regional school unit board of the amount allocated to the
19 regional school unit under section 15689-B, or the latest budget submitted by the regional
20 school unit board becomes the operating budget for the next school year.

21 **§1488. Special budget meeting**

22 The regional school unit board may call a special budget meeting when it declares
23 that an emergency exists. The voters of the regional school unit may authorize the
24 regional school unit board at a special regional school unit budget meeting to expend
25 additional funds from the regional school unit's undesignated fund balance or to pledge
26 the credit of the regional school unit to obtain additional money for the operation of
27 schools. A special budget meeting held on or after July 1, 2008 must be conducted in
28 accordance with sections 1485 and 1486.

29 **§1489. Regional school unit assessments**

30 Regional school unit assessments must follow the procedures set out in this section.

31 **1. Warrant.** In accordance with the budget approved by the voters at an annual
32 budget meeting and in substantially the same form as the warrant of the Treasurer of State
33 for taxes, the regional school unit board shall issue its warrants to the assessors of each
34 member municipality requiring them to assess upon the taxable estates within the
35 municipality an amount that is that municipality's share of the regional school unit's costs.

36 **2. Commitment.** The municipal assessors shall commit the assessment to the
37 constable or collector. Constables and collectors have the authority and powers to collect
38 the regional school unit's taxes as is vested in them by law to collect state, county and
39 municipal taxes.

1 3. Installments. The regional school unit board shall notify the member
2 municipalities of the monthly installments that will become payable during the fiscal
3 year.

4 4. Payment. A municipal treasurer shall pay the amount of the tax assessed in the
5 fiscal year against the municipality to the treasurer of the regional school unit. The
6 payments must be paid in monthly installments on or before the 20th of each month.

7 5. Gifts. A municipality may use the proceeds from gifts or trust funds allocated for
8 educational purposes to pay its share of the assessment.

9 6. Enforcement. If a municipal treasurer fails to pay the installment due, or any
10 part, on the dates required, to initiate collection procedures, the treasurer of the regional
11 school unit may notify the municipal treasurer of the failure to pay. Interest accrues on
12 each unpaid installment at the rate established under Title 36, section 186 beginning on
13 the 60th day after the date the installment is due under subsection 4. If payment of an
14 installment is not made within 60 days after the due date, the treasurer of the regional
15 school unit may initiate an action in Superior Court to compel payment of the delinquent
16 installment. The court shall determine the amount owed by the municipality to the
17 regional school unit and shall order the municipal treasurer to pay all delinquent
18 installments, accrued interest and any court costs and reasonable attorney's fees incurred
19 by the regional school unit. To ensure prompt payment of the delinquent installments, the
20 court may require that amounts due to the municipality from the State under Title 30-A,
21 section 5681 and Title 36, sections 578 and 685, be paid to the regional school unit until
22 the amount determined by the court is satisfied. The court shall promptly notify the
23 disbursing state agency of the determination and direct the agency to make the required
24 change in payee and the amounts to be paid. If additional funds are needed to satisfy the
25 amount determined by the court to be paid to the regional school unit, the court may order
26 the attachment or trustee process and sale of real or personal property owned by the
27 municipality or the attachment of the municipality's bank accounts or require property tax
28 payments to the municipality to be turned over to the court and may pay the amount owed
29 the regional school unit from the proceeds and return any excess to the municipality.

30 §1490. Power to borrow money

31 1. Regional school unit board. A regional school unit board may borrow money to
32 pay for:

33 A. Current operating expenses of the regional school unit if the loans are repaid
34 within 13 months of the date of borrowing and are limited to an amount reasonably
35 required for current operating expenses;

36 B. School construction projects as defined in section 15901; and

37 C. Minor capital costs as defined in section 15672, subsection 20-A.

38 2. Voter approval. Bonds or notes for school construction purposes must first be
39 approved by a majority of voters of the regional school unit voting at an election called
40 by the regional school unit board and held as provided in this chapter, except as is
41 otherwise provided in this section.

1 A. Each bond or note must have inscribed upon its face the name of the regional
2 school unit, the date it was issued, the amount of the bond or note and the annual
3 interest rate, payable semiannually. Each bond or note must be in the form and be
4 sold in the manner, at public or private sale, as the regional school unit board
5 determines in accordance with state law. Bonds may not be sold for less than par.

6 B. Notes or bonds issued by a regional school unit must be signed by the treasurer or
7 assistant superintendent and countersigned by the chair of the regional school unit
8 board. If coupon bonds are issued, each coupon must be attested by a facsimile
9 signature of the treasurer.

10 C. Each issue of bonds must mature in substantially equal annual installments so that
11 the first installment is payable not later than 2 years and the last installment not later
12 than 25 years after the date of issue.

13 **3. Temporary notes.** Prior to issuing authorized school construction bonds or notes,
14 the regional school unit board may borrow in anticipation of their sale by issuing
15 temporary notes and renewal notes subject to this subsection.

16 A. The total face value amount of the temporary notes and renewal notes may not
17 exceed at any one time the authorized outstanding amount of the school construction
18 bonds or notes.

19 B. If the proceeds of an issue of bonds are used in whole or in part to fund temporary
20 notes, the period during which the issue of bonds is outstanding plus the period of the
21 loan represented by the temporary notes or renewal notes may not exceed 25 years.

22 C. Temporary notes mature not later than 3 years from the date the first temporary
23 note is issued.

24 D. Temporary notes and renewal notes are legal obligations of the regional school
25 unit.

26 E. A regional school unit board that has received a certificate of approval of a school
27 construction project pursuant to Title 20, section 3458 to be paid in accordance with
28 the alternate method prescribed in Title 20, section 3460 may borrow in anticipation
29 of unpaid portions of state aid and may issue temporary and renewal notes.

30 F. If the temporary or renewal notes in anticipation of state aid exceed the aggregate
31 amount of state aid actually received by the regional school unit, the unexpended
32 balance of those notes must be used for the repayment. If an outstanding balance
33 remains, it must be included in the next annual budget and is not subject to change at
34 the regional school unit budget meeting.

35 **4. Early redemption.** Bonds or notes issued on behalf of a regional school unit may
36 be made subject to call for redemption, with or without premium, at the election of the
37 regional school unit board before the date fixed for final payment of those bonds or notes.
38 When these bonds or notes are issued, they must contain provisions setting forth the
39 method by which the option to call may be exercised, the procedure for payment in the
40 event of call and the legal effect of making the call.

41 **5. Regional school unit status.** Notes and bonds, and loans to pay current operating
42 expenses and contracts, are legal obligations of the regional school unit. The regional

1 school unit is a quasi-municipal corporation within the meaning of Title 30-A, section
2 5701, and all the provisions of that section apply to it.

3 **6. Debt limit.** The aggregate principal amount of outstanding bonds or notes issued
4 by a regional school unit for school construction purposes may not exceed, at any one
5 time, 10% of the total of the last preceding state valuation of all the municipalities within
6 the regional school unit plus an amount not to exceed 4% of that total regional school unit
7 valuation set by the state board at the time of the initial approval of the school
8 construction project.

9 A. Indebtedness in excess of 10% incurred under the law as it existed prior to April
10 1, 1974 is validated.

11 B. Outstanding school indebtedness assumed by the regional school unit must be
12 included in its limit of indebtedness, excluding contracts and notes in anticipation of
13 state aid issued pursuant to subsection 3.

14 C. The percentage limit of the indebtedness for bonds or notes for school
15 construction purposes authorized after April 27, 1967 must be fixed as of the time of
16 authorization by the voters or, if no regional school unit meeting is held to authorize
17 those bonds or notes, upon the expiration of 35 days following passage of a resolution
18 of the regional school unit board as described in subsection 7.

19 D. If the issuance of bonds or notes together with all outstanding indebtedness
20 included within the regional school unit's limit of indebtedness would cause the
21 regional school unit's indebtedness to exceed 10% of the total of the last preceding
22 state valuation of all the municipalities within the regional school unit, the regional
23 school unit board may not issue those bonds or notes until it has received a certificate
24 of approval pursuant to Title 20, section 3458.

25 E. If a certificate of approval under Title 20, section 3458 indicates that the state
26 board has authorized state aid to be paid in accordance with the alternate method
27 prescribed by Title 20, section 3460, the total estimated amount of state aid payable
28 on account of the school construction project described in the certificate of approval
29 must be treated as outstanding school indebtedness for the purpose of computing the
30 borrowing capacity of the regional school unit to finance that project by issuing its
31 bonds or notes. State aid is determined by applying the applicable percentage of state
32 aid to the total estimated cost of the project, as set forth in the certificate of approval.

33 **7. Bonds and notes under 1% of valuation.** The regional school unit board may
34 issue bonds or notes not to exceed 1% of the last preceding state valuation of all the
35 municipalities within the regional school unit:

36 A. By calling a regional school unit meeting to approve the issuance of those bonds
37 or notes; or

38 B. By passing a resolution to that effect, setting forth the amount of the proposed
39 issue and the purposes for which the proceeds will be used and meeting the following
40 requirements.

41 (1) The secretary of the regional school unit board shall, within 5 days of the
42 date of the passage of the resolution, cause attested copies of the resolution to be

1 posted in 3 public and conspicuous places within each of the municipalities
2 within the regional school unit. The secretary shall make a return of the posting
3 stating its time and place. The return must be kept with the records of the regional
4 school unit, and a copy of the return must be mailed to each of the municipal
5 officers of each municipality within the regional school unit.

6 (2) If, within 35 days of the date of the passage of the resolution, petitions with
7 signatures of at least 10% of the residents in the regional school unit eligible to
8 vote on the date that the resolution was adopted are filed with the secretary
9 requesting a vote of the regional school unit to approve or disapprove the
10 issuance of the bonds or notes, the secretary of the regional school unit board
11 shall immediately notify the regional school unit board. The regional school unit
12 board shall call a referendum for that purpose as set forth in this chapter.

13 (3) The regional school unit board may not authorize bonds or notes by
14 resolution if the amount of the proposed issue, together with the amount of any
15 other bonds or notes authorized solely by resolution and that are for the same
16 purpose, exceeds 1% of the total of the last state valuation of all the participating
17 municipalities.

18 **§1491. Reserve fund**

19 **1. Establishment.** A regional school unit may establish a reserve fund for school
20 construction projects, financing the acquisition or reconstruction of a specific or type of
21 capital improvement or financing the acquisition of a specific item or type of capital
22 equipment by including a request in the regional school unit budget and receiving voter
23 approval. The regional school unit board is the trustee of the reserve fund. The reserve
24 fund must be deposited or invested by the treasurer of the regional school unit under the
25 direction of the regional school unit board.

26 **2. Deposit or investment.** All regional school unit funds, including reserve funds
27 and trust funds to the extent not prohibited by the terms of the instrument or vote creating
28 the fund, must be deposited or invested by the treasurer of the regional school unit under
29 the direction of the regional school unit board according to the requirements for the
30 deposit or investment of municipal funds contained in Title 30-A, chapter 223, subchapter
31 3-A.

32 **3. Expending money from reserve funds.** The regional school unit board may
33 expend the sum in the reserve fund when authorized to do so by a vote of the regional
34 school unit at a regional school unit meeting or a regional school unit budget meeting
35 when an article for that purpose is set out in the warrant calling the meeting.
36

37 **§1492. Bid procedure**

38 **1. Written bids.** Bids must be in writing, sealed with the outside envelope or
39 wrapper plainly marked "Bid, not to be opened until (appropriate date)" and mailed to or
40 filed with the superintendent.

1 2. Time of opening. A director on the regional school unit board or an employee of
2 the regional school unit may not open a bid until the appointed time.

3 3. Public opening. At the time and place stated in the public notice, and open to the
4 public, all bids must be opened by the superintendent or, in the superintendent's absence
5 or disability, by any director designated for the purpose by the chair of the regional
6 school unit board.

7 4. Reading. If any citizens who are not directors or employees of the regional
8 school unit are present or if any representatives of the press are present, bids must at the
9 time of opening either be made available for examination by them or must be read aloud
10 in a manner to be heard plainly by those in attendance.

11 **§1493. Void contracts**

12 A contract made by the regional school unit board during the term of a member who
13 is pecuniarily interested in that contract, either directly or indirectly, is void, unless the
14 regional school unit board has advertised for sealed bids for that contract and that
15 advertisement for sealed bids has been published at least 5 days prior to the date set for
16 closing of bids in a newspaper having general circulation within the regional school unit.

17 **SUBCHAPTER 5**

18 **REFERENDUM**

19 **§1501. Regional school unit referendum**

20 1. Authority to call a regional school unit referendum. The regional school unit
21 board shall initiate a regional school unit referendum:

22 A. To approve the issuance of bonds or notes for school construction projects;

23 B. To approve a change in the selection of a school building site;

24 C. To authorize the regional school unit board to contract for the schooling of
25 secondary pupils;

26 D. To accept or reject a prospective gift; and

27 E. To borrow funds for minor capital costs as defined in section 15672, subsection
28 20-A.

29 **§1502. Method of calling a regional school unit referendum**

30 A regional school unit referendum must be initiated by a warrant prepared and signed
31 by a majority of the regional school unit board directors. The warrant must be
32 countersigned by the municipal officers in the municipality where the warrants are
33 posted.

34 1. Municipal officers. The warrant must direct the municipal officers within the
35 regional school unit to call a referendum on a date and time determined by the regional

1 school unit board. A warrant must be prepared and distributed at least 30 days prior to the
2 date of the referendum, except that a warrant for a regional school unit budget
3 referendum held in accordance with this chapter must be prepared and distributed at least
4 14 days prior to the date of the referendum.

5 A. The warrant must be directed to a resident of the regional school unit by name,
6 ordering the resident to notify the municipal officers of each of the municipalities
7 within the regional school unit to call a town meeting or city election on the date
8 specified by the regional school unit board. No other date may be used. The person
9 who serves the warrant shall make a return on the warrant stating the manner of
10 services and the time when it was given.

11 B. The warrant must be served on the municipal clerk of each of the municipalities
12 within the regional school unit by delivery of an attested copy of the warrant in hand
13 within 3 days of the date of the warrant. The municipal clerk, on receipt of the
14 warrant, shall immediately notify the municipal officers within the municipality. The
15 municipal officers shall forthwith meet, countersign and have the warrant posted.

16 C. The warrants and other notices for the referendum must be in the same manner as
17 provided in Title 21-A, except that the regional school unit board shall hold a public
18 hearing at least 7 days before the referendum vote. At least 7 days before the public
19 hearing, the regional school unit board shall give notice of the public hearing by
20 having a copy of the proposed referendum, together with the time and place of
21 hearing, posted in the same manner required for posting a warrant under this section.

22 **2. Content of the warrant.** The warrant must set forth the articles to be acted on in
23 each municipal referendum. The articles must have the following form.

24 A. On or after July 1, 2008, when a referendum is called for the purpose of
25 authorizing the issuance of bonds or notes for capital outlay purposes, the articles
26 must be substantially as set out in this paragraph.

27 (1) "Do you favor authorizing the board of directors of (name of regional school
28 unit) to issue bonds or notes in the name of this regional school unit for school
29 construction purposes in an amount not to exceed \$..... to construct a
30 (elementary or secondary school) to be located
31 at..... (Specifically defined lot where school is to be erected)?

32 Yes No"

33 (2) "Do you favor authorizing the board of directors of (name of regional school
34 unit) to issue bonds or notes in the name of this regional school unit for school
35 construction or minor capital projects in an amount not to exceed \$..... for the
36 purpose of (purpose of school construction
37 project)?

38 Yes No"

39 (3) "Do you favor authorizing the board of directors of (name of regional school
40 unit) to use the bond issue or notes in an amount not to exceed \$..... which was
41 voted by the regional school unit on (date), to construct a
42 (elementary or secondary school) to be located at

1 (specifically defined lot where
2 school is to be located)?

3 Yes No"

4 (4) "Do you favor authorizing the board of directors of (name of regional school
5 unit) to construct a (elementary or secondary
6 school) to be located at (specifically
7 defined lot where school is to be located) with the total project cost not to exceed
8 \$..... and to issue bonds or notes in the name of this regional school unit for
9 school construction purposes in an amount not to exceed \$..... with the balance
10 of the total project costs to be derived from
11 (description of other sources of funds
12 such as initial state share when approved for current fiscal year funding, proceeds
13 from insured losses, money from federal sources, other noneducational funds,
14 etc.)

15 Yes No"

16 B. When a regional school unit votes to change the site of its school construction
17 project using the article in paragraph A, subparagraph (3), the date of authorization of
18 the project is the original date the voters authorized the regional school unit board to
19 issue bonds or notes for that project.

20 C. On or after July 1, 2008, when a referendum is called for the purpose of
21 authorizing the regional school unit board to contract for the schooling of secondary
22 pupils, the article must be as set out in this paragraph.

23 (1) "Do you favor authorizing the board of directors of (name of regional school
24 unit) to contract in the name of this regional school unit with (name of regional
25 school unit or private school) for the schooling of secondary pupils for a term of
26 years?

27 Yes No"

28 D. On or after July 1, 2008, when a referendum is called for the purpose of accepting
29 or rejecting a prospective gift, the article must be as set out in this paragraph.

30 (1) "Do you favor authorizing the board of directors of (name of regional school
31 unit) to accept a prospective gift under the following conditions?
32 (terms and conditions).

33 Yes No"

34 **§1503. Referendum procedures**

35 **1. Ballots.** The regional school unit board shall prepare and furnish the required
36 number of ballots for carrying out the referendum as posted, including absentee ballots.
37 The regional school unit board shall prepare and furnish all other materials necessary to
38 fulfill the requirements for voting procedures.

39 **2. Voting.** Voting must be held and conducted in accordance with this subsection.

40 A. The voting at referenda held in towns must be held and conducted in accordance
41 with Title 30-A, sections 2524 and 2528 to 2532, even though the town has not
42 accepted the provisions of Title 30-A, sections 2524 and 2525. The facsimile

1 signature of the clerk under Title 30-A, section 2528, subsection 6, paragraph F must
2 be that of the chair of the regional school unit board. If a regional school unit
3 referendum is called to be held simultaneously with any statewide election, the voting
4 in towns must be held and conducted in accordance with Title 21-A, except that the
5 duties of the Secretary of State must be performed by the regional school unit board
6 and, if the statewide election is a primary election, any registered voter may vote in
7 the referendum. The absentee voting procedure of Title 21-A must be used, except
8 that the duties of the Secretary of State must be performed by the regional school unit
9 board.

10 B. The voting at referenda in cities must be held and conducted in accordance with
11 Title 21-A, including the absentee voting procedure, except that the duties of the
12 Secretary of State must be performed by the regional school unit board and, if the
13 statewide election is a primary election, any registered voter may vote in the
14 referendum.

15 **3. Return and counting.** The return and counting of votes must be in accordance
16 with this subsection.

17 A. The municipal clerk shall, within 24 hours of the determination of the results of
18 the vote in the municipality, certify and send to the regional school unit board the
19 total number of votes cast in the affirmative and in the negative on each article.

20 B. As soon as all of the results from all of the municipalities have been returned to
21 the regional school unit board, the regional school unit board shall meet and compute
22 the total number of votes cast in all of the municipalities within the regional school
23 unit in the affirmative and in the negative on each article.

24 C. If the regional school unit board determines that there were more votes cast in the
25 affirmative than in the negative on a given article, it shall declare that the article has
26 passed.

27 D. If the regional school unit board determines that the total number of votes cast on
28 an article in the affirmative is equal to or less than those cast in the negative, it shall
29 declare that the article has not passed.

30 E. The regional school unit board shall enter its declaration and computations in its
31 records and send certified copies to the clerk of each municipality within the regional
32 school unit.

33 **§1504. Reconsideration**

34 The procedure to reconsider votes taken at a regional school unit referendum is as set
35 out in this section.

36 **1. Time limit.** The regional school unit board shall, within 60 days, initiate a new
37 regional school unit referendum to reconsider the vote of the previous referendum if,
38 within 7 days of the first referendum, at least 10% of the number of voters voting for the
39 gubernatorial candidates in the last gubernatorial election in the municipalities within the
40 regional school unit petition to reconsider a prior regional school unit referendum vote.

1 2. Required quorum. A reconsideration referendum is not valid unless the number
2 of persons voting in that referendum is at least equal to the number who voted in the prior
3 regional school unit referendum.

4 3. Bond. If the margin of the vote being reconsidered was between 10% and 25%,
5 the petitioners shall post a bond with the petition equal to the actual and reasonable costs
6 of the new referendum. If the margin of the vote being reconsidered exceeded 25%, the
7 petitioners shall post an additional bond equal to the actual and reasonable costs that may
8 be incurred as a result of the delay of an authorization or approval granted in the prior
9 regional school unit referendum. If the petitioners are successful, the bonds must be
10 canceled.

11 §1505. Bonds; notes; other

12 All bonds, notes or other evidences of indebtedness issued for regional school unit
13 purposes by a regional school unit for major capital expenses, bus purchases or current
14 operating expenses, including tax or other revenue anticipation notes, are general
15 obligations of the regional school unit.

16 1. Tax assessments. The municipal officers on regional school unit board shall
17 require the sums that are necessary to meet in full the principal of and interest on the
18 bonds, notes or other evidences of indebtedness issued pursuant to this section payable in
19 each year to be assessed and collected in the manner provided by law for the assessment
20 and collection of taxes.

21 2. Reduction. The sums to be assessed and collected under subsection 1 must be
22 reduced by the amount of an allocation of funds appropriated by the Legislature to pay
23 the principal and interest owed by the regional school unit in a given year as certified to
24 the regional school unit by the commissioner. The commissioner shall certify the amount
25 due to the regional school unit within 30 days of its appropriation by the Legislature.

26 3. Collection. After assessment and reduction under subsection 2, the remaining
27 sum must be paid from ad valorem taxes, which may be levied without limit as to rate or
28 amount upon all the taxable property within the regional school unit.

29 §1506. Debt liability

30 1. Definitions. As used in this section, unless the context otherwise indicates, the
31 following terms have the following meanings.

32 A. "Existing debt" means any bond, note, loan agreement, lease-purchase agreement
33 or other debt instrument issued prior to July 1, 2008 for the purposes of funding
34 public schools, or for refinancing such debt, that remains outstanding at the time of a
35 reorganization pursuant to this chapter. "Existing debt" does not include routine
36 payables or commercial contract obligations.

37 B. "Original education unit" means:

38 (1) A previous education unit that has existing debt; or

1 (2) A municipality that has existing debt incurred on behalf of a previous
2 education unit.

3 C. "New unit" means a regional school unit created or established pursuant to this
4 chapter.

5 **2. Liability remains with original unit.** Existing debt held by an original education
6 unit remains the obligation of that original education unit after reorganization pursuant to
7 this chapter. An original education unit may not be finally dissolved while any existing
8 debt held by the original education unit remains outstanding. All aspects of an original
9 education unit's administrative or political organization may be merged into a new unit or
10 otherwise modified to accomplish the purposes of this chapter but its existing debt and its
11 right to secure payment of such debt from income streams that existed at the time of the
12 issuance of such debt may not be affected or altered except as authorized by this section.

13 A. A new unit may agree to pay the existing debt of an original education unit that is
14 included within the new unit. If the new unit pays the existing debt, the original
15 education unit is relieved of paying that debt, but, in the event that the new unit fails
16 to pay any amount of the existing debt, the original education unit remains
17 responsible for the deficiency. The original education unit shall ensure that timely
18 payments of existing debt are made, regardless of whether the new unit has agreed to
19 make the debt payments. An original education unit may contract with a new unit for
20 the administration of, transfer or delegate to and a new unit may accept and exercise
21 on behalf of the original education unit for the remaining term of any existing debt all
22 those powers and duties reasonable and necessary for the payment of existing debt of
23 the original education unit.

24 B. Notwithstanding any other provision of law or any provision of any trust
25 agreement, a new unit may use any sinking fund or other money set aside by the
26 original education unit to pay an existing debt to pay that debt.

27 C. A new unit may issue bonds or other debt instruments for the purpose of
28 refinancing or retiring the existing debt of an original education unit. The issuance of
29 such bonds or other debt must be in accordance with applicable procedural
30 requirements, including the procedural requirements of section 1490.

31 **3. No impact on state debt subsidies.** A change in any administrative or political
32 organization resulting from the creation of a new unit may not affect any state subsidy
33 with respect to existing debt or the relative portion of any such debt paid or reimbursed
34 by the State except as provided in this subsection.

35 A. The original education unit may continue to pay its existing debt obligations in
36 due course as though no new unit had been created and its choice to do so may not
37 reduce or otherwise affect the level of state assistance or subsidy with respect to that
38 existing debt.

39 B. If the original education unit and the new unit choose to refinance the existing
40 debt, the state subsidy or assistance with respect to the debt must be determined as of
41 the date of the new issuance and must be based on that refinancing and not on any
42 previous subsidy or assistance calculation related to the existing debt.

1 4. Debt of original education units. After July 1, 2008, for each original education
2 unit with existing debt that has reorganized into a new unit, if the new unit has not agreed
3 to assume liability to pay that existing debt, the regional school unit board shall serve as
4 agent for purposes of that existing debt and has full authority to:

5 A. Sue and be sued in the name of the original education unit with respect to the
6 existing debt;

7 B. Determine the debt service due each fiscal year on any existing debt;

8 C. As applicable, allocate to each member of the original education unit the
9 member's share of the annual debt service for the existing debt of the original
10 education unit in addition to each member's share of costs of the new unit;

11 D. Collect the allocation for debt service on the existing debt from the original
12 education unit or, as applicable, from each member of the original education unit in
13 addition to each member's share of costs of the new unit;

14 E. Pay the debt service on the existing debt of the original education unit when due;
15 and

16 F. Take all other actions necessary and proper with respect to the existing debt.

17 Allocations between members of the original education unit to pay the debt service for
18 the existing debt must be made on the basis of the cost-sharing formula of the original
19 education unit in effect on July 1, 2007, as applied to the year of allocation. In the case of
20 state-subsidized debt service, the provisions of subsection 3 apply. Amounts to pay the
21 debt service on the existing debt of the original education units must be included in the
22 budget that the regional school unit board of a new unit submits for approval. If the
23 original education unit is divided between different new units that have not agreed to
24 assume liability to pay the existing debt, the commissioner shall require that the
25 reorganization plan of one of those new units provide for that new unit to serve as agent
26 for purposes of the existing debt of the original education unit. That new unit, as agent,
27 has the authority provided by this subsection, except that the new unit shall notify the
28 other new units containing members of the original education unit of the amounts they
29 must assess and collect from their members who were members of the original education
30 unit, and those other new units shall perform the functions in subsection 4, paragraphs C
31 and D with respect to their members, and shall pay the appropriate amounts over to the
32 new unit serving as agent.

33 SUBCHAPTER 6

34 SCHOOLS

35 §1511. Supermajority vote to close school in the regional school unit

36 A school operated within the regional school unit may not be closed unless closure of
37 the school is approved at a regular or special meeting of the regional school unit board by
38 an affirmative vote of 2/3 of the elected membership or voting power of the regional
39 school unit board.

1 **§1512. Closing school**

2 **1. Vote; cost of election.** A school in a member municipality of a regional school
3 unit may not be closed unless the voters in the member municipality vote on the article in
4 accordance with the referendum procedure set forth in this chapter.

5 "Article: Do you favor authorizing the board of directors of (name of regional school
6 unit) to close (name of school)?

7 Yes No

8 The additional cost of keeping the school open has been estimated by the regional
9 school unit board to be \$"

10 The election must be conducted within that member municipality only, pursuant to
11 department rule, and the costs of the election are borne by the regional school unit.

12 **2. Expense of keeping the school open.** If the voters vote to keep the school open,
13 the member municipality is liable for some additional expense for actual local operating
14 costs and transportation operating costs as defined in section 15672. The determination of
15 costs is subject to the approval of the commissioner. The cost to be borne by the
16 municipality voting to keep a school open is the amount that would be saved if the school
17 were closed. Any additional costs that must be borne by the member municipality must
18 be part of the article presented to the voters at the meeting to determine whether the
19 school should remain open.

20 **3. Costs and procedures during subsequent years.** During any year subsequent to
21 the year during which a school remains open contrary to the regional school unit board's
22 vote to close that school as a result of a municipal referendum, the school will be open
23 without any additional cost to the municipality except as described in paragraphs A and
24 B.

25 A. If the regional school unit board again votes to close the school and the voters of
26 the member municipality again vote to keep the school open, as described in this
27 subsection, then the school will remain open and the member municipality will be
28 obligated to pay the additional costs as described in subsection 2.

29 B. If the regional school unit board again votes to close the school and the voters of
30 the member municipality fail to vote to keep the school open, then the school is
31 closed. In this event, the school may be reopened only if the regional school unit
32 board votes to reopen the school.

33 **4. Definition of school closing.** For purposes of this section, a school closing is any
34 action by the regional school unit board that has the effect of providing no instruction for
35 any students at that school.

36 **5. Method of payment by liable municipality.** If a municipality is liable for
37 additional expenses as determined in subsection 3, paragraph A, then the amount of this
38 additional expense must be subtracted from the regional school unit budget before each
39 member municipality's assessment is computed. This additional expense must be paid by
40 the member municipality that is liable in equal monthly amounts, unless the regional
41 school unit and that member municipality mutually agree to another method of payment.

1 **Sec. A-14.** 20-A MRSA §1602, as enacted by PL 1981, c. 693, §§5 and 8, is
2 repealed.

3 **Sec. A-15.** 20-A MRSA §1604, as enacted by PL 1981, c. 693, §§5 and 8, is
4 repealed.

5 **Sec. A-16.** 20-A MRSA §1701-C is enacted to read:

6 **§1701-C. Mandatory budget validation and cost center summary budget form**

7 Notwithstanding any other law, community school district budgets developed after
8 January 1, 2008 must conform to the format and referendum procedures set forth in
9 sections 1701-A and 1701-B.

10 **Sec. A-17.** 20-A MRSA §1751, as amended by PL 1999, c. 206, §2, is repealed.

11 **Sec. A-18.** 20-A MRSA §1901, as enacted by PL 1981, c. 693, §§5 and 8, is
12 repealed.

13 **Sec. A-19.** 20-A MRSA §2101, sub-§1, as enacted by PL 1981, c. 693, §§5 and
14 8, is repealed.

15 **Sec. A-20.** 20-A MRSA §2101, sub-§2, as enacted by PL 1981, c. 693, §§5 and
16 8, is repealed.

17 **Sec. A-21.** 20-A MRSA §2307 is enacted to read:

18 **§2307. School budgets**

19 Notwithstanding any other law, municipal school budgets developed after January 1,
20 2008 must follow the same school budget requirements as regional school units pursuant
21 to chapter 103-A.

22 **Sec. A-22.** 20-A MRSA c. 114 is enacted to read:

23 **CHAPTER 114**

24 **REGIONAL COLLABORATION**

25 **§2601. Definitions**

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

28 **1. Administrative, instructional and noninstructional functions.** "Administrative,
29 instructional and noninstructional functions" includes, but is not limited to, system
30 administration, school administration, special education, transportation and buses and
31 facilities maintenance.

1 2. Collaborative agreement. "Collaborative agreement" means an agreement to
2 share the responsibility for and cost of the delivery of certain administrative, instructional
3 and noninstructional functions. "Collaborative agreements" includes, but is not limited
4 to:

5 A. Shared purchasing or contract agreements;

6 B. Agreements for shared staff or staff training;

7 C. Agreements to share technology or technology support;

8 D. Agreements to provide special education programs and support services;

9 E. Agreements to share accounting, payroll and financial management services;

10 F. Agreements to coordinate transportation routing and vehicle maintenance;

11 G. Agreements to share food service planning and purchasing; and

12 H. Agreements to coordinate energy and facilities management.

13 **§2602. Development of collaborative agreements**

14 A school administrative unit may enter into collaborative agreements with other
15 school administrative units and, whenever possible, with local and county governments
16 and State Government, to achieve efficiencies and reduce costs in the delivery of
17 administrative, instructional and noninstructional functions.

18 **§2603. Collaborative agreements between previous education units**

19 A collaborative agreement between 2 or more previous education units may remain in
20 effect after July 1, 2008. Notwithstanding any other provision of law to the contrary,
21 collaborative agreements in existence on the effective date of this section may be
22 extended or modified by the parties to the collaborative agreement.

23 **Sec. A-23. 20-A MRSA §4102**, as amended by PL 1999, c. 206, §3, is further
24 amended by adding at the end a new paragraph to read:

25 Before a regional school unit board may close a school building pursuant to this
26 section, voter approval must be obtained in accordance with section 1512.

27 **Sec. A-24. 20-A MRSA §15680, sub-§1, ¶A**, as enacted by PL 2003, c. 504, Pt.
28 A, §6, is amended to read:

29 A. System administration. The per-pupil amount for "system administration" is the
30 actual system administration expenditures, as defined in the State's accounting
31 handbook for local school systems, for the most recent year available excluding
32 expenditures for leases and the purchase of land and buildings, less revenues to
33 system administration for services to other governments and refunds from a statewide
34 school management association, divided by the average October and April enrollment
35 counts for that fiscal year and then inflated to an estimated allocation year level by a
36 10-year average increase in the Consumer Price Index or other comparable index.
37 Beginning in school year 2008-2009, this per-pupil amount must be based on school

1 year 2005-2006 system administration expenditures then reduced by 50% and
2 inflated to an estimated allocation year level by a 10-year average increase in the
3 Consumer Price Index or other comparable index;

4 **Sec. A-25. 20-A MRSA §15680, sub-§1, ¶B**, as enacted by PL 2003, c. 504, Pt.
5 A, §6, is amended to read:

6 B. Operation and maintenance of plant. The per-pupil amount for "operation and
7 maintenance of plant" is the actual operation and maintenance of plant expenditures,
8 as defined in the State's accounting handbook for local school systems, for the most
9 recent year available excluding expenditures for leases and the purchase of land and
10 buildings, divided by the average October and April enrollment counts for that fiscal
11 year and then inflated to an estimated allocation year level by a 10-year average
12 increase in the Consumer Price Index or other comparable index. For school year
13 2008-2009, the resulting per-pupil amount must be reduced by 5%;

14 **Sec. A-26. 20-A MRSA §15681-A, sub-§2-A** is enacted to read:

15 **2-A. Reduction for fiscal year 2008-09.** For fiscal year 2008-09, the commissioner
16 shall reduce by 5% the allocation for special education costs as described in subsection 2.
17 These calculated special education costs for school administrative units for fiscal year
18 2008-09 are subject to the appeals procedure described in subsection 2.

19 **Sec. A-27. 20-A MRSA §15681-A, sub-§3-A** is enacted to read:

20 **3-A. Reduction for fiscal year 2008-09.** For fiscal year 2008-09, the commissioner
21 shall reduce by 5% the allocation for transportation costs as described in subsection 3.
22 These calculated transportation costs for school administrative units for fiscal year 2008-
23 09 are subject to the appeals procedure described in subsection 3.

24 **Sec. A-28. 20-A MRSA §15688, sub-§2**, as amended by PL 2005, c. 2, Pt. D,
25 §54 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

26 **2. Member municipalities in school administrative districts, community school**
27 **districts, regional school units; total costs.** For each municipality that is a member of a
28 school administrative district or community school district or regional school unit, the
29 commissioner shall annually determine each municipality's total cost of education. A
30 municipality's total cost of education is the school administrative district's or community
31 school district's or regional school unit's total cost of education multiplied by the
32 percentage that the municipality's most recent calendar year average pupil count is to the
33 school administrative district's or community school district's or regional school unit's
34 most recent calendar year average pupil count.

35 **Sec. A-29. 20-A MRSA §15688, sub-§3-A**, as enacted by PL 2005, c. 2, Pt. D,
36 §56 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

37 **3-A. School administrative unit; contribution.** For each school administrative
38 unit, the commissioner shall annually determine the school administrative unit's required
39 contribution, the required contribution of each municipality that is a member of the unit,

1 if the unit has more than one member, and the State's contribution to the unit's total cost
2 of education in accordance with the following.

3 A. For a school administrative unit composed of only one municipality, the
4 contribution of the unit and the municipality is the same and is the lesser of:

5 (1) The total cost described in subsection 1; and

6 (2) The total of the full-value education mill rate calculated in section 15671-A,
7 subsection 2 multiplied by the property fiscal capacity of the municipality.

8 B. ~~For~~ Except as provided in paragraph B-1, for a school administrative district or,
9 community school district or regional school unit composed of more than one
10 municipality, each municipality's contribution to the total cost of education is the
11 lesser of:

12 (1) The municipality's total cost as described in subsection 2; and

13 (2) The total of the full-value education mill rate calculated in section 15671-A,
14 subsection 2 multiplied by the property fiscal capacity of the municipality.

15 B-1. For a regional school unit, if the amount calculated pursuant to paragraph B is
16 less than 2 mills multiplied by the property fiscal capacity of the municipality, the
17 municipality's contribution to the total cost of education is an amount equal to 2 mills
18 multiplied by the property fiscal capacity of the municipality. The difference in the
19 amount calculated pursuant to paragraph B and the amount calculated pursuant to this
20 paragraph, which amount may not be less than zero, must be used to proportionally
21 lower the local contribution in the remaining municipalities.

22 C. For a school administrative district ~~or,~~ community school district or regional
23 school unit composed of more than one municipality, the unit's contribution to the
24 total cost of education is the lesser of:

25 (1) The total cost as described in subsection 1; and

26 (2) The sum of the totals calculated for each member municipality pursuant to
27 paragraph B, subparagraph (2), plus the total calculated pursuant to paragraph B-
28 if applicable.

29 D. The state contribution to the school administrative unit's total cost of education is
30 the total cost of education calculated pursuant to subsection 1 less the school
31 administrative unit's contribution calculated pursuant to paragraph A or C, as
32 applicable. The state contribution is subject to reduction in accordance with section
33 15690, subsection 1, paragraph C.

34 **Sec. A-30. 20-A MRSA §15689-D**, as enacted by PL 2005, c. 2, Pt. D, §61 and
35 affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

36 **§15689-D. Governor's recommendation for funding levels**

37 The Department of Administrative and Financial Services, Bureau of the Budget shall
38 annually certify to the Legislature the funding levels that the Governor recommends
39 under sections 15683, 15683-A, 15689 and 15689-A. The Governor's recommendations
40 must be transmitted to the Legislature within the time schedules set forth in Title 5,

1 section 1666. The commissioner may adjust, consistent with the Governor's
2 recommendation for funding levels, per-pupil amounts not related to staffing pursuant to
3 section 15680 and targeted funds pursuant to section 15681.

4 **Sec. A-31. 20-A MRSA §15690, sub-§1, ¶B,** as amended by PL 2005, c. 12, Pt.
5 WW, §5 and affected by §18, is further amended to read:

6 B. For a school administrative district or a community school district or a regional
7 school unit, an article in substantially the following form must be used when the
8 school administrative district or community school district or regional school unit is
9 considering the appropriation of an amount up to its required contribution to the total
10 cost of education as described in section 15688.

11 (1) "Article: To see what sum the district will appropriate for the total cost of
12 funding public education from kindergarten to grade 12 as described in the
13 Essential Programs and Services Funding Act and to see what sum the district
14 will raise and assess as each municipality's contribution to the total cost of
15 funding public education from kindergarten to grade 12 as described in the
16 Essential Programs and Services Funding Act in accordance with the Maine
17 Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth
18 below):

19 Total Appropriated (by municipality):	20 Total raised (district assessments by municipality):
21 Town A (\$amount)	Town A (\$amount)
22 Town B (\$amount)	Town B (\$amount)
23 Town C (\$amount)	Town C (\$amount)
24 School District	School District
25 Total Appropriated	Total Raised
26 (\$sum of above)	(\$sum of above)"

27 (2) The following statement must accompany the article in subparagraph (1).
28 "Explanation: The school administrative unit's contribution to the total cost of
29 funding public education from kindergarten to grade 12 as described in the
30 Essential Programs and Services Funding Act is the amount of money determined
31 by state law to be the minimum amount that the district must raise and assess in
32 order to receive the full amount of state dollars."

33 **Sec. A-32. 20-A MRSA §15691-A** is enacted to read:

34 **§15691-A. Municipal assessment paid to a regional school unit**

35 Beginning with the 2008-2009 school year, this section applies to municipal
36 assessments paid to a regional school unit.

37 **1. Presentation of assessment schedule.** The assessment schedule based on the
38 budget approved at a regional school unit budget meeting must be presented to the
39 treasurer of each municipality that is a member of the regional school unit. The
40 assessment schedule must include each member municipality's share of the school

1 administrative unit's contribution to the total cost of funding public education from
2 kindergarten to grade 12 as described in section 15688 and the school administrative
3 unit's contribution to debt service for non-state-funded school construction projects and
4 additional local funds for school purposes under section 15690.

5 **2. Municipal treasurer's payment schedule.** The treasurer of the member
6 municipality, after being presented with the assessment schedule under subsection 1, shall
7 forward 1/12 of that member municipality's share to the treasurer of the regional school
8 unit on or before the 20th day of each month of the fiscal year.

9 **Sec. A-33. 20-A MRSA §15696** is enacted to read:

10 **§15696. Penalties for nonconforming school administrative units**

11 **1. Authorized adjustments.** Notwithstanding any other provision of this Title, the
12 following adjustments to the calculation of subsidy under chapter 606-B are required
13 beginning July 1, 2009 for a school administrative unit that is not a conforming school
14 administrative unit:

15 **A.** The school administrative unit is not eligible for the minimum state allocation
16 under Title 20-A, section 15689, subsection 1;

17 **B.** The school administrative unit's total cost of education is reduced by adjusting the
18 cost component for system administration under section 15680, subsection 1,
19 paragraph A to zero;

20 **C.** The school administrative unit is not eligible for:

21 **(1)** The isolated small school adjustment under section 15683, subsection 1,
22 paragraph F; or

23 **(2)** A transition adjustment under section 15686 or any comparable year-over-
24 year transition amount;

25 **D.** The school administrative unit's mill rate under section 15671-A is increased by
26 3% over the full-value education mill rate; and

27 **E.** The school administrative unit receives less favorable consideration for approval
28 and funding for school construction pursuant to rules of the state board.

29 **Sec. A-34. 20-A MRSA §15755**, as enacted by PL 2005, c. 2, Pt. D, §63 and
30 affected by §§72 and 74 and c. 12, Pt. WW, §18, is repealed.

31 **Sec. A-35. 20-A MRSA §15904, sub-§3-A** is enacted to read:

32 **3-A. Regional school units.** In a regional school unit, the vote must be conducted in
33 accordance with chapter 103-A.

34 **Sec. A-36. Legislative intent and policy.** This Part establishes the process for
35 increasing the efficiency and effectiveness of school administrative units by providing a
36 process for reorganizing them into regional school units that meet the policies set forth in
37 the Maine Revised Statutes, Title 20-A, section 1451 and by assisting units to develop
38 more efficient structures for providing administrative services.

1 **1. Meetings to be convened in each career and technical education region.** Not
2 later than July 15, 2007, the Commissioner of Education, or the commissioner's designee,
3 shall convene one or more meetings in each of the career and technical education regions
4 in the State to present information about the requirements of this Part regarding
5 consolidation and collaboration among school administrative units.

6 A. The Commissioner of Education shall provide notice of the meeting or meetings
7 to municipal officials and school officials from the municipalities and school
8 administrative units within the region, as well as to the general public.

9 B. In addition to other information presented at the meeting, the Commissioner of
10 Education shall provide one or more maps showing the suggested alignment of
11 municipalities and other school administrative units designed to increase efficiency
12 and improve educational quality and to meet the requirements of subsection 6.

13 C. Maps presented by the Commissioner of Education and alignment options
14 considered by school administrative unit representatives must reflect:

15 (1) The intent and goals set forth in Title 20-A, section 1451; and

16 (2) The intent that school units existing on the effective date of this Act be
17 reorganized into not more than 80 regional units and that units of at least 2,500
18 resident students be created except where circumstances make that size
19 impractical. Where circumstances make a unit of 2,500 students impractical, the
20 unit must serve as close to 2,500 students as possible and in no case, except for
21 offshore islands and schools operated by a tribal school committee, may it serve
22 fewer than 1,200 students.

23 **2. Notice of intent.** By August 31, 2007, each school administrative unit shall file
24 with the Commissioner of Education:

25 A. A notice of intent to engage in planning and negotiations with other school
26 administrative units for the purpose of developing a reorganization plan to form a
27 regional school unit under this Part and Title 20-A, chapter 103-A; or

28 B. A notice of intent to submit an alternative plan that meets the requirements of
29 subsection 6, paragraph F. An alternative plan may be submitted only by a unit that
30 is:

31 (1) An offshore island;

32 (2) A school operated by a tribal school committee pursuant to the Maine
33 Revised Statutes, Title 30, section 6214; or

34 (3) A school administrative unit that serves more than 2,500 students, or 1,200
35 students where 2,500 is impractical under subsection 6, paragraph A, where
36 expansion of the unit would be inconsistent with the policies set forth in Title 20-
37 A, section 1451.

38 The Commissioner of Education shall respond to each notice of intent by September 15,
39 2007, indicating whether the intended action complies with the requirements of this Part.

1 **3. Reorganization planning committee.** Municipalities that intend to engage in
2 planning and negotiation to create a regional school unit shall form a reorganization
3 planning committee.

4 A. For each proposed regional school unit, the Commissioner of Education shall
5 provide guidelines for the formation of a reorganization planning committee
6 including representation from the school administrative units in existence on the
7 effective date of this Part, member municipalities and members of the general public
8 who are residents of the proposed regional school unit. The guidelines must include
9 roles and responsibilities of the committee, timelines for submission of the plan, the
10 format for reporting the reorganization plan and evaluation criteria for approval of the
11 plan.

12 B. Reorganization planning committees shall hold one or more public meetings to
13 gather input from community members and to determine the sentiment of the public.

14 **4. Submission of plans.** By December 1, 2007, each municipality shall submit to
15 the Commissioner of Education either:

16 A. Its proposed reorganization plan for consolidation into a regional school unit that
17 meets the requirements of subsections 5 and 6; or

18 B. Its proposed plans for reducing the cost of services within the school
19 administrative unit to meet the requirements of subsection 6, paragraph F.

20 **5. Content.** A reorganization plan must include:

21 A. The units of school administration to be included in the proposed regional school
22 unit;

23 B. The size, composition and apportionment of the governing body;

24 C. The method of voting of the governing body;

25 D. The composition, powers and duties of any local school committees to be created;

26 E. The disposition of real and personal school property;

27 F. The disposition of existing school indebtedness and lease-purchase obligations if
28 the parties elect not to use the provisions of section 1506 regarding the disposition of
29 debt obligations;

30 G. The assignment of school personnel contracts, school collective bargaining
31 agreements and other school contractual obligations;

32 H. The disposition of existing school funds and existing financial obligations,
33 including undesignated fund balances, trust funds, reserve funds and other funds
34 appropriated for school purposes;

35 I. A transition plan that addresses the development of a budget for the first school
36 year of the reorganized unit and interim personnel policies;

37 J. Documentation of the public meeting or public meetings held to prepare or review
38 the reorganization plan;

- 1 K. An explanation of how units that approve the reorganization plan will proceed if
- 2 one or more of the proposed members of the regional school unit fail to approve the
- 3 plan;
- 4 L. An estimate of the cost savings to be achieved through formation of a regional
- 5 school unit and how costs will be reduced; and
- 6 M. Such other matters as the governing bodies of the school administrative units in
- 7 existence on the effective date of this Part may determine to be necessary.
- 8 **6. Parameters.** In developing a reorganization plan for school administrative units
- 9 in existence on the effective date of this Part, the governing bodies of school
- 10 administrative units shall work within the following parameters:
- 11 A. The proposed regional school unit must serve not fewer than 2,500 students,
- 12 except where circumstances relating to the following factors justify an exception:
- 13 (1) Geography, including physical proximity and the size of the current school
- 14 administrative unit;
- 15 (2) Demographics, including student enrollment trends and the composition and
- 16 nature of communities in the regional school unit;
- 17 (3) Economics, including existing collaborations to be preserved or enhanced
- 18 and opportunities to deliver commodities and services to be maximized;
- 19 (4) Transportation;
- 20 (5) Population density; or
- 21 (6) Other unique circumstances including the need to preserve existing or
- 22 developing relationships, meet the needs of students, maximize educational
- 23 opportunities for students and ensure equitable access to rigorous programs for
- 24 all students.
- 25 Where circumstances make a unit of 2,500 students impractical, the unit must serve
- 26 as close to 2,500 students as possible and in no case, except for offshore islands and
- 27 schools operated by tribal school committees, may it serve fewer than 1,200 students.
- 28 B. The proposed unit, viewed in conjunction with surrounding proposed units, may
- 29 not result in one or more municipalities being denied the option to join a regional
- 30 school unit;
- 31 C. The plan must provide comprehensive programming for all students from
- 32 kindergarten to grade 12 and must include at least one publicly supported secondary
- 33 school;
- 34 D. The plan must be consistent with the policies set forth in Title 20-A, section 1451;
- 35 E. The plan may not displace teachers or students or close any schools existing and
- 36 operating during the school year immediately preceding reorganization, except as
- 37 permitted under section 1512; and
- 38 F. The plan must reorganize administrative functions, duties and noninstructional
- 39 personnel in order that the following be accomplished:

1 (1) The projected expenditures of the reorganized school unit in fiscal year 2008-
2 09 for transportation, special education and facilities and maintenance must be
3 5% less than the projected transportation, special education and facilities and
4 maintenance expenditures of each of the participating school administrative units
5 in fiscal year 2007-08; and

6 (2) The projected expenditures of the reorganized school unit in fiscal year 2008-
7 09 for system administration must be no more than the legislatively approved
8 essential programs and services system administration rate established for fiscal
9 year 2008-09.

10 **7. Review and approval of plans.** If the Commissioner of Education finds that a
11 plan for reorganization meets the requirements of this Part, the commissioner shall notify
12 the municipalities and school administrative units and they shall proceed with
13 referendum.

14 A. If the Commissioner of Education finds that a plan for reorganization is not
15 consistent with subsection 6 and the purposes and goals of this Part, or that it has not
16 adequately addressed the matters set forth in subsection 6, the commissioner shall
17 return the plan to the governing bodies of that school administrative unit by
18 December 15, 2007 with specific suggestions for modification of the plan.

19 B. Upon the return of a reorganization plan by the Commissioner of Education, the
20 governing body of the school administrative unit shall revise the proposed plan for
21 reorganization to address the commissioner's findings and submit a revised plan for
22 reorganization not more than 30 days after the commissioner returns the plan for
23 revision.

24 C. The Commissioner of Education shall approve or disapprove the revised plan for
25 reorganization not more than 14 days after it is refiled by the unit.

26 **8. Referendum on reorganization plan.** The municipal officers of each
27 municipality in a proposed reorganized school administrative unit shall place a warrant
28 article substantially as follows on the ballot of a municipal referendum conducted on
29 January 15, 2008 in accordance with the referendum procedures applicable to the school
30 administrative unit of which the municipality is a member.

31 "Article: Do you favor approving the school reorganization plan prepared by the
32 (insert name) Reorganization Planning Committee to reorganize (insert names of
33 affected school administrative units) into a regional school unit, with an effective date
34 of _____?"

35 Yes/No"

36 The following statement must accompany the article:

37 "Explanation:

38 A "YES" vote means that you approve of the (municipality or SAU) joining the
39 proposed regional school unit, which will be provided with the following incentives:

40 More favorable consideration in approval and funding of school construction
41 projects; and

1 Eligibility for additional financial support for reorganization costs.

2 A "NO" vote means that you do not approve of the (municipality or SAU) joining a
3 regional school unit, which will result in the existing (municipality or school
4 administrative unit) receiving the following penalties:

5 Less favorable consideration in approval and funding of school construction
6 projects; and

7 A reduction in state funding of education costs in an amount estimated to be
8 \$ _____ for school year 200_ and \$ _____ for school year 200_, with the
9 possibility of ongoing penalties for continued failure to join an approved regional
10 school unit. Reductions in state education funding will result in an increased mill
11 rate expectation of _____ (mills) and an increase in property taxes of \$ _____
12 for tax year _____."

13 The Department of Education shall pay the cost of a referendum conducted before or on
14 January 15, 2008.

15 **9. Results of referendum.** Each school administrative unit shall report the results of
16 the referendum to the Department of Education.

17 A. A reorganization plan is approved by a kindergarten to grade 12 school
18 administrative district or a kindergarten to grade 12 community school district if the
19 majority of votes cast in the district are in favor of approval of the plan.

20 B. A reorganization plan is approved by the member municipalities of a
21 nonkindergarten to grade 12 community school district if the majority of votes cast in
22 the member municipalities is in favor of approval of the plan. Approval results in all
23 member municipalities joining the regional school unit for all purposes for
24 kindergarten to grade 12.

25 C. A municipal school unit, including a municipal school unit that is a member of a
26 school union, approves a reorganization plan if the majority of the votes cast in that
27 municipality are in favor of approval of the plan.

28 D. If a reorganization plan is approved by all of the affected school administrative
29 units, or by the school administrative units considered sufficient under the proposed
30 units' reorganization plan, the Commissioner of Education shall file notice of
31 approval of the unit with the State Board of Education.

32 **10. Certificate of organization.** If a plan or revised plan for reorganization has
33 been approved by the Commissioner of Education and approved by voters at the
34 referendum, the State Board of Education shall issue a certificate of organization to the
35 school administrative units that are reorganized into regional school units.

36 **11. Result of disapproval at January 2008 referendum.** A school administrative
37 unit that rejects a proposed reorganization plan at the January 15, 2008 referendum or at a
38 subsequent referendum on or before November 4, 2008 may restart the process to form a
39 regional school unit with the same or other school administrative units and may seek
40 assistance from the Department of Education to prepare another reorganization plan.

1 A. Subsequent reorganization plans must meet the same requirements as for
2 reorganization plans filed prior to the January 2008 referendum, except that the
3 timelines are adjusted to reflect a July 1, 2009 reorganization date.

4 B. The penalties set forth in Title 20-A, section 15696 apply to any school
5 administrative unit that fails to approve a reorganization plan on or before November
6 4, 2008 and to implement that plan by July 1, 2009.

7 **12. Reformulation of SAD as RSU.** Not later than December 1, 2008, the
8 Commissioner of Education shall notify any school administrative district that has not
9 voted to form a regional school unit on or before November 4, 2008 that the school
10 administrative district must be recreated as a regional school unit under Title 20-A,
11 chapter 103-A, effective July 1, 2009. Notwithstanding any other provision of law, a
12 school administrative district may be changed to a regional school unit upon notice to the
13 State Board of Education without dissolving the school administrative district.

14 **Sec. A-37. Role of the Department of Education.** In order to provide for the
15 orderly implementation of this Part, the Department of Education shall:

16 **1. Prepare models.** Prepare one or more models for the reorganization of school
17 administrative units in existence on the effective date of this Part, consistent with the
18 provisions of subsection xxx;

19 **2. Assist in collection and presentation of data.** Assist all of the governing bodies
20 of school administrative units in existence on the effective date of this Part in the
21 collection and presentation of data pertinent to the charge established by this Part;

22 **3. Assist in meetings and caucuses.** Assist in the organization of the meetings and
23 caucuses convened by the governing bodies of the school administrative units in
24 existence on the effective date of this Part to prepare reorganization plans as provided in
25 subsection 1;

26 **4. Provide facilitation services.** Make available, upon request, facilitation services
27 to the governing bodies of the school administrative units in existence on the effective
28 date of this Part to ensure the ability of those school administrative units to fulfill the
29 charges required by this Part;

30 **5. Adjust EPS rates.** Adjust EPS rates for transportation, facilities and
31 maintenance, special education and system administration expenditures to reflect the
32 ongoing efficiencies resulting from the reorganization of school administrative units in
33 existence on the effective date of this Part;

34 **6. Submit report.** Submit a report to the Legislature no later than February 1, 2008
35 that describes the compliance of the participating school administrative units in existence
36 on the effective date of this Part with the requirements of this Part.

37 **Sec. A-38. Notification of allocation of funding to school administrative**
38 **units.** Notwithstanding the Maine Revised Statutes, Title 20-A, section 15689-B,
39 subsection 2, paragraph A, the notice by the Commissioner of Education to school boards

1 of the estimated amount of state funds to be allocated to the school administrative unit for
2 school years 2008-2009 and 2009-2010 must be provided not later than March 31st.

3 **Sec. A-39. Adjustment for regional school unit start-up costs.** The
4 Commissioner of Education shall establish an adjustment for the fiscal year 2008-09 to
5 support the start-up costs associated with the reorganization of school administrative units
6 to regional school units in accordance with the Maine Revised Statutes, Title 20-A,
7 chapter 103-A.

8 **Sec. A-40. Initial staggered terms.** Notwithstanding the Maine Revised
9 Statutes, Title 20-A, section 1471, subsection 2, the initial directors elected to a regional
10 school unit board of directors shall meet and draw lots for the length of term specified as
11 follows.

12 **1. Municipalities with annual elections.** In municipalities with annual elections, 1/3
13 of the directors serve one-year terms, 1/3 of the directors serve 2-year terms and 1/3 of
14 the directors serve 3-year terms. If the number of directors is not evenly divisible by 3,
15 the first remaining director serves a 3-year term and the 2nd a 2-year term.

16 **2. Municipalities with biennial elections.** In municipalities with biennial elections,
17 1/2 of the directors serve 4-year terms and 1/2 of the directors serve 2-year terms. If the
18 number of directors is not divisible by 2, the remaining director serves a 4-year term.

19 The directors shall serve their terms as determined at the organizational meeting and
20 an additional period until the next regular election of the municipalities. Thereafter, the
21 directors' terms of office are as established in accordance with the provisions of Title 20-
22 A, section 1471.

23 **Sec. A-41. Transfer of property and assets; regional school units**
24 **approved prior to January 16, 2008.** This section applies to a regional school unit
25 that is approved prior to January 16, 2008.

26 **1. Board of directors.** The directors of the board of each regional school unit
27 established in the Maine Revised Statutes, Title 20-A, chapter 103-A shall determine
28 what school property of the municipalities in existence prior to July 1, 2008 and of the
29 school administrative units in existence prior to July 1, 2008 in their regions is necessary
30 to carry out the functions of the regional school unit and shall request in writing that the
31 board of each such school administrative unit or the municipal officers transfer title of
32 their school property and buildings to the regional school unit board of directors.

33 **2. Transfer.** The municipal officers and boards contacted pursuant to subsection 1
34 shall make the transfer of property and assets notwithstanding any other provision in the
35 charter of the school administrative unit or municipality.

36 **3. Financing assumed debts.** A regional school unit shall assume the outstanding
37 indebtedness of a school administrative unit in existence prior to July 1, 2008 for school
38 construction projects approved for subsidy under Title 20-A, chapter 609 and pursuant to
39 section 1506. If a regional school unit board of directors has assumed the outstanding
40 indebtedness of a school administrative unit in existence prior to July 1, 2008 the

1 directors of the regional school unit board may, notwithstanding any other statute or any
2 provision of any trust agreement, use any sinking fund or other money set aside by the
3 school administrative unit in existence prior to July 1, 2008 to pay off the indebtedness
4 for which the money was dedicated. A regional school unit board of directors is not
5 required to assume the outstanding indebtedness of a school administrative unit in
6 existence prior to July 1, 2008 in its regional school unit for nonstate funded projects
7 pursuant to Title 20-A, section 15905-A and pursuant to section 1481.

8 **Sec. A-42. Transfer of property and assets; regional school units**
9 **approved after January 15, 2008.** This section applies to a regional school unit that
10 is approved after January 15, 2008 and before November 5, 2008.

11 **1. Board of directors.** The directors of the board of each regional school unit
12 established in the Maine Revised Statutes, Title 20-A, chapter 103-A shall determine
13 what school property of the municipalities in existence prior to July 1, 2009 and of the
14 school administrative units in existence prior to July 1, 2009 in their regions is necessary
15 to carry out the functions of the regional school unit and shall request in writing that the
16 board of each such school administrative unit or the municipal officers transfer title of
17 their school property and buildings to the regional school unit board of directors.

18 **2. Transfer.** The municipal officers and boards contacted pursuant to subsection 1
19 shall make the transfer of property and assets notwithstanding any other provision in the
20 charter of the school administrative unit or municipality.

21 **3. Financing assumed debts.** A regional school unit shall assume the outstanding
22 indebtedness of a school administrative unit in existence prior to July 1, 2009 for school
23 construction projects approved for subsidy under Title 20-A, chapter 609 and pursuant to
24 section 1506. If a regional school unit board of directors has assumed the outstanding
25 indebtedness of a school administrative unit in existence prior to July 1, 2009 the
26 directors of the regional school unit board may, notwithstanding any other statute or any
27 provision of any trust agreement, use any sinking fund or other money set aside by the
28 school administrative unit in existence prior to July 1, 2009 to pay off the indebtedness
29 for which the money was dedicated. A regional school unit board of directors is not
30 required to assume the outstanding indebtedness of a school administrative unit in
31 existence prior to July 1, 2009 in its regional school unit for nonstate funded projects
32 pursuant to Title 20-A, section 15905-A and pursuant to section 1481.

33 **Sec. A-43. Operational date and transfer of authority.**

34 **1. Operational date.** A regional school unit board of directors becomes operational
35 on the date set by the State Board of Education as provided in the Maine Revised
36 Statutes, Title 20-A, chapter 103-A.

37 **2. Transfer of governing authority; regional school units approved prior to**
38 **January 16, 2008.** This subsection applies to regional school units approved prior to
39 January 16, 2008. The regional school unit board of directors, on the date established in
40 subsection 1, shall assume responsibility for the management and control of the public
41 schools and programs within the school administrative units in existence prior to July 1,
42 2008 that are within the regional school unit. Those school administrative units in

1 existence prior to July 1, 2008, on the date established in subsection 1, have no further
2 responsibility for the operation or control of the public schools and programs within the
3 school administrative unit except those pursuant to section 1481.

4 **3. Transfer of governing authority; regional school units approved after**
5 **January 15, 2008.** This subsection applies to regional school units approved after
6 January 15, 2008 and before November 5, 2008. The regional school unit board of
7 directors, on the date established in subsection 1, shall assume responsibility for the
8 management and control of the public schools and programs within the school
9 administrative units in existence prior to July 1, 2009 that are within the regional school
10 unit. Those school administrative units in existence prior to July 1, 2009, on the date
11 established in subsection 1, have no further responsibility for the operation or control of
12 the public schools and programs within the school administrative unit except those
13 pursuant to section 1481.

14 **4. Transfer of school accounts.** Notwithstanding Title 20-A, section 15004 or any
15 charter of a municipal school unit, school administrative district or community school
16 district, the balance remaining in the school accounts of the former municipal school unit,
17 school administrative district or community school district within the regional school unit
18 must be paid to the treasurer of the regional school unit and verified through the annual
19 audit process pursuant to Title 20-A, chapter 221, subchapter 2. The balance from each of
20 the former municipal school unit, school administrative district or community school
21 district must be used to reduce that unit's or district's local contribution to the regional
22 school unit. Payment may be made in equal monthly installments during the
23 implementation year.

24 **5. Transfer of teachers and employees.** Except as limited by paragraph A, for
25 regional school units approved prior to January 16, 2008, all teachers and school
26 employees who are employed by a participating school administrative unit on June 30,
27 2008 must be transferred to and employed by the regional school unit as of July 1, 2008.
28 Except as limited by paragraph A, for regional school units approved after January 15,
29 2008 and before November 5, 2008, all teachers and school employees who are employed
30 by participating school administrative units on June 30, 2009 must be transferred and
31 employed by the regional school unit as of July 1, 2009. Except as limited by paragraph
32 B, the regional school unit shall assume all of the legal obligations and duties that the
33 participating school administrative units owed to their employees, including but not
34 limited to those obligations and duties arising under federal law, state law, collective
35 bargaining agreements and individual employment contracts. It is the intent of this Part
36 to neither decrease nor increase the rights and benefits of transferred employees or the
37 employer. The regional school unit shall also maintain and honor any agreements,
38 contracts or policies regarding the rights and benefits of retirees and former employees
39 created by a participating school administrative unit that is dissolved as a result of its
40 inclusion within a regional school unit.

41 A. For regional school units approved prior to January 16, 2008, teachers or other
42 employees whose employment terminates by application of law or contract or by
43 action of a participating school administrative unit before July 1, 2008 may not be
44 transferred. For regional school units approved after January 15, 2008 and before
45 November 5, 2008, teachers or other employees whose employment terminates by

1 application of law or contract or by action of a participating school administrative
2 unit before July 1, 2009 may not be transferred.

3 B. Teachers and other employees who are transferred to the regional school unit
4 prior to the completion of the applicable probationary period for their position have
5 the length of their probationary period calculated from the date of their most recent
6 date of employment by the participating school administrative unit.

7 **6. Collective bargaining.** The following provisions apply:

8 A. On July 1, 2008 for regional school units approved prior to January 16, 2008 and
9 on July 1, 2009 for regional school units approved after January 15, 2008 and before
10 November 5, 2008, the regional school unit board of directors shall assume all of the
11 obligations, duties, liabilities and rights of the participating school administrative
12 units for all purposes under Title 26, chapter 9-A. The regional school unit is
13 considered a single employer. Notwithstanding any other provision of law, the
14 responsibilities of the regional school unit include:

15 (1) Continued recognition of all bargaining agents that represented any
16 bargaining units of employees who were employed by a participating school
17 administrative unit, pending completion of merger proceedings described in this
18 section;

19 (2) Assumption and continued observance of all collective bargaining
20 agreements between such bargaining agents and a participating school
21 administrative unit, which agreements continue in effect for the remainder of
22 their unexpired term unless the bargaining agent and regional school unit
23 mutually agree otherwise; and

24 (3) Collective bargaining for an initial or successor collective bargaining
25 agreement in any bargaining unit in which a collective bargaining agreement is
26 not in effect on the operational date and for any interim agreement that may be
27 required to align expiration dates in a regional school unit-wide bargaining unit,
28 as described in this subsection.

29 B. As early as possible, but no later than August 31, 2011 for regional school units
30 approved prior to January 15, 2008 and no later than August 31, 2012 for regional
31 school units approved after January 15, 2008 and before November 2, 2008, all
32 bargaining units must be structured on a regional school unit-wide basis. Bargaining
33 units that existed in the participating school administrative units shall merge in
34 accordance with the procedures and criteria in this section. Merger into regional
35 school unit-wide bargaining units is not subject to approval or disapproval of
36 employees.

37 (1) Merger into regional school unit-wide bargaining units must be completed
38 according to the schedule contained in this subsection, and no later than the latest
39 expiration date of any collective bargaining agreement that was in effect on the
40 operational date, which covered any employees in the merged unit.

41 (2) There must be one unit of teachers and, to the extent they are currently
42 included in bargaining units, other certified professional employees, excluding
43 principals and other administrators.

1 (3) Any additional bargaining units in a regional school unit must be structured
2 as follows:

3 (a) In the initial establishment of such units, units must be structured
4 primarily on the basis of the existing pattern of organization, maintaining the
5 grouping of employee classifications into bargaining units that existed prior
6 to the creation of the regional school unit and avoiding conflicts among
7 different bargaining agents to the extent possible.

8 (b) In the event of a dispute regarding the classifications to be included
9 within a regional school unit-wide bargaining unit, the current bargaining
10 agent or agents or the regional school unit may petition the Maine Labor
11 Relations Board to determine the appropriate unit in accordance with this
12 section and Title 26, section 966, subsections 1 and 2.

13 (4) When there is the same bargaining agent in all bargaining units that will be
14 merged into a regional school unit-wide bargaining unit, the units must be
15 merged as of the operational date, and the regional school unit shall recognize the
16 bargaining agent as the representative of the merged unit.

17 (5) When all bargaining units that will be merged into a regional school unit-
18 wide bargaining unit are represented by separate local affiliates of the same state
19 labor organization, the units must be merged as of the operational date. The
20 identity of the single affiliate that will be designated the bargaining agent for the
21 merged unit must be selected by the existing bargaining agents and the state labor
22 organization. Upon completion of the merger and designation of the bargaining
23 agent and notification by the state organization to the regional school unit, the
24 regional school unit shall recognize the designated bargaining agent as the
25 representative of employees in the merged unit. If necessary, the parties will then
26 execute a written amendment to any collective bargaining agreement then in
27 effect to change the name of the bargaining agent to reflect the merger.

28 (6) Where there are bargaining units that will be merged into a regional school
29 unit-wide bargaining unit in which there are employees who are not represented
30 by any bargaining agent and other employees who are represented either by the
31 same bargaining agent or separate local affiliates of the same state labor
32 organization, the units must be merged as of the operational date as long as a
33 majority of employees who compose the merged unit were represented by the
34 bargaining agent prior to the merger. The procedures for merger of separate local
35 affiliates of the same state labor organization described in subparagraph (5) must
36 be followed if applicable. If prior to the merger a bargaining agent did not
37 represent a majority of employees who compose the merged unit, a bargaining
38 agent election must be conducted by the Maine Labor Relations Board pursuant
39 to subparagraph (8).

40 (7) When there are unexpired collective bargaining agreements with different
41 expiration dates in the merged bargaining units described in subparagraphs (4),
42 (5) and (6), all contracts must be honored to their expiration dates unless
43 mutually agreed to otherwise by the public employer and the bargaining agent.
44 Collective bargaining agreements must be bargained on an interim basis in any

1 merged bargaining unit so that all collective bargaining agreements expire on the
2 same date.

3 (8) When bargaining units with different bargaining agents must be merged into
4 a single regional school unit-wide bargaining unit pursuant to this subsection, the
5 bargaining agent of the merged bargaining unit must be selected in accordance
6 with Title 26, section 967, except as modified in this subparagraph.

7 (a) A petition for an election to determine the bargaining agent must be filed
8 with the Maine Labor Relations Board by any of the current bargaining
9 agents or the regional school unit.

10 (b) The petition must be filed not more than 90 days prior to the expiration
11 date of the agreement having the latest expiration date among the bargaining
12 units that will be merged into the regional school unit-wide bargaining unit.

13 (c) The election ballot may contain only the names of the bargaining agents
14 of bargaining units that will be merged into the regional school unit-wide
15 bargaining unit and the choice of "no representative," but no other choices.
16 No showing of interest is required from any such bargaining agent other than
17 its current status as representative.

18 (d) The obligation to bargain with existing bargaining agents continues from
19 the operational date until the determination of the bargaining agent of the
20 regional school unit-wide bargaining unit under this subsection; but in no
21 event may any collective bargaining agreement that is executed after the
22 operational date extend beyond the expiration date of the agreement having
23 the latest expiration date among the bargaining units that will be merged into
24 the regional school unit-wide bargaining unit that was in effect on the
25 operational date.

26 (e) The Maine Labor Relations Board shall expedite to the extent practicable
27 all petitions for determination of the bargaining agent in the regional school
28 unit-wide bargaining unit filed pursuant to this subsection.

29 (f) The bargaining units must be merged into a regional school unit-wide
30 bargaining unit as of the date of certification of the results of the election by
31 the Maine Labor Relations Board, or the expiration of the collective
32 bargaining agreements in the unit, whichever occurs later.

33 C. After the merger of bargaining units into a regional school unit-wide bargaining
34 unit, the bargaining agent of a regional school unit-wide bargaining unit and the
35 regional school unit shall engage in collective bargaining for a collective bargaining
36 agreement for the regional school unit-wide bargaining unit. In the collective
37 bargaining agreement for each regional school unit-wide bargaining unit, the
38 employment relations, policies, practices, salaries, wages, hours and working
39 conditions throughout the regional school unit must be made uniform and consistent
40 as soon as practicable.

41 (1) In the event that the parties are unable to agree upon an initial regional school
42 unit-wide collective bargaining agreement, they must use the dispute resolution
43 procedures pursuant to Title 26, section 965 to resolve their differences.

1 **7. Superintendent contracts.** The contracts between the superintendents and school
2 administrative units within the regional school unit are transferred to the regional school
3 unit board of directors. The regional school unit board of directors shall determine the
4 superintendents' duties within the regional school unit.

5 **Sec. A-44. State board rules; construction rating process.** The State Board
6 of Education shall modify the rules establishing the rating process for school construction
7 to include factors relating to a unit's conformity with criteria for an efficient school unit.
8 A school unit that does not comply must receive less favorable consideration in approval
9 and funding of projects.

10 **Sec. A-45. Department to conduct review.** The Department of Education shall
11 conduct a review of unfunded state mandates pertaining to school systems. In conducting
12 its review, the department shall:

13 1. Prepare a comprehensive listing of the state mandates placed on school
14 administrative units;

15 2. Identify for each listed mandate the precise legal origin of the mandate, whether
16 state law or rule or a combination of both, or any originating authority. The department
17 shall also provide notice and analysis of federal mandates that contribute to or conflict
18 with specific state mandates on school administrative units;

19 3. Identify the statewide local government costs of each listed mandate within the
20 limits of practicability; and

21 4. Identify the characteristics of each listed mandate. Identified characteristics may
22 include, but are not limited to, the following:

23 A. Archaic or unnecessary features or features lacking significant public purpose;

24 B. Inadequate funding;

25 C. Disproportionate efforts for the public policy benefit;

26 D. Coordination between federal law and regulation and State law and rule;

27 E. Subjection to excessive administrative oversight; and

28 F. An insufficient structure to predict, measure or control local costs.

29 5. No later than December 15, 2008, the department shall submit a report that
30 includes its findings and recommendations, including suggested legislation, for
31 presentation to the joint standing committee of the Legislature having jurisdiction over
32 education matters. In its proposed implementing language, the department may include
33 proposals to repeal, modify, redesign, effectively coordinate or delay the implementation
34 of any of the listed mandates, as may be appropriate. Following receipt and review of the
35 report, the joint standing committee of the Legislature having jurisdiction over education
36 matters may report out a bill to the First Regular Session of the 124th Legislature.

37 **Sec. A-46. Report; validation referendum review.** The Department of
38 Education shall conduct a review of the results of the validation referendums conducted

1 for the approval of the 2008-2009, 2009-2010 and 2010-2011 school budgets. In
2 conducting its review, the department shall:

3 1. Collect and analyze the results of the referendums from school administrative
4 units;

5 2. Determine the number of school budgets that were approved by the voters with the
6 initial referendum;

7 3. Determine the number of school budgets that were not approved by the voters
8 with the initial referendum;

9 4. For those school budgets that were not approved by the voters with the initial
10 referendum, determine the number of referendums that were required to be held in order
11 to obtain voter approval and the number of school budgets that exceeded the maximum
12 state and local spending target;

13 5. Collect and analyze other information regarding the validation referendum process
14 as deemed pertinent by the department; and

15 6. Report its findings and recommendations, including suggested legislation, to the
16 joint standing committee of the Legislature having jurisdiction over education matters by
17 December 15, 2010. In its recommendations, the department shall include proposals to
18 extend, modify or repeal the current validation referendum process. Following receipt
19 and review of the report, the joint standing committee of the Legislature having
20 jurisdiction over education matters shall report out a bill to the First Regular Session of
21 the 125th Legislature that extends, modifies or repeals the current validation referendum
22 process.

23 **Sec. A-47. Reports; additional necessary implementing legislation.** No
24 later than January 31, 2008, the Commissioner of Education shall submit to the Joint
25 Standing Committee on Education and Cultural Affairs an initial report that contains
26 recommendations and any proposed legislation necessary to fully implement this Part
27 including legislation to convert school administrative districts and community school
28 districts to the regional school unit form of governance on July 1, 2009. Following
29 receipt and review of the initial report, the Joint Standing Committee on Education may
30 submit legislation to the Second Regular Session of the 123rd Legislature. No later than
31 January 31, 2009, the Commissioner of Education shall submit to the joint standing
32 committee of the Legislature having jurisdiction over education matters a final report that
33 contains recommendations and any proposed legislation necessary to fully implement this
34 Part including proposed legislation to repeal the laws governing school administrative
35 districts and community school districts. Following receipt and review of the final report,
36 the joint standing committee of the Legislature having jurisdiction over education matters
37 may submit legislation to the First Regular Session of the 124th Legislature.

**INSERT AS CHAPTER 103-A,
SUBCHAPTER II**

§1461. Formation of a regional school unit

The residents of 2 or more school administrative units may form a regional school unit that is a body politic and corporate by completing the following steps.

1. Notice of intent. Each school administrative unit shall file with the Commissioner of Education a notice of intent to engage in planning and negotiations with other school administrative units for the purpose of developing a reorganization plan to form a regional school unit under this chapter. The Commissioner of Education shall respond to each notice of intent providing information regarding the process and whether the intended action complies with the requirements of this chapter.

2. Reorganization planning committee. The school administrative units that intend to engage in planning and negotiation to create a regional school unit shall form a reorganization planning committee.

A. For each proposed regional school unit, the Commissioner of Education shall provide guidelines for the formation of a reorganization planning committee including representation from the school administrative units included in the notice of intent, member municipalities and members of the general public who are residents of the proposed regional school unit. The guidelines must include roles and responsibilities of the committee, timelines for submission of the plan, the format for reporting the reorganization plan and evaluation criteria for approval of the plan.

B. Reorganization planning committees shall hold one or more public meetings to gather input from community members and to determine the sentiment of the public.

3. Submission of plans. Each school administrative unit shall submit to the Commissioner of Education its proposed reorganization plan for consolidation into a regional school unit that meets the requirements of paragraphs A. and B.

A. Content. A reorganization plan must include:

1. The units of school administration to be included in the proposed reorganized regional school unit;
2. The size, composition and apportionment of the governing body;
3. The method of voting of the governing body;
4. The composition, powers and duties of any local school committees to be created;
5. The disposition of real and personal school property;
6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of section 1506 regarding the disposition of debt obligations;
7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations;
8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes;
9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies;

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan;
11. An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan;
12. An estimate of the cost-savings to be achieved by the formation of a regional school unit and how these savings will be achieved; and.
13. Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary.

B. Parameters. In order for the plan to be approved by the Commissioner, the governing bodies of school administrative units shall work within the following parameters.

1. The proposed regional school unit must serve not fewer than 2,500 students, except where circumstances relating to the following factors justify an exception:
 - (a) Geography, including physical proximity and the size of the current school administrative unit;
 - (b) Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit;
 - (c) Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized;
 - (d) Transportation;
 - (e) Population density; or
 - (f) Other unique circumstances including the need to preserve existing or developing relationships, meet the needs of students, maximize educational opportunities for students and ensure equitable access to rigorous programs for all students.

Where circumstances make a unit of 2,500 students impractical, the unit must serve as close to 2,500 students as possible and in no case, except for coastal islands and schools operated by tribal school committees, may it serve fewer than 1,200 students.

2. The plan must provide comprehensive programming for all students from prekindergarten to grade 12 and must include at least one publicly supported secondary school;
3. The plan must be consistent with the policies set forth in Title 20-A, section 1451; and
4. The plan may not displace teachers or students or close any schools existing and operating during the school year immediately preceding reorganization, except as permitted under section 1512

4. Review and approval of plans. If the Commissioner of Education finds that a plan for reorganization meets the requirements of this chapter, the commissioner shall notify the municipalities and school administrative units and they shall proceed with referendum.

5. Referendum on reorganization plan. The municipal officers of each municipality in a proposed reorganized school administrative unit shall place a warrant article substantially as follows on the ballot of a municipal referendum in accordance with the referendum procedures applicable to the school administrative unit of which the municipality is a member.

"Article: Do you favor approving the school reorganization plan prepared by the (insert name) Reorganization Planning committee to reorganize (insert names of affected school administrative units) into a regional school unit, with an effective date of _____ ?

Yes/No"

The following statement must accompany the article:

"Explanation:

A "YES" vote means that you approve of the (municipality or SAU) joining the proposed regional school unit. The financial penalties under 20-A MRSA Section 15696 to the existing school administrative units will no longer apply to the proposed regional school unit."

6. Results of referendum. Each school administrative unit shall report the results of the referendum to the Department of Education following the referendum election.

A. A reorganization plan is approved by a kindergarten through grade twelve school administrative district or kindergarten through grade twelve community school district if the majority of votes cast in the district are in favor of approval of the plan.

B. A reorganization plan is approved by the member municipalities of a non-kindergarten through grade twelve community school district if the majority of votes cast in the member municipalities are in favor of approval of the plan. Approval results in all member municipalities joining the regional school unit for all purposes for kindergarten through grade twelve.

C. A municipal school unit, including a municipal school unit that is a member of a school union, approves a reorganization plan if the majority of the votes cast in that municipality are in favor of approval of the plan.

D. If a reorganization plan is approved by all of the affected school administrative units, or by the school administrative units considered sufficient under the proposed units' reorganization plan, the Commissioner of Education shall file notice of approval of the unit with the State Board of Education.

7. Certificate of organization. If a plan or revised plan for reorganization has been approved by the Commissioner of Education and approved by voters at the referendum, the State Board of Education shall issue a certificate of organization to the school administrative units that are reorganized into regional school.

8. Transfer of property and assets. The transfer of school property and assets shall be as follows.

A. Board of directors. The directors of the board of each regional school unit established in the Maine Revised Statutes, Title 20-A, chapter 103-A shall determine what school property of the municipal school units in existence prior to operational date of the new regional school unit and of the school administrative units in existence prior to operational date of the new regional school unit is necessary to carry out the functions of the regional school unit and shall request in writing that the board of each such school administrative unit or the municipal officers transfer title of their school property and buildings to the regional school unit board of directors.

B. Transfer. The municipal officers and boards contacted pursuant to subsection 1 shall make the transfer of property and assets notwithstanding any other provision in the charter of the school administrative unit or municipality.

C. Financing assumed debts. A regional school unit shall assume the outstanding indebtedness of a school administrative unit in existence prior to operational date of the new regional school unit for school construction projects approved for subsidy under Title 20-A, chapter 609 and pursuant to section 1506. If a regional school unit board of directors has assumed the outstanding indebtedness of a school administrative unit in existence prior to operational date of the new regional school unit, the directors of the regional school unit

board may, notwithstanding any other statute or any provision of any trust agreement, use any sinking fund or other money set aside by the school administrative unit in existence prior to operational date of the new regional school unit to pay off the indebtedness for which the money was dedicated. A regional school unit board of directors is not required to assume the outstanding indebtedness of a school administrative unit in existence prior to operational date of the new regional school unit in its regional school unit for non-state funded projects pursuant to Title 20-A, section 15905-A and pursuant to section 1481.

9. Operational date and transfer of authority.

A. Operational date. A regional school unit board of directors becomes operational on the date set by the State Board of Education as provided in this chapter.

B. Transfer of governing authority. The regional school unit board of directors, on the date established in paragraph A, shall assume responsibility for the management and control of the public schools and programs within the school administrative units in existence prior to operational date of the new regional school unit that are within the regional school unit. Those school administrative units in existence prior operational date of the new regional school unit, on the date established in subsection 1, have no further responsibility for the operation or control of the public schools and programs within the school administrative unit except those pursuant to section 1481.

C. Transfer of school accounts. Notwithstanding Title 20-A, section 15004 or any charter of a municipal school unit, school administrative district, community school district or regional school unit, the balance remaining in the school accounts of the former municipal school unit, school administrative district, community school district or regional school unit within the new regional school unit must be paid to the treasurer of the new regional school unit and verified through the annual audit process pursuant to Title 20-A, chapter 221, subchapter 2. The balance from each of the former municipal school unit, school administrative district, community school district or regional school unit must be used to reduce that unit's or district's local contribution to the regional school unit. Payment may be made in equal monthly installments during the implementation year.

D. Transfer of teachers and employees. Except as limited by subparagraph 1, all teachers and school employees who are employed by a participating school administrative unit on day prior to the date in section 9 paragraph A must be transferred to and employed by the regional school unit as of the date in section 9 paragraph A. Except as limited by paragraph B, the regional school unit shall assume all of the legal obligations and duties that the participating school administrative units owed to their employees, including but not limited to those obligations and duties arising under federal law, state law, collective bargaining agreements and individual employment contracts. It is the intent of this chapter to neither decrease nor increase the rights and benefits of transferred employees or the employer. The regional school unit shall also maintain and honor any agreements, contracts or policies regarding the rights and benefits of retirees and former employees created by a participating school administrative unit that is dissolved as a result of its inclusion within a regional school unit.

1. Teachers or other employees whose employment terminates by application of law or contract or by action of a participating school administrative unit before to the date in section 9 paragraph A may not be transferred.

2. Teachers and other employees who are transferred to the regional school unit prior to the completion of the applicable probationary period for their position have the length of their probationary period calculated from the date of their most recent date of employment by the participating school administrative unit.

E. Collective bargaining. The following provisions apply:

1. On to the date in section 9 paragraph A, the regional school unit board of directors shall assume all of the obligations, duties, liabilities and rights of the participating school administrative units for all purposes under Title 26, chapter 9-A. The regional school unit is considered a single employer. Notwithstanding any other provision of law, the responsibilities of the regional school unit include:

(a.) Continued recognition of all bargaining agents that represented any bargaining units of employees who were employed by a participating school administrative unit, pending completion of merger proceedings described in this section;

(b.) Assumption and continued observance of all collective bargaining agreements between such bargaining agents and a participating school administrative unit, which agreements continue in effect for the remainder of their unexpired term unless the bargaining agent and regional school unit mutually agree otherwise; and

(c.) Collective bargaining for an initial or successor collective bargaining agreement in any bargaining unit in which a collective bargaining agreement is not in effect on the operational date and for any interim agreement that may be required to align expiration dates in a regional school unit-wide bargaining unit, as described in this subsection.

2. As early as possible after reorganization, all bargaining units must be structured on a regional school unit-wide basis. Bargaining units that existed in the participating school administrative units shall merge in accordance with the procedures and criteria in this section. Merger into regional school unit-wide bargaining units is not subject to approval or disapproval of employees.

(a.) Merger into regional school unit-wide bargaining units must be completed according to the schedule contained in this subsection, and no later than the latest expiration date of any collective bargaining agreement that was in effect on the operational date, which covered any employees in the merged unit.

(b.) There must be one unit of teachers and, to the extent they are currently included in bargaining units, other certified professional employees, excluding principals and other administrators.

(c.) Any additional bargaining units in a regional school unit must be structured as follows:

(i.) In the initial establishment of such units, units must be structured primarily on the basis of the existing pattern of organization, maintaining the grouping of employee classifications into bargaining units that existed prior to the creation of the regional school unit and avoiding conflicts among different bargaining agents to the extent possible.

(ii.) In the event of a dispute regarding the classifications to be included within a regional school unit-wide bargaining unit, the current bargaining agent or agents or the regional school unit may petition the Maine Labor Relations Board to determine the appropriate unit in accordance with this section and Title 26, section 966, subsections 1 and 2.

(d.) When there is the same bargaining agent in all bargaining units that will be merged into a regional school unit-wide bargaining unit, the units must be merged as of the operational date, and the regional school unit shall recognize the bargaining agent as the representative of the merged unit.

(e.) When all bargaining units that will be merged into a regional school unit-wide bargaining unit are represented by separate local affiliates of the same state labor organization, the units must be merged as of the operational date. The identity of the single affiliate that will be designated the bargaining agent for the merged unit must

be selected by the existing bargaining agents and the state labor organization. Upon completion of the merger and designation of the bargaining agent and notification by the state organization to the regional school unit, the regional school unit shall recognize the designated bargaining agent as the representative of employees in the merged unit. If necessary, the parties will then execute a written amendment to any collective bargaining agreement then in effect to change the name of the bargaining agent to reflect the merger.

(f.) Where there are bargaining units that will be merged into a regional school unit-wide bargaining unit in which there are employees who are not represented by any bargaining agent and other employees who are represented either by the same bargaining agent or separate local affiliates of the same state labor organization, the units must be merged as of the operational date as long as a majority of employees who compose the merged unit were represented by the bargaining agent prior to the merger. The procedures for merger of separate local affiliates of the same state labor organization described in subparagraph (e.) must be followed if applicable. If prior to the merger a bargaining agent did not represent a majority of employees who compose the merged unit, a bargaining agent election must be conducted by the Maine Labor Relations Board pursuant to subparagraph (i.).

(h.) When there are unexpired collective bargaining agreements with different expiration dates in the merged bargaining units described in subparagraphs (d.), (e.) and (f.), all contracts must be honored to their expiration dates unless mutually agreed to otherwise by the public employer and the bargaining agent. Collective bargaining agreements must be bargained on an interim basis in any merged bargaining unit so that all collective bargaining agreements expire on the same date.

(i.) When bargaining units with different bargaining agents must be merged into a single regional school unit-wide bargaining unit pursuant to this subsection, the bargaining agent of the merged bargaining unit must be selected in accordance with Title 26, section 967, except as modified in this subsection.

(i.) A petition for an election to determine the bargaining agent must be filed with the Maine Labor Relations Board by any of the current bargaining agents or the regional school unit.

(ii.) The petition must be filed not more than 90 days prior to the expiration date of the agreement having the latest expiration date among the bargaining units that will be merged into the regional school unit-wide bargaining unit.

(iii.) The election ballot may contain only the names of the bargaining agents of bargaining units that will be merged into the regional school unit-wide bargaining unit and the choice of "no representative," but no other choices. No showing of interest is required from any such bargaining agent other than its current status as representative.

(iv.) The obligation to bargain with existing bargaining agents continues from the operational date until the determination of the bargaining agent of the regional school unit-wide bargaining unit under this subsection; but in no event may any collective bargaining agreement that is executed after the operational date extend beyond the expiration date of the agreement having the latest expiration date among the bargaining units that will be merged into the regional school unit-wide bargaining unit that was in effect on the operational date.

(v.) The Maine Labor Relations Board shall expedite to the extent practicable all petitions for determination of the bargaining agent in the regional school unit-wide bargaining unit filed pursuant to this subsection.

(vi.) The bargaining units must be merged into a regional school unit-wide bargaining unit as of the date of certification of the results of the election by the Maine Labor Relations Board, or the expiration of the collective bargaining agreements in the unit, whichever occurs later.

3. (a.) After the merger of bargaining units into a regional school unit-wide bargaining unit, the bargaining agent of a regional school unit-wide bargaining unit and the regional school unit shall engage in collective bargaining for a collective bargaining agreement for the regional school unit-wide bargaining unit. In the collective bargaining agreement for each regional school unit-wide bargaining unit, the employment relations, policies, practices, salaries, wages, hours and working conditions throughout the regional school unit must be made uniform and consistent as soon as practicable.

(b.) In the event that the parties are unable to agree upon an initial regional school unit-wide collective bargaining agreement, they must use the dispute resolution procedures pursuant to Title 26, section 965 to resolve their differences.

G. Superintendent contracts. The contracts between the superintendents and school administrative units within the regional school unit are transferred to the regional school unit board of directors. The regional school unit board of directors shall determine the superintendents' duties within the regional school unit.

§ 1462. Addition of a school administrative unit to an existing regional school unit.

A school administrative unit not originally a member of the regional school unit may be included as follows.

1. Notice of intent. A school administrative unit shall file with the Commissioner of Education:

A. A notice of intent to engage in planning and negotiations to join with a regional school unit under this chapter. The Commissioner of Education shall respond to each notice of intent indicating providing information regarding the process and whether the intended action complies with the requirements of this chapter.

2. Process to join a regional school unit. A school administrative unit may join an existing regional school unit in the same manner required for the formation of a regional school unit under section XXXX except for subsections 5, 6 and 7.

3. Referendum for a school administrative unit to join an existing regional school unit. The municipal officers of each municipality in a proposed reorganized school administrative unit shall place a warrant article substantially as follows on the ballot of a municipal referendum in accordance with the referendum procedures applicable to the school administrative unit of which the municipality is a member.

"Article: Do you favor approving the school reorganization plan prepared by the (insert name) Reorganization Planning committee for school administrative unit (insert names of affected school administrative units) to join the regional school unit (name of regional school unit), with an effective date of _____ ?

Yes/No"

The following statement must accompany the article:

"Explanation:

A "YES" vote means that you approve of the (municipality or SAU) joining the proposed regional school unit. The financial penalties under 20-A MRSA Section 15696 to the existing school administrative units will no longer apply to the proposed regional school unit."

4. Referendum on to admit an additional school administrative unit to an existing regional school unit. If the vote to join a regional school under section 3 was in the affirmative, the existing regional school unit shall call a regional school unit referendum to vote on the following article.

"Article: Do you favor approving the school reorganization plan prepared by the (insert name) Reorganization Planning committee for school administrative unit (insert names of affected school administrative units) to join the regional school unit (name of regional school unit), with an effective date of _____ ?

Yes/No"

The following statement must accompany the article:

"Explanation:

A "YES" vote means that you approve of the (municipality or SAU) joining the proposed regional school unit. The financial penalties under 20-A MRSA Section 15696 to the existing school administrative units will no longer apply to the proposed regional school unit."

5. Results of referendum. Each school administrative unit shall report the results of the referendum to the Department of Education following the referendum election.

A. Results of referendum under section 3.

(1.) A reorganization plan is approved by a kindergarten through grade twelve school administrative district or kindergarten through grade twelve community school district if the majority of votes cast in the district are in favor of approval of the plan.

(2.) A reorganization plan is approved by a regional school unit if the majority of votes cast in the regional school unit are in favor of approval of the plan.

(3.) A reorganization plan is approved by the member municipalities of a non-kindergarten through grade twelve community school district if the majority of votes cast in the member municipalities are in favor of approval of the plan. Approval results in all member municipalities joining the regional school unit for all purposes for kindergarten through grade twelve.

(4.) A municipal school unit, including a municipal school unit that is a member of a school union, approves a reorganization plan if the majority of the votes cast in that municipality are in favor of approval of the plan.

B. Results of referendum under section 4.

(1.) A reorganization plan is approved by regional school unit if the majority of votes cast in the regional school unit are in favor of approval of the plan.

C. Notice of results of referendum.

(1). If a reorganization plan is approved by the affected school administrative units, the Commissioner of Education shall file notice of approval of the unit with the State Board of Education.

6. Amended certificate of organization. If a plan for reorganization has been approved by the Commissioner of Education and approved by voters at the referendum under sections 3 and 4, the Commissioner of Education shall issue an amended certificate of organization to the reorganized into regional school unit.

Adult Education - College Transition prepared by the Maine Department of Education at the request of Representative Sawin Millett

Number of Sites	Cost per program	Total Programming Cost	Administrative Cost*	Total Cost
14	\$30,000	\$420,000	\$100,000	\$520,000
16	\$30,000	\$480,000	\$100,000	\$580,000
18	\$30,000	\$540,000	\$100,000	\$640,000
20	\$30,000	\$600,000	\$100,000	\$700,000

* Administrative costs include: project oversight; professional development; annual conference; evaluation; data collection; travel; phone; postage; technology, and meetings.

Adult Education - College Transition prepared by the Maine Department of Education at the request of Representative Sawin Millett

Administrative Items	Costs
Oversight	\$ 60,000.00
Phone, technology, postage, travel	\$ 2,500.00
Outreach	\$ 2,500.00
Data Collection	\$ 10,000.00
Professional Development	\$ 10,000.00
Annual Conference	\$ 5,000.00
Evaluation	\$ 10,000.00
	\$ 100,000.00

Oversight will be conducted through a contract and will include such tasks as: writing and running an RFP process; selection and training of grant readers; selection and notification of grant awards; assisting in the development of working agreements with the Community Colleges; technical assistance to programs; record keeping; working with data collection staff at both the local adult education program and Community College to ensure that data can be reported; working with the evaluator; coordinating professional development; developing curricula that meets Maine Learning Results and aligns with Community College requirements

Evaluation is necessary to insure that the project is giving us the outcomes we want and to help us develop systems to address any potential deficiencies

Professional development is critical to the success of the project. We need to initially bring teachers, counselors, and administrators up to speed on best practices and then provide on-going training and support to address program needs.

Annual Conference "Bridges to Success" has been conducted in each of the last two years and provides an opportunity for adult education programs and Community Colleges to share ideas and practices.

Data collection is critical if we are going to provide the data to show that this program is successful. The project puts an additional burden on our data collection system and technical assistance budget.

MAINE COMMUNITY COLLEGE SYSTEM

Survey of Maine businesses conducted in 2006 by Maine State Chamber indicated that 55% of its members were having difficulty finding skilled workers.

In 2006, the Governor's Community College Advisory Council reported that, each year for the foreseeable future, the state's economy will be short about 4,200 workers with the skills acquired at the community college level.

455,000 working Maine adults do not have a college degree.
Over a quarter of a million (273,000) have expressed interest in going to college.

Since transition to community college in 2003:

- Enrollment has grown by 47% - 3,560 more students
- State appropriation has increased by only 10.4%
- Place rate of graduates is 95%, with 96% placed in jobs in Maine.

In an April date to date comparison, applications for fall 2007 admission have increased 16% system-wide:

Central Maine Community College – Auburn	9%
Eastern Maine Community College – Bangor	18%
Kennebec Valley Community College – Fairfield	9%
Northern Maine Community College – Presque Isle	6%
Southern Maine Community College – South Portland	22%
Washington County Community College – Calais	36%
York County Community College – Wells	7%

What will \$2 million in each year of the biennium do?

- Allow 500 new students to enroll
- Hire faculty and support staff, in particular in the Admissions and Student Services areas, and purchase of some classroom equipment
- Funding will go to industry areas of highest demand, however, all 7 colleges and regions of the state will benefit based on a review and approval by the MCCS Board of Trustees.
- Programs identified as being at capacity will have priority consideration for addition of sections.
 - Welding
 - Electrical/Electronics Technology
 - Construction – Carpentry and Engineering
 - Lineworker Technology
 - Heating & Air Conditioning
 - Automotive
 - Nursing
 - Medical Assistant
 - Physical Therapy Assistant
 - Medical Radiography
 - Education Technician
 - Plumbing
 - Auto Body Repair
 - Computer Technology
 - Surgical Technology
 - Culinary Arts
 - Child Care Development
 - Machine Tool
 - Respiratory Therapy
 - Cardiovascular Technician
 - Occupational Therapist Assistant
 - Vehicle Maintenance
 - Accounting
 - Computer Aided Drafting/Design

What will less than, or more than, \$2 million in each year of the biennium do?

- For every \$1 million invested, 250 new students can be enrolled




STATE OF MAINE
DEPARTMENT OF EDUCATION
23 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0023

JOHN ELIAS BALDACCI
GOVERNOR

SUSAN A. GENDRON
COMMISSIONER

TO: Senator Rotundo, Chair
Representative Fischer, Chair
and Members of the Joint Standing Committee on Appropriations and Financial
Affairs

FROM: Susan A. Gendron, Commissioner. 

DATE: April 20, 2007

SUBJECT: College Transition Funding

The Maine Department of Education is pleased to respond to your questions regarding the impact of the adjustment in the recommended increase in funding for the College Transition Initiative. The Governor's change package proposes to adjust the increase from \$1,000,000 to \$500,000.

Last year, the Legislature included \$200,000 in the budget to support the College Transition Initiative. With these funds, the Maine Department of Education funded 6 College Transition programs through June 30, 2007.

That \$200,000 continues in the Department's base line budget to support College Transition. The originally proposed appropriation of \$1,000,000 would allow the Maine Department of Education to fund the six programs funded last year and 27 new programs for a total of 33 programs statewide, with at least one program per County. Maine currently has one (1) program funded through a grant from the Betterment Fund through June 30, 2007 and seven (7) Adult Basic Education (ABE) to College Transition programs funded through the Nellie Mae Education Foundation through December 31, 2007. These programs would be encouraged to apply to be one (1) of the 27 programs funded by State dollars.

The adjusted increased appropriation of \$500,000 will allow the Maine Department of Education to fund the six (6) programs funded last year and 14 new College Transition programs, with at least one (1) program per County. I have attached a chart showing where the potential programs would be at the \$1,000,000 level and now at the \$500,000 level. Our staff used Census data to determine a percentage of need in each County. This percentage was used to determine the amount of money available to each County and finally, the number of programs to be funded.

Originally, the Adult Education College Transition plan was to go to 14 sites in FY 08 and FY 09, to 23 sites in 2010, and to 30 sites in 2011. The adjusted increased amount of \$500,000 will get to 20 sites in FY 08 and FY 09, six sites ahead of the original plan. It is my intent to increase the FY 10 and FY 11 biennial budget request by \$500,000 to a total of \$1 million each year to get to 33 sites in 2010, a year ahead of the original plan.

With regard to your question about the impact of Perkins funds for adult education, adult education is no longer an eligible recipient of Carl D. Perkins funds. This change in federal legislation has meant a loss of about \$1.1 million to adult education. In the past couple of years, a number of adult education programs have used their Carl D. Perkins funds, in cooperation with the Community Colleges, to support stand-alone college prep courses. Many of these adult education programs have indicated their intent to apply for College Transition money this year. The College Transition funds will allow them to expand on what they previously supported with Perkins funds to prepare their learners for entrance to Community Colleges.

The Department appreciates your support of Adult Education and your consideration of the need for this adjustment. We remain committed to the Adult Education College Transition program, and we are pleased, as we hope you are, that we are able to remain ahead of the original plan. Our commitment is to stay ahead of target in the next biennium as well.

Enc.

SAG/BD/dcm

College Transition Site Data for Grant Awards FY 08 - FY 09

County Name	Number of grants	Allocation at \$500,000	Number of grants	Allocation at \$ 1 million	Adjustment to \$500,000 means
Androscoggin	1	\$30,000	3	96,000	2 less grants
Aroostook	1	\$30,000	2	64,000	1 less grant
Cumberland	3	\$90,000	6	192,000	3 less grants
Franklin	1	\$30,000	1	32,000	
Hancock	1	\$30,000	1	32,000	
Kennebec	1	\$30,000	3	96,000	2 less grants
Knox	1	\$30,000	1	32,000	
Lincoln	1	\$30,000	1	32,000	
Oxford	1	\$30,000	1	32,000	
Penobscot	2	\$60,000	4	128,000	2 less grants
Piscataquis	1	\$30,000	1	32,000	
Sagadahoc	1	\$30,000	1	32,000	
Somerset	1	\$30,000	1	32,000	
Waldo	1	\$30,000	1	32,000	
Washington	1	\$30,000	1	32,000	
York	2	\$60,000	5	160,000	3 less grants
State totals	20	\$600,000	33	1,056,000	

Minimum grant with \$500,000 allocation = \$30,000
 Minimum grant with \$1,000,000 allocation = \$32,000

TO: Senator Rotundo, Chair
Representative Fischer, Chair
and Members of the Joint Standing Committee on Appropriations and Financial
Affairs

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DATE: April 20, 2007

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MAEA

Maine Adult Education Association

P.O. Box 187

Greenwood, ME 04255

207.875.2722

www.maineadulted.org

maea@megalink.net

April 19, 2007

To: Members of the Appropriations Committee
From: Cathy Newell, Executive Director

RE: Impact of Change Package reduction for Adult Education College Transition

We have had several requests for information on the impact of the proposed reduction from \$1 million to \$500,000 in funding for Adult Education College Transition programs in the change package.

I am attaching a summary of the impact that will result from the reduction. This was developed with the Maine Department of Education.

Please do not hesitate to call or e-mail for further information. Please know how much Maine's adult learners, and those who instruct and support them, appreciate all that you do for our state.

Adult Education College Transition

Impact of the FY 2008-2009 Budget Change Package Reduction

Governor's original Budget \$1,000,000 each year

April Change Package II \$500,000 each year

The goals for this program were proposed by the Maine Compact for Higher Education and accepted by the Maine Legislature with the passage of LD 1785 in 2006, are:

1. establish a network of 30 College Transition programs strategically located around the state to provide access to adults seeking to enter and succeed in college; and
2. increase the number of adults earning college degrees by 10,000 in 10 years.

Program Proposal:

1. A desire for statewide student access led to a plan for 30+ programs with at least one program per county, with additional programs allocated for counties where the population and need (adults without a college degree) were greatest, according to Census data.
2. The proposed formula, based on geography, population and need, allocated an amount of money per county which may be distributed through a grant process by the Maine Department of Education as individual grants of \$32,000 per program per year, or at the discretion of the region, as a collaborative grant, pooling the funds to serve multiple programs.

Rationale for the acceleration to the full 30+ sites in 2007-2008 was the readiness of Maine Adult Education programs to do this work. The history of success of the 7 Nellie Mae funded programs and the 7 state pilots established in 2006, plus the more than 20 MELMAC grants, argued for a quick start-up and faster movement toward 10,000 more Mainers with degrees in 10 years.

Impact of the Change Package Reduction from \$1,000,000 to \$500,000:

1. The number of grants would decrease from 33 to 20, given that both the original allocation and the change package are based on a \$200,000 base in the MDOE budget resulting from the 2006 legislative action, making the actual reduction 42% rather than 50%. The amount per grant would decrease from \$32,000 to \$30,000. To assure geographic distribution, the more populated counties would lose programs. (See accompanying chart).
2. The goal of 10,000 degrees in ten years would remain with full funding, and would decline to slightly more than half the degrees in 10 years with the reduced funding.

County Name

County Name	Number of grants	Allocation at \$500,000	Number of grants	Allocation at \$ 1 million	Reduction to \$500,000 means
Androscoggin	1	\$30,000	3	96,000	loses 2 grants
Aroostook	1	\$30,000	2	64,000	loses 1 grant
Cumberland	3	\$90,000	6	192,000	loses 3 grants
Franklin	1	\$30,000	1	32,000	
Hancock	1	\$30,000	1	32,000	
Kennebec	1	\$30,000	3	96,000	loses 2 grants
Knox	1	\$30,000	1	32,000	
Lincoln	1	\$30,000	1	32,000	
Oxford	1	\$30,000	1	32,000	
Penobscot	2	\$60,000	4	128,000	loses 2 grants
Piscataquis	1	\$30,000	1	32,000	
Sagadahoc	1	\$30,000	1	32,000	
Somerset	1	\$30,000	1	32,000	
Waldo	1	\$30,000	1	32,000	
Washington	1	\$30,000	1	32,000	
York	2	\$60,000	5	160,000	loses 3 grants
State totals	20	\$600,000	33	1,056,000	

Minimum grant with \$500,000 allocation = \$30,000
 Minimum grant with \$1,000,000 allocation = \$32,000

MAINE MARITIME ACADEMY
CASTINE, MAINE 04420
207-326-4311



*cc
all AFA members
9/17*

May 31, 2007

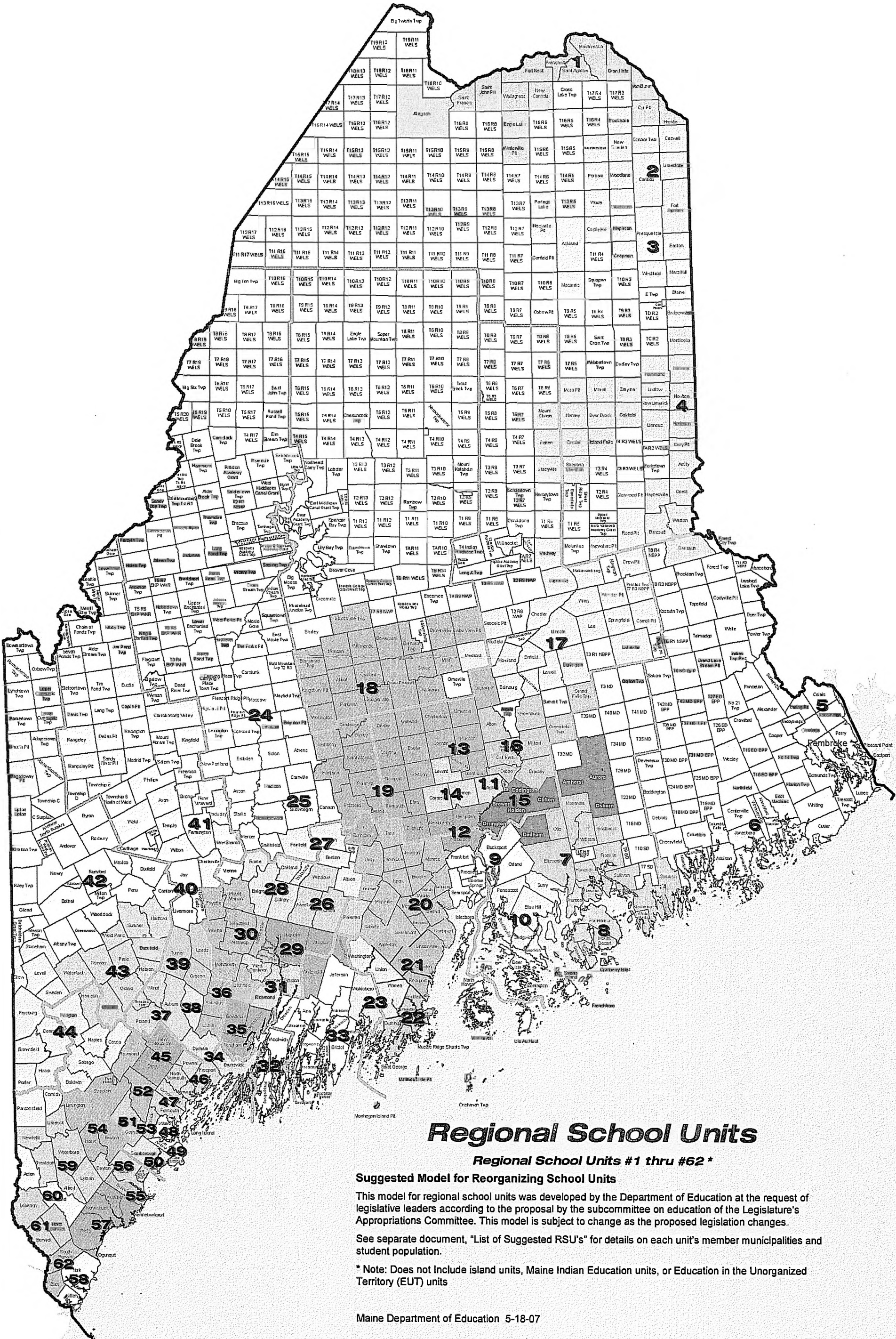
Senator Margaret Rotundo
Representative Jeremy R. Fischer
Via Steve Ball

Dear Senator Rotundo and Representative Fischer:

Maine Maritime Academy is most grateful to you and the members of the Joint Standing Committee on Appropriations and Financial Affairs for facilitating the inclusion of additional resources within the biennial budget to address a number of our high priority, but heretofore deferred, needs.

The \$400,000 allocation will permit us to achieve the following four priorities:

1. Campus-wide Security Enhancements (Estimated cost \$180,000).
Due to events of the recent past, Maine Maritime Academy has been closely reviewing its ability to quickly and effectively respond to emergency situations of all types. Our relatively remote location and the absence of reliable cell phone service in the Castine area make it essential that we develop a capability to communicate with all campus constituencies (students, faculty and staff) in the event of an emergency either within or beyond the campus. These resources will permit the establishment of communications alert access points through the expansion of our wireless network and related infrastructure upgrades.
2. Machine Technology Laboratory Upgrades (Estimated cost \$110,000).
In our hands-on learning environment, it is essential that our students have exposure to and experience with the levels of technology that they will be using in their professional lives after graduation. Currently the Academy has limited computerized machine tool instructional capability to supplement the traditional, manually calibrated, devices that have historically been the norm. These resources will enable the acquisition of a computer-driven lathe/milling machine and related simulator as well as the necessary supporting software to provide our engineering students with this experience.
3. Electrical Laboratory Upgrades (Estimated cost \$80,000).
In its recent re-accreditation report on our engineering programs, the ABET (Accreditation Board for Engineering and Technology) visiting team noted as a



Regional School Units

Regional School Units #1 thru #62 *

Suggested Model for Reorganizing School Units

This model for regional school units was developed by the Department of Education at the request of legislative leaders according to the proposal by the subcommittee on education of the Legislature's Appropriations Committee. This model is subject to change as the proposed legislation changes.

See separate document, "List of Suggested RSU's" for details on each unit's member municipalities and student population.

* Note: Does not include island units, Maine Indian Education units, or Education in the Unorganized Territory (EUT) units

Sen Margaret Rotundo

School Union #60

PO Box 100

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O.F.P.R.

207.695.3708 Fax: 207.695.3709

Heather Perry, Superintendent

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Shawna M. Morrill, Adm. Secretary
Vera A. Davis, Bookkeeper/Adm. Asst.
Darralyn Gauvin, Accts. Payable Clerk

Greenville
Shirley
Beaver Cove
Willimantic
Kingsbury Plantation

April 10^h, 2007

To: Governor John Baldacci

From: Heather Perry, Superintendent of Schools

Re: **EPS funding formula impacts and requests for assistance**

Cc: Commissioner Gendron, Jim Rier, Sen. Doug Smith, Representative Earl Richardson, Honorable members of the Education and Cultural Affairs Committee and Honorable members of the Appropriations Committee as well as Honorable members of the State Board of Education

Dear Governor Baldacci,

Just recently, I received the draft numbers showing the two possible EPS funding amounts labeled as "Scenario A" and "Scenario B" for the 2007-2008 Fiscal Year. In looking at the numbers, our school committee came to the succinct and unanimous conclusion that **the EPS funding model does not adequately fund our small, rural school system for various reasons that are outlined below:**

1. Total EPS total allocation under both scenarios proposed (at 95% EPS) was \$1,946,796.00. This is supposed to be the amount that EPS determines we should be able to run our entire school system on. Our ACTUAL projected expenditures equal \$3,422,495.00. The difference between what EPS says we should be able to run our school system on and what it ACTUALLY REQUIRES is a whopping \$1,475,699.43. In essence, the EPS funding formula is only accounting for just over HALF of our actual expenditures!

Why is this?

- The Greenville School System has a low student enrollment of approximately 255 K-12 students, so we **DO NOT MEET THE RATIOS**. We do NOT, however, operate a lavish school system. We have 1 teacher per classroom at the K-5 level, we share teachers between our middle school and high school, and we have specialist positions such as art, music, and PE that are shared positions across K-12. We also have 1 principal for 2 buildings and a Superintendent of Schools position that also is the Special Education Coordinator, NCLB coordinator, and G & T coordinator. Administration accounts for LESS THAN 10% of the total budget.
- **The Greenville School System is an ISOLATED school system** therefore we **CAN NOT** meet the ratios.
- The Greenville School System is **located within a .95 Regional Salary Cost Index area**, therefore we are only getting 95% of a "whole" teaching salary as defined by the EPS matrix.

- We pay our teachers ABOVE the EPS salary matrix because we have to in order to attract well-qualified professionals.
- We provide for benefits ABOVE the EPS matrix because we have to in order to attract well-qualified professionals.
- We have fixed costs for the operation of 3 buildings (heat, electric, etc). We have applied for capitol improvement monies through the state to consolidate our 3 buildings into 1 building, but have been denied.
- We have fixed costs for the operation of our LIMITED athletic programs that go above EPS amounts per student due to our small enrollment.
- We expend more than EPS amounts on Professional development due to the distances we must travel, and our competitive contract. This competitive contract is required in order to retain and attract high quality teachers to our isolated area.

2. **The EPS valuation computation is unfairly asking our local taxpayers to pay the majority of School-related costs.** Our valuation jumped by 24% in just this past year alone. The previous year's valuation jump was similar and we are anticipating another large valuation jump for next year (08-09). Our town is PROPERTY RICH ON PAPER, however in reality, we are the fourth largest town in Piscataquis County that according to the most recent census figures has the lowest per capita income as any county East of the Mississippi River! Our Free and Reduced lunch rate is hovering around 50%. **There is a large difference between what our property values are and the ability of our local taxpayers to "foot the bill" for education costs as the EPS valuation calculation requires them to do.**

So what does this look like in real numbers?

* 06-07 State subsidy amount =	\$449,571.89
* 07-08 State subsidy amount =	\$253,229.79 (Scenario B)
Difference of:	(163,181.06)
* 06-07 Required local share =	\$1,450,080.00
* 07-08 Required local share =	\$1,693,567.31 (Scenario B)
Difference of locals paying	+\$210,326.27
* 06-07 Transitional monies =	\$91,583.82
* 07-08 Transitional monies =	\$0.00
Difference to local taxpayers	(\$91,583.82)

If you take the numbers provided above, and add them all together, this is a **NEGATIVE DIFFERENCE TO LOCAL TAXPAYERS OF: (\$531,413.23) IN JUST ONE YEAR** or approximately 16 percent of our total budget lost in one year! Unfortunately, EPS will more than likely **REPEAT** these losses again next year for the Greenville Schools, forcing us to become minimal receivers by the 08-09 Fiscal Year.

Miraculously enough, the Greenville Schools have worked hard to keep our expenditures down over the past few years. In an age of increasing prices for EVERYTHING, **we have managed to keep our expenditure budgets UNDER 2% increases over the past 4 years.** We have cut a total of 6 different positions over the past 4 years, and plan on continuing to do what is necessary to maintain our small

Schools as efficiently as possible while NOT negatively impacting the education of our students. Even BEFORE your proposal for regionalization, we have been working closely with area school systems in the Somerset region to collaborate and save monies for our system. We plan upon continuing in this pursuit well into the future in an effort to make our schools as efficient as possible, while not jeopardizing their remaining open to educate our children in this isolated area of rural Maine.

We believe strongly that the Greenville Schools are a vital part of our small community and that if they were to close, it would spell economic disaster for our Town. The citizens of Greenville value their school system greatly, and have shown that they do each year when they vote to expend monies above the EPS allocation. We believe that they will continue to do so, however, the amounts of money that are being asked of our local taxpayers is increasing exponentially **due to the negative impacts of the EPS funding formula**, which threatens the education of our children in this area.

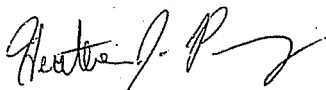
There is no question that the Greenville Schools offer an excellent education to our children. Graduates of GHS have gone on to attend some of the most prestigious universities in the country. Last year's SAT results were among the best in the state, we have never been identified as not meeting AYP standards, and the list goes on and on.

I would ask that you allow us to continue to provide an excellent education for the students of this area by providing the possibility of the following:

- Transitional monies for the 07-08 Fiscal Year at or above the 06-07 amounts.
- Increasing the Regional Salary Cost Index for our region from .95 to 1.0.
- Continuing the Isolated School Amounts provided as part of EPS, and possible consideration of increasing those rates.
- Research the viability of adding a variation to the EPS funding formula that looks at an income figure based upon most recent census information.
- Research the viability of creating a "ceiling" and a "floor" for small rural school units with decreasing student enrollment.
- Providing maneuverability and flexibility for Isolated Small Schools in regards to consolidation, collaboration, and regionalization initiatives.
- Providing assistance regarding capital improvement applications for the Greenville School System that would allow consolidation of what is currently 3 buildings into just 1.

I would like to thank you for your time in reading this letter and considering our unique situation regarding school funding. I would also encourage any recipients of this letter to contact me with follow up questions or comments using the information provided above. We are very willing to maneuver our school system into the future, providing of course that the EPS formula and the proposed changes regarding regionalization allow us to have such a future.

Thank you,



Heather J. Perry,
Superintendent of Schools

LD 499

Sen Margaret Rotundo

School Union #60

PO Box 100

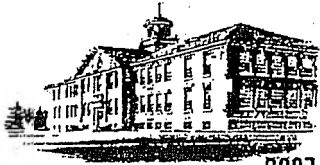
144 Pritham Avenue

Greenville, ME 04441

Tele: 207.695.3708 Fax: 207.695.3709

Heather Perry, Superintendent

email: hperry@ghslakers.org



O.F.P.R.

2007 APR 26 AM 8:09



Shawna M. Morrill, Adm. Secretary
Vera A. Davis, Bookkeeper/Adm. Asst.
Darralyn Gauvin, Accts. Payable Clerk

Greenville
Shirley
Beaver Cove
Willimantic
Kingsbury Plantation

COPY

April 27th, 2007

To: Governor John Baldacci

From: Greenville School Committee

Re: **EPS funding formula impacts and requests for assistance**

Cc: Commissioner Gendron, Jim Rier, Honorable members of the Education and Cultural Affairs Committee and Honorable members of the Appropriations Committee as well as Honorable members of the State Board of Education, Senator Doug Smith, and Representative Earl Richardson.

Dear Governor Baldacci,

Just recently, our School Committee received the draft numbers showing the two possible EPS funding amounts labeled as "Scenario A" and "Scenario B" for the 2007-2008 Fiscal Year. In looking at the numbers, our school committee came to the succinct and unanimous conclusion that **the EPS funding model does not adequately fund our small, rural school system for various reasons that are outlined below:**

1. Total EPS total allocation under both scenarios proposed (at 95% EPS) was \$1,946,797.10. This is supposed to be the amount that EPS determines we should be able to run our entire school system on. Our ACTUAL projected expenditures equal \$3,415,851.70. The difference between what EPS says we should be able to run our school system on and what it ACTUALLY REQUIRES is a whopping \$1,469,054.60. In essence, the EPS funding formula is only accounting for just over HALF of our actual expenditures!

Why is this?

- The Greenville School System has a low student enrollment of approximately 255 K-12 students, so we **DO NOT MEET THE RATIOS**. We do NOT, however, operate a lavish school system. We have 1 teacher per classroom at the K-5 level, we share teachers between our middle school and high school, and we have specialist positions such as art, music, and PE that are shared positions across K-12. We also have 1 principal for 2 buildings and a Superintendent of Schools position that also is the Special Education Coordinator, NCLB coordinator, and G & T coordinator. Administration accounts for LESS THAN 10% of the total budget.
- **The Greenville School System is an ISOLATED school system** therefore we **CAN NOT** meet the ratios.
- The Greenville School System is **located within a .95 Regional Salary Cost Index area**, therefore we are only getting 95% of a "whole" teaching salary as defined by the EPS matrix.

- We pay our teachers ABOVE the EPS salary matrix because we have to in order to attract well-qualified professionals.
- We provide for benefits ABOVE the EPS matrix because we have to in order to attract well-qualified professionals.
- We have fixed costs for the operation of 3 buildings (heat, electric, etc). We have applied for capitol improvement monies through the state to consolidate our 3 buildings into 1 building, but have been denied.
- We have fixed costs for the operation of our LIMITED athletic programs that go above EPS amounts per student due to our small enrollment.
- We expend more than EPS amounts on Professional development due to the distances we must travel, and our competitive contract. This competitive contract is required in order to retain and attract high quality teachers to our isolated area.

2. **The EPS valuation computation is unfairly asking our local taxpayers to pay the majority of School-related costs.** Our valuation jumped by 24% in just this past year alone. The previous year's valuation jump was similar and we are anticipating another large valuation jump for next year (08-09). Our town is PROPERTY RICH ON PAPER, however in reality, we are the fourth largest town in Piscataquis County that according to the most recent census figures has the lowest per capita income as any county East of the Mississippi River! Our Free and Reduced lunch rate is hovering around 50%. **There is a large difference between what our property values are and the ability of our local taxpayers to "foot the bill" for education costs as the EPS valuation calculation requires them to do.**

So what does this look like in real numbers?

* 06-07 State subsidy amount =	\$449,571.89
* 07-08 State subsidy amount =	\$253,229.79 (Scenario B)

Difference to local taxpayers of: (163,181.06)

* 06-07 Required local share =	\$1,450,080.00
* 07-08 Required local share =	\$1,693,567.31 (Scenario B)

Difference to local taxpayers of: +\$210,326.27

(Our school system did receive \$91,583.82 in transitional monies during the 06-07 school year, and we are projected to receive \$107,149.70 during the 07-08 school year. This money is "transitional" however, and cannot be counted on continuing).

If you take the numbers provided above, and add them all together, this is a **NEGATIVE DIFFERENCE TO LOCAL TAXPAYERS OF: (\$373,507.33) IN JUST ONE YEAR** or approximately 11 percent of our total budget lost in one year! Unfortunately, EPS will more than likely REPEAT these losses again next year for the Greenville Schools, forcing us to bear the burden of educating our students entirely on the backs of our local taxpayers.

Miraculously enough, the Greenville Schools have worked hard to keep our expenditures down over the past few years. In an age of increasing prices for EVERYTHING, **we have managed to keep our expenditure budgets UNDER 1.5% increases over the past 4 years.** We have cut a total of 6 different positions over the past 4 years, and plan on continuing to do what is necessary to maintain our small Schools as efficiently as possible while NOT negatively impacting the education of our students.

Even BEFORE the myriad of proposals for regionalization, we have been working closely with area school systems in the Somerset region to collaborate and save monies for our system. We plan upon continuing in this pursuit well into the future in an effort to make our schools as efficient as possible, while not jeopardizing their remaining open to educate our children in this isolated area of rural Maine.

We believe strongly that the Greenville Schools are a vital part of our small community and that **if they were to close, it would spell economic disaster for our Town.** The citizens of Greenville value their school system greatly, and have shown that they do each year when they vote to expend monies above the EPS allocation. We believe that they will continue to do so, however, the amounts of money that are being asked of our local taxpayers is increasing exponentially **due to the negative impacts of the EPS funding formula**, which threatens the education of our children in this area.

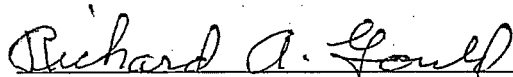
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We ask that you allow us to continue to provide an excellent education for the students of this area by providing the possibility of the following:

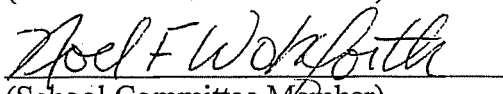
- Continued provisions for Transitional monies for future years, or an addition to the allocation for isolated school units as part of the EPS formula.
- Increasing the Regional Salary Cost Index for our region from .95 to 1.0.
- Research the viability of adding a variation to the EPS funding formula that looks at an income figure based upon most recent census information.
- Research the viability of creating a "ceiling" and a "floor" for small rural school units with decreasing student enrollment.
- Providing maneuverability and flexibility for Isolated Small Schools in regards to consolidation, collaboration, and regionalization initiatives.
- Providing assistance regarding capital improvement applications for the Greenville School System that would allow consolidation of what is currently 3 buildings into just 1.

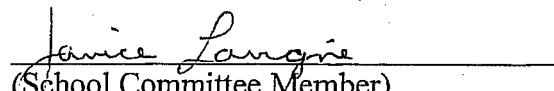
We would like to thank you for your time in reading this letter and considering our unique situation regarding school funding. We would also encourage any recipients of this letter to contact us with follow up questions or comments using the information provided above. We are very willing to maneuver our school system into the future, providing of course that the EPS formula and the proposed changes regarding regionalization allow us to have such a future.

Thank you,

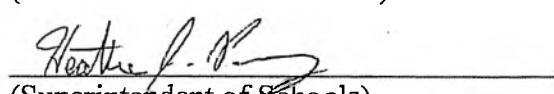

Richard A. Gould
(School Committee Chair)


Rita B. Johnson
(School Committee Member)


Joel F. Workwith
(School Committee Member)


Jamie Langrie
(School Committee Member)


Bruce Reed
(School Committee Member)


Heather F. King
(Superintendent of Schools)

nea

MAINE EDUCATION ASSOCIATION

MEA

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Mark L. Gray, Ext. 303 *Executive Director*

Christopher J. Galgay, Ext. 320 *President*
Lois Kilby-Chesley *Vice President*
Joyce A. Blakney *Treasurer*
Crystal D. Ward *NEA Director*
Grace E. Leavitt *NEA Director*

Senator Rotundo, Representative Fischer, members of the Appropriations Committee, Senator Bowman, Representative Norton, members of the Education and Cultural Affairs Committee. My name is Chris Galgay and I am presently serving as President of the Maine Education Association.

On behalf of the 25,000 members of the Maine Education Association, I am speaking in support of the Governor's budget to increase General Purpose Aid (GPA) to 55% by the second year of the biennial budget. As you know, MEA worked with the Maine Municipal Association to gain the public support necessary to pass "Question 1" in June of 2004. LD1 was then passed in January of 2005 and the four-year phase-in to 55% became the answer to the June referendum. The four-year phase-in was the practical political answer to the people's vote but clearly did not satisfy the property taxpayers' need for relief. We will continue to debate whether taxpayers would have seen immediate relief if "Question 1" was implemented in a one or two year schedule.

The MEA does want to express serious concerns over a growing trend of funding, once separate programs that are now being funded as part of General Purpose Aid for Local Schools. Examples of this are Jobs for Maine Grads, the Magnet school in Limestone, and Baxter School for the Deaf. The additions of these schools and programs will shortchange GPA by over 18 million dollars over

the next two years. One of the principles of the Essential Programs and Services model was that the funding formula was established to deliver the necessary monies for implementation of Maine's Learning Results. We believe the Governor and the Legislature need to avoid tampering with a formula that is only two years old.

We appreciate the Governor stepping up to the plate to complete the funding of the 55% state share and we hope that the Legislature will agree. We also hope that the Legislature will agree to the funding General Purpose Aid without the additional add-ons which set a bad precedent for additional stand-alone programs to be added in the future.

PART MM

Sec. MM-1. 20-A MRSA §1, sub-§3, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

3. Board of directors. "Board of directors" means the governing body with statutory powers and duties for a school administrative district unit.

Sec. MM-2. 20-A MRSA §1, sub-§5, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

5. Community school district. "Community school district" means a state-approved unit of school administration composed of more than one municipality or school administrative district which that may provide public education for any combination of kindergarten ~~through~~ to grade 12. This subsection is repealed June 30, 2008.

Sec. MM-3. 20-A MRSA §1, sub-§6, as corrected by RR 1991, c. 2, §53 and amended by PL 2003, c. 545, §5, is further amended to read:

6. Cooperative board. "Cooperative board" means the governing body with statutory powers and duties for a career and technical education region. This subsection is repealed June 30, 2008.

Sec. MM-4. 20-A MRSA §1, sub-§8, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

8. District board of trustees. "District board of trustees" means a body with statutory powers and duties for a community school district. This subsection is repealed June 30, 2008.

Sec. MM-5. 20-A MRSA §1, sub-§9, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

9. District school committee. "District school committee" means the governing body with statutory powers and duties for a community school district. This subsection is repealed June 30, 2008.

Sec. MM-6. 20-A MRSA §1, sub-§14, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

14. Joint committee. "Joint committee" means the governing body with statutory powers and duties for implementing a contract for secondary education under chapter 115. This subsection is repealed June 30, 2008.

Sec. MM-7. 20-A MRSA §1, sub-§19, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

19. Municipal school unit. "Municipal school unit" means a state-approved unit of school administration composed of a single municipality. This subsection is repealed June 30, 2008.

Sec. MM-8. 20-A MRSA §1, sub-§24-B is enacted to read:

24-B. Region. "Region" means a regional learning community as set forth in chapter 103-A.

Sec. MM-9. 20-A MRSA §1, sub-§24-C is enacted to read:

24-C. Regional learning community. "Regional learning community" means a state-approved school administrative unit.

Sec. MM-10. 20-A MRSA §1, sub-§24-D is enacted to read:

24-D. Regional learning community board. "Regional learning community board" means the governing body with statutory powers and duties for a regional learning community.

Sec. MM-11. 20-A MRSA §1, sub-§25, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

25. School administrative district. "School administrative district" means a state-approved unit of school administration, composed of one or more municipalities ~~which~~ that must provide public education to all public school students in the district. This subsection is repealed June 30, 2008.

Sec. MM-12. 20-A MRSA §1, sub-§26, as corrected by RR 1993, c. 1, §44 and amended by PL 2003, c. 545, §5, is further amended to read:

26. School administrative unit. Until June 30, 2008, "School ~~school~~ administrative unit" means the state-approved unit of school administration and includes a municipal school unit, school administrative district, community school district or any other municipal or quasi-municipal corporation responsible for operating or constructing public schools, except that it does not include a career and technical education region. Beginning July 1, 2008, "school administrative unit" means a regional learning community as established in chapter 103-A.

Sec. MM-13. 20-A MRSA §1, sub-§29, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

29. School committee. "School committee" means the governing body with statutory powers and duties for a municipal school unit. This subsection is repealed June 30, 2008.

Sec. MM-14. 20-A MRSA §1, sub-§31, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

31. School union. "School union" means a union composed of school administrative units joined for the purpose of providing joint administrative services, including a joint superintendent. This subsection is repealed June 30, 2008.

Sec. MM-15. 20-A MRSA §1, sub-§34, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

34. Special school district. "Special school district" means a school district created by private and special law for the purpose of constructing or adding to school buildings, but ~~which~~ that does not have the authority or responsibility for operating public schools. This subsection is repealed June 30, 2008.

Sec. MM-16. 20-A MRSA §1, sub-§39, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

39. Superintendent. ~~"Superintendent"~~ Until June 30, 2008, "superintendent" means the person in a school administrative unit or school union appointed and having the authority and responsibility under this Title and other applicable statutes. Beginning July 1, 2008, "superintendent" means the person in a regional learning community appointed and having the authority and responsibility under this Title and other applicable statutes.

Sec. MM-17. 20-A MRSA §1, sub-§40, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

40. Union committee. "Union committee" means the governing body with statutory powers and duties for a school union. This subsection is repealed June 30, 2008.

Sec. MM-18. 20-A MRSA §1, sub-§41, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

41. **Union school.** "Union school" means a school operated by adjoining municipal school units under a joint agreement. This subsection is repealed June 30, 2008.

Sec. MM-19. 20-A MRSA §1, sub-§44, as corrected by RR 1991, c. 2, §56 and amended by PL 2003, c. 545, §5, is further amended to read:

44. **Career and technical education region.** "Career and technical education region" is defined in section 8301-A, subsection 6. This subsection is repealed June 30, 2008.

Sec. MM-20. 20-A MRSA c. 103, as amended, is repealed.

Sec. MM-21. 20-A MRSA c. 103-A is enacted to read:

CHAPTER 103-A

REGIONAL LEARNING COMMUNITIES

§1451. Organization of regional learning communities

It is declared the policy of the State to encourage the development of regional learning communities of sufficient size to provide:

1. Opportunity. Equitable educational opportunity for all students to demonstrate achievement of the content standards of the State's system of learning results established in section 6209;

2. Programs. Rigorous academic programs that meet the requirements of the system of learning results established in section 6209 and that prepare Maine students for college, careers and citizenship;

3. Tax rates. A greater uniformity of school tax rates; and

4. Public funds. A more effective use of the public funds expended for the support of public schools by means of:

A. The creation of regional learning communities; and

B. Administrative structures and efficiencies that permit the organized and regular delivery of uniform state-sponsored professional development programs to promote coherence and consistency in the understanding and application of the State's standards-based system for continuous improvement in student achievement.

§1452. Establishment of regional learning communities by region

Each regional learning community shall provide educational services, including services to children with disabilities from birth to under 6 years of age and career and technical education, in accordance with this Title, and shall develop and implement policies that encourage collaboration in administration, professional development, educational programming and the sharing of community resources for the continuous improvement of student achievement and the preparation of the students in each regional learning community for college, careers and citizenship. The regional learning communities have boundaries as follows.

1. Regional Learning Community 1. Regional Learning Community 1 includes Allagash, Cyr Plantation, Eagle Lake, Fort Kent, Frenchville, Grand Isle, Hamlin, Madawaska, New Canada, Saint Agatha, Saint Francis Plantation, Saint John Plantation, Van Buren, Wallagrass Plantation and Winterville Plantation.

2. Regional Learning Community 2. Regional Learning Community 2 includes Caribou, Caswell, Fort Fairfield, Limestone, New Sweden, Perham, Stockholm, Wade, Washburn, Westmanland and Woodland.

3. Regional Learning Community 3. Regional Learning Community 3 includes Ashland, Blaine, Bridgewater, Castle Hill, Chapman, Easton, Garfield Plantation, Mapleton, Mars Hill, Masardis, Nashville Plantation, Oxbow Plantation, Portage Lake, Presque Isle and Westfield.

4. Regional Learning Community 4. Regional Learning Community 4 includes Amity, Bancroft, Cary Plantation, Crystal, Danforth, Dyer Brook, Hammond, Haynesville, Hersey, Hodgdon, Houlton, Island Falls, Linneus, Littleton, Ludlow, Merrill, Monticello, Moro Plantation, Mount Chase, New Limerick, Oakfield, Orient, Patten, Sherman, Smyrna, Stacyville and Weston.

5. Regional Learning Community 5. Regional Learning Community 5 includes Alexander, Baileyville, Baring Plantation, Calais, Charlotte, Cooper, Crawford, Dennysville, Eastport, Grand Lake Stream Plantation, Indian Township Reservation, Meddybemps, Pembroke, Perry, Pleasant Point, Princeton, Robbinston, Talmadge and Waite.

6. Regional Learning Community 6. Regional Learning Community 6 includes Addison, Beals, Beddington, Cherryfield, Columbia, Columbia Falls, Cutler, Deblois, East Machias, Harrington, Jonesboro, Jonesport, Lubec, Machias, Machiasport, Marshfield, Milbridge, Northfield, Roque Bluffs, Wesley, Whiting and Whitneyville.

7. Regional Learning Community 7. Regional Learning Community 7 includes Bar Harbor, Blue Hill, Brooklin, Brooksville, Bucksport, Castine, Cranberry Isles, Deer Isle, Eastbrook, Ellsworth, Franklin, Frenchboro, Gouldsboro, Hancock, Isle Au Haut, Lamoine, Mariaville, Mount Desert, Orland, Otis, Penobscot, Prospect, Sedgwick, Sorrento, Southwest Harbor, Steuben, Stonington, Sullivan, Surry, Swans Island, Tremont, Trenton, Verona, Waltham and Winter Harbor.

8. Regional Learning Community 8. Regional Learning Community 8 includes Alton, Amherst, Aurora, Bangor, Bradford, Bradley, Brewer, Carmel, Clifton, Corinth, Dedham, Eddington, Glenburn, Great Pond, Greenbush, Hampden, Hermon, Holden, Hudson, Indian Island, Kenduskeag, Levant, Milford, Newburgh, Old Town, Orono, Orrington, Osborn, Stetson, Veazie and Winterport.

9. Regional Learning Community 9. Regional Learning Community 9 includes Burlington, Carroll Plantation, Chester, Codyville Plantation, Drew Plantation, East Millinocket, Edinburg, Enfield, Glenwood Plantation, Howland, Lakeville, Lee, Lincoln, Lowell, Macwahoc Plantation, Mattawamkeag, Maxfield, Medford, Medway, Millinocket, Passadumkeag, Reed Plantation, Seboeis Plantation, Springfield, Topsfield, Vanceboro, Webster Plantation, Winn and Woodville.

10. Regional Learning Community 10. Regional Learning Community 10 includes Abbot, Atkinson, Beaver Cove, Bowerbank, Brownville, Cambridge, Charleston, Corinna, Dexter, Dixmont, Dover-Foxcroft, Etna, Exeter, Garland, Greenville, Guilford, Harmony, Hartland, Kingsbury Plantation, Lagrange, Lake View Plantation, Milo, Monson, Newport, Palmyra, Parkman, Plymouth, Ripley, Saint Albans, Sangerville, Sebec, Shirley, Wellington and Willimantic.

11. Regional Learning Community 11. Regional Learning Community 11 includes Belfast, Belmont, Brooks, Frankfort, Freedom, Jackson, Knox, Liberty, Monroe, Montville, Morrill, Northport, Searsmont, Searsport, Stockton Springs, Swanville, Thorndike, Troy, Unity and Waldo.

12. Regional Learning Community 12. Regional Learning Community 12 includes Appleton, Camden, Cushing, Friendship, Hope, Islesboro, Lincolnville, Matinicus Isle Plantation, Monhegan Plantation, North Haven, Owls Head, Rockland, Rockport, Saint George, South Thomaston, Thomaston, Union, Vinalhaven, Waldoboro, Warren and Washington.

13. Regional Learning Community 13. Regional Learning Community 13 includes Anson, Athens, Bingham, Brighton Plantation, Burnham, Canaan, Caratunk, Cornville, Dennistown Plantation, Detroit, Embden, Highland Plantation, Jackman, Madison, Mercer, Moose River, Moscow, New Portland, Norridgewock, Pittsfield, Pleasant Ridge Plantation, Skowhegan, Smithfield, Solon, Starks, The Forks Plantation and West Forks Plantation.

14. Regional Learning Community 14. Regional Learning Community 14 includes Albion, Belgrade, Benton, Clinton, Fairfield, Oakland, Rome, Sidney, Waterville and Winslow.

15. Regional Learning Community 15. Regional Learning Community 15 includes Augusta, Chelsea, China, Farmingdale, Fayette, Gardiner, Hallowell, Jefferson, Manchester, Monmouth, Mount Vernon, Palermo, Pittston, Randolph, Readfield, Richmond, Somerville, Vassalboro, Wayne, West Gardiner, Whitefield, Windsor and Winthrop.

16. Regional Learning Community 16. Regional Learning Community 16 includes Alna, Arrowsic, Bath, Boothbay, Boothbay Harbor, Bremen, Bristol, Damariscotta, Dresden, Edgecomb, Georgetown, Newcastle, Nobleboro, Phippsburg, South Bristol, Southport, West Bath, Westport Island, Wiscasset and Woolwich.

17. Regional Learning Community 17. Regional Learning Community 17 includes Bowdoin, Bowdoinham, Brunswick, Durham, Freeport, Harpswell, Pownal and Topsham.

18. Regional Learning Community 18. Regional Learning Community 18 includes Auburn, Greene, Leeds, Lewiston, Lisbon, Litchfield, Mechanic Falls, Minot, Poland, Sabattus, Turner and Wales.

19. Regional Learning Community 19. Regional Learning Community 19 includes Avon, Carrabassett Valley, Chesterville, Coplin Plantation, Dallas Plantation, Eustis, Farmington, Industry, Jay, Kingfield, Lincoln Plantation, Livermore, Livermore Falls, Magalloway Plantation, New Sharon, New Vineyard, Phillips, Rangeley, Rangeley Plantation, Sandy River Plantation, Strong, Temple, Vienna, Weld and Wilton.

20. Regional Learning Community 20. Regional Learning Community 20 includes Andover, Bethel, Byron, Canton, Carthage, Dixfield, Gilead, Greenwood, Hanover, Mexico, Newry, Peru, Roxbury, Rumford, Upton and Woodstock.

21. Regional Learning Community 21. Regional Learning Community 21 includes Buckfield, Harrison, Hartford, Hebron, Norway, Otisfield, Oxford, Paris, Sumner, Waterford and West Paris.

22. Regional Learning Community 22. Regional Learning Community 22 includes Baldwin, Bridgton, Brownfield, Casco, Cornish, Denmark, Fryeburg, Hiram, Lovell, Naples, Parsonsfield, Porter, Sebago, Stoneham, Stow and Sweden.

23. Regional Learning Community 23. Regional Learning Community 23 includes Cape Elizabeth, Chebeague Island, Cumberland, Falmouth, Gray, Long Island, New Gloucester, North Yarmouth, Portland, South Portland and Yarmouth.

24. Regional Learning Community 24. Regional Learning Community 24 includes Buxton, Frye Island, Gorham, Hollis, Limington, Raymond, Scarborough, Standish, Westbrook and Windham.

25. Regional Learning Community 25. Regional Learning Community 25 includes Arundel, Biddeford, Dayton, Kennebunk, Kennebunkport, Old Orchard Beach and Saco.

26. Regional Learning Community 26. Regional Learning Community 26 includes Acton, Alfred, Berwick, Eliot, Kittery, Lebanon, Limerick, Lyman, Newfield, North Berwick, Ogunquit, Sanford, Shapleigh, South Berwick, Waterboro, Wells and York.

§1453. Application of general law

Schools operated by the regional learning communities established in accordance with this chapter are the official schools of the participating municipalities. The provisions of general law relating to public education apply to these schools. State funds for public schools, for programs for children with disabilities from birth to under 6 years of age and for career and technical education must be paid directly to the treasurer of a regional learning community.

§1454. Regional learning community board of directors

Regional learning community boards of directors must be established as follows.

1. Size. The size of each regional learning community board of directors must be determined by a joint meeting of all the municipalities within the regional learning community, but may not consist of fewer than 5 or more than 15 members. Each regional learning community board of directors must include at least one director from each municipality or subdistrict.

2. Term of office. In municipalities with annual elections, directors serve 3-year terms. In municipalities with biennial elections, directors serve 4-year terms. A director serves until a successor is elected and qualified.

3. Compensation. Compensation for attendance at a regional learning community board meeting must be between \$10 and \$25 per meeting. Whenever the directors recommend to increase their compensation, they shall submit their recommendation to the voters in the regional learning community for approval.

A. On notification by the regional learning community board, the municipal officers shall, at the next regular or special town meeting or city election, prepare a warrant or ballot for the purpose of voting on the proposed increase. The question must be in the following form.

"Do you favor paying a member of the regional learning community board of directors compensation at the rate of \$.... for each meeting that member attends?"

B. An increase in compensation is not effective unless approved by a majority of the voters voting on the question.

4. Secretary and treasurer. The superintendent serves as secretary and treasurer of the regional learning community board and shall give a bond to the regional learning community board of a sum and with the sureties as the regional learning community board determines. The bond must be deposited with the chair. The expense of that bond must be paid by the regional learning community. The bond premium, compensation paid directors for attendance at meetings and expenses of the regional learning community must be paid from funds of the regional learning community by the treasurer on vouchers presented and certified by the superintendent and approved by a majority of the regional learning community board or a finance committee duly elected annually by that board.

5. Oath of office. Before a newly elected director's first board meeting, that director must take the following oath or affirmation before a dedimus justice or notary public.

"I do swear that I will faithfully discharge to the best of my abilities the duties incumbent on me as a regional learning board director of (name of regional learning community) according to the Constitution of Maine and laws of this State. So help me God."

A. A director shall take the oath or affirmation and return a certificate documenting that the oath has been taken to the secretary of the regional learning community to place in the regional learning community board records.

B. If a director is conscientiously scrupulous of taking an oath, the word "affirm" may be used instead of "swear" and the words "this I do under the pains and penalty of perjury" may be used instead of the words "so help me God."

6. Election of officers. The board of directors shall elect a chair and vice-chair and other officers as may be necessary.

§1455. Methods of representation

1. Method A: Subdistrict representation. Under the method of representation referred to as "Method A," directors represent subdistricts.

A. The subdistricts, as far as practicable, must be whole municipalities. If the municipalities are divided into subdistricts, then they must be divided into subdistricts of approximately equal size as determined by the latest Federal Decennial Census or Federal Estimated Census. The municipal officers shall provide a separate voting place for each subdistrict of the municipality.

B. The boundaries of each subdistrict must be determined by a majority vote of the reapportionment committee under section 1458. Each subdistrict must have one director, except that in a municipality composed of 2 or more subdistricts, the joint meeting may authorize the election of directors-at-large.

2. Method B: Weighted votes. Under the method of representation referred to as "Method B," directors cast weighted votes.

A. The reapportionment committee shall apportion 1,000 votes among all the members of the board. The ratio of the number of votes cast by the directors representing a municipality in relation to the number 1,000 must be the same ratio to the nearest whole number as the population of the municipality is in relation to the population of all municipalities in the regional learning community, as determined by the latest Federal Decennial Census or Federal Estimated Census.

B. To ensure the use of whole numbers, the 1,000 votes apportioned among the board members may not be increased or decreased by more than 5 votes.

C. A plan may not permit the voting power of any director to exceed by more than 2% the percentage of voting power the director would have if all 1,000 votes were apportioned equally among the directors.

D. In a municipality served by 2 or more directors, the votes cast by them must be divided equally among them. The directors are elected at large within the municipality unless otherwise provided by municipal charter.

3. Method C: At-large voting. Under the method of representation referred to as "Method C," directors are elected at large by all of the voters in the regional learning community.

4. Method D: Other. Under the method of representation referred to as "Method D," directors are elected by any method other than those set forth in subsections 1, 2 and 3 that meets the requirements of the one-person, one-vote principle.

§1456. Election

For the purpose of nominations, regional learning community board directors are considered municipal officials and must be nominated in accordance with Title 30-A, chapter 121 or with a municipal charter, whichever is applicable.

1. Initial meeting on regional learning community formation. On the election of the regional learning community board of directors, the clerk of each municipality within the regional

learning community shall forward the names and addresses of the directors elected for that municipality to the state board with other data with regard to their election as the state board may require. On receipt of the names and addresses of all of the directors, the state board shall set a time, place and date for the first meeting of the directors and give notice to the directors in writing, sent by registered or certified mail, return receipt requested, to the addresses provided by the municipalities.

2. Special provisions. In the election for representation under the methods provided under section 1455, the following apply.

A. In an election under Method A pursuant to section 1455, subsection 1:

(1) Within 60 days, but no earlier than 45 days after notification by the board of directors of the approval or reapportionment plan under section 1458, the municipal officers shall call a special election to elect directors to serve under the plan for the regional learning community;

(2) Nomination papers must be furnished by the secretary of the regional learning community at least 10 days before the deadline for filing of nomination papers. Notwithstanding any other section of this Title, directors must be nominated by obtaining a minimum of 25 and a maximum of 50 signatures of registered voters residing within a subdistrict. The secretary shall notify the municipal officers of the names of candidates in each subdistrict;

(3) The ballots must be prepared in accordance with subparagraph (7);

(4) The clerks of each municipality shall forward to the secretary of the regional learning community the results of the vote by subdistrict;

(5) The regional learning community board shall meet and total the votes cast for each candidate within each subdistrict and shall immediately notify the clerks in each municipality, the candidates and the commissioner of the results of the vote;

(6) The terms of the directors elected under the original municipal representation system cease on the date that the newly elected directors are sworn into office; and

(7) Notwithstanding any other provision of statute, directors must be elected by secret ballot. The ballots must be prepared for and distributed to the municipalities or subdistricts by the secretary of the regional learning community.

B. In an election under Method B pursuant to section 1455, subsection 2:

(1) Reductions in the number of directors must take place in accordance with this chapter;

(2) Additional directors must be added in accordance with this chapter; and

(3) The term of office of additional directors must be determined in accordance with this chapter.

C. In an election under Method C pursuant to section 1455, subsection 3:

(1) Nominations for directors must be made on petitions provided by the regional learning community secretary. The petitions must be signed as provided in Title 30-A, section 2528, subsection 4, or if the candidate is a voting resident in a municipality having less than 200 population, signed by at least 20% of the registered voters of that municipality;

(2) The petitions must be submitted to the registrar of voters in the respective municipalities for certification of the voting residence of the director nominated and of the voters signing the petition;

(3) The registrar of voters must return the certified petitions to the regional learning community secretary not later than 30 days prior to the date of the annual election to be held in the municipality;

(4) The ballot must be prepared and distributed by the regional learning community secretary. It must give the number of offices to be filled and list the candidates by municipalities or subdistricts in which they are resident;

(5) Notwithstanding any other provision of law, regional learning community board directors must be elected by secret ballot;

(6) If all member municipalities do not conduct the election for directors on the same date, then all ballots cast in the elections must be impounded by the clerk of each municipality:

(a) After all municipalities have voted, the clerks and one or more election supervisors designated by the municipal officers of each municipality shall meet at an agreed upon location and tally the ballot;

(b) The tally must be completed within one day of the last member municipality election;

(c) The election supervisors shall select from among their members a chair, who shall supervise the tally of ballots; and

(d) The clerk of each municipality shall as promptly as possible after the election certify to the regional learning community board of directors the result of the voting in that municipality; and

(7) Any recount petitions must be filed with the secretary of the regional learning community and recounts must be conducted in each member municipality in accordance with the applicable laws.

§1457. Vacancies

1. Definition of vacancy. A vacancy on a regional learning community board occurs:

A. When the term of the office of a regional learning community board director expires;

B. When a regional learning community board director changes residency from the municipality or subdistrict from which elected. Evidence that an individual is registered to vote in a municipality is prima facie evidence of that individual's residency;

C. On the death of a regional learning community board director; or

D. When a regional learning community board director resigns.

In addition to paragraphs A, B, C and D, except in municipalities having a municipal charter, when a director is absent without excuse from 3 consecutive regular board meetings, the board may declare that a vacancy exists.

2. Regional learning community board. The regional learning community board shall notify the municipal officers of the municipalities within the regional learning community of the vacancy before the annual town meeting or before the regular city election.

3. Filling vacancies. A vacancy on a regional learning community board must be filled as follows.

A. The municipal officers of the municipality in which the director resided shall select an interim director for the municipality or subdistrict to serve until the next annual municipal election. The interim director shall serve until a successor is elected and qualified.

B. The municipal officers shall provide at the next municipal or subdistrict election for the election of a director to fill the vacancy.

§1458. Reapportionment

The commissioner shall determine the necessity for reapportionment.

1. Duties of commissioner. The commissioner shall determine if a regional learning community is apportioned in accordance with the one-person, one-vote principle if:

A. The commissioner receives a request by the regional learning community board of directors; or

B. The commissioner receives a petition signed by a number of regional learning community voters equal to at least 10% of the voters who voted in the last gubernatorial election in the regional learning community.

In addition to a determination initiated by a request pursuant to paragraph A or a petition pursuant to paragraph B, the commissioner may, of the commissioners' own accord, determine that a regional learning community is not apportioned according to the one-person, one-vote principle.

The commissioner shall make a determination under paragraph A or B within 30 days of receiving the request or the petition.

2. Awaiting census results. If the commissioner receives a request within 12 months before a Federal Decennial Census or Federal Estimated Census, the commissioner may wait until after the new census figures are available to make a determination under subsection 1.

3. Findings and order. If the commissioner finds the regional learning community's representation is not apportioned in accordance with the principle of one person, one vote, the commissioner shall, within 7 days of that decision, notify the superintendent of the finding and shall order the superintendent to notify the municipal officers in each municipality in the regional learning community and the regional learning community board to create a reapportionment committee. The superintendent's notification must include the commissioner's notification, the information provided pursuant to subsection 6 and the time and place for the first meeting of the committee, which must be held not later than 20 days after the notification.

4. Reapportionment committee membership. The reapportionment committee consists of one municipal officer and one citizen at large from each member municipality, chosen by the municipal officers, and one director from each municipality, chosen by the board of directors. The appointments must be made prior to the first meeting of the committee.

5. Quorum. A majority of the committee constitutes a quorum.

6. Duties of commissioner. The commissioner shall provide the superintendent with the most recent Federal Decennial Census or Federal Estimated Census figures for each municipality in the regional learning community and at least one recommended apportionment plan.

7. Duties of the reapportionment committee. The committee shall:

A. Elect a chair and secretary and may adopt suitable rules of procedure;

B. Consider and by majority vote adopt a plan including the method of representation, total number of directors and number of directors representing each municipality or subdistrict; and

C. Within 90 days of the first meeting, send a report of their plan to the state board for approval. It may, within the 90-day limit, submit alternative plans for apportionment.

8. Commissioner approval. The commissioner shall approve or disapprove the committee plan under subsection 7 within 30 days of receiving it.

9. Failure to gain commissioner approval. If a plan has not been adopted by the committee or approved by the commissioner within the time limits of subsection 7, the commissioner shall prepare a suitable plan.

10. Putting the approved plan into effect. On approval of a plan, the commissioner shall send a certified copy to the municipal officers and regional learning community board of directors. The original plan must be retained in the department files.

A. The plan takes effect immediately upon approval. The committee shall determine the terms of the directors to be elected at the next annual municipal elections so as to comply with this chapter.

B. If the approved plan requires a reduction of the number of directors to be elected in a municipality, the reduction must be achieved in accordance with this paragraph.

(1) If possible, the reduction must be achieved by the voluntary resignation of one or more of the directors.

(2) If the reduction cannot be achieved in accordance with subparagraph (1) and the plan is approved and filed less than 30 days prior to the annual municipal election, the number of open positions to be filled by the election process must be reduced to the number required by the approved plan.

(3) If the reduction cannot be achieved in accordance with subparagraph (1) or (2), or a combination of the 2, all of the remaining existing directors representing the municipality shall choose by lot which directors' terms must terminate.

C. If the approved plan requires that additional directors be elected in a municipality, the municipal officers shall fill the vacancies by appointment. A new director serves until a successor is elected and qualified at the next annual municipal election.

D. The reapportionment committee is dissolved after the approved plan is implemented.

11. Duties of present directors during reapportionment. The regional learning community board of directors, during the reapportionment of its membership, serves as legal representatives of the regional learning community until the reapportionment is completed. The board shall carry out all business of the regional learning community, including the borrowing of necessary funds that may be required during the period of reapportionment.

12. State board review of commissioner's decisions. A regional learning community board or interested parties may request that the state board reconsider decisions made by the commissioner in this section. The state board has the authority to overturn a decision made by the commissioner. In exercising this power, the state board is limited by this section.

13. Rules. The state board may adopt rules to carry out this section. Rules adopted pursuant to this section are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

§1459. Powers and duties

The regional learning community board of directors:

1. Regional learning community name. May select an unofficial name for the regional learning community;

2. Finance committee. May elect a finance committee of 3 or more members who must be directors;

3. Operating schools. Shall authorize and oversee the operation of elementary schools;

4. Purchase of land outside the regional learning community. May purchase land outside of the geographical limits of the regional learning community and erect a school on it if, because

of the location of other schools within the regional learning community or transportation difficulties, a school within the regional learning community would not be in the best interests of the regional learning community;

5. Bylaws. Shall adopt bylaws for the regulation of the affairs of the regional learning community board and the conduct of its business; and

6. Gifts. May accept and receive money or other property, outright or in trust, for any specified benevolent or educational purpose. The regional learning community board shall comply with the following in accepting gifts.

A. If the board receives written notice from a prospective donor or a representative of the donor of a proposed gift, the board shall submit the matter to the next regular meeting of the board or shall call a special meeting. The board shall, within 10 days after the meeting, send written notice to the prospective donor or representative of its acceptance or rejection.

B. If the gift is in trust, the board shall cause the trust funds to be deposited or invested according to Title 30-A, chapter 223, subchapter 3-A.

(1) Unless prohibited by a trust instrument, the regional learning community may treat any 2 or more trust funds as a single fund for the purposes of investment.

(2) After deduction for management expenses, any interest earned or capital gains realized must be prorated among the various trust funds.

(3) Property or securities included in the corpus of a trust fund must be retained where the trust instrument so provides.

(4) Unless otherwise specified in the trust instrument, only the annual income from the trust fund may be spent.

(5) If the regional learning community fails to comply with the terms of the trust instrument, the trust fund reverts to the donor or the donor's heirs.

C. If the money or other property is a conditional gift for any specified benevolent or educational purpose, the following applies.

(1) Prior to the acceptance of a gift, the board of directors must obtain approval of the legislative body of the regional learning community.

(2) When the donor's part of the agreement respecting the execution of the conditional gift has been completed, the regional learning community shall perpetually comply with, and may raise money to carry into effect, the conditions upon which it was made.

(3) Unless otherwise specified by its terms, a conditional gift of money must be deposited or invested according to Title 30-A, chapter 223, subchapter 3-A.

§1460. Quorum

At least a majority of the regional learning community board of directors in number and voting power constitutes a quorum.

§1461. Program

A regional learning community shall maintain a program that includes kindergarten to grade 12.

1. Secondary school. A regional learning community shall provide a secondary school facility as follows.

A. A regional learning community that enrolls more than 700 pupils in grades 9 to 12 may operate more than one 4-year school.

B. Secondary school facilities may be operated as 4-year schools, a 6-year school for grades 7 to 12 or 2 or more 3-year schools, except that students living in an area remote from a public school may be provided for under section 5204.

2. Contracts for secondary school programs. In addition to the provisions for a secondary school facility set forth in subsection 1, a regional learning community may contract with a nearby regional learning community or with a private school approved for tuition purposes for all or part of its secondary school pupils. The contract may run from a period of 2 to 10 years. The contract must also comply with section 2703 and may provide for the formation of a joint committee in accordance with section 2704. A regional learning community in which a school administrative unit in existence prior to June 30, 2008 has contracted for secondary school programs is bound by the terms of that contract, unless otherwise negotiated by the parties.

§1462. Finances

A regional learning community may raise money, in addition to the local contribution pursuant to section 15690-A, subsection 1, for establishing and maintaining public schools, erecting buildings and providing equipment. The additional costs of operating a regional learning community must be shared among all municipalities within the regional learning community by the same local share percentages for each municipality resulting from the determination of the local contribution under section 15688.

§1463. Budget preparation

The regional learning community budget must be prepared as follows.

1. Preparation by regional learning community board. The regional learning community board of directors shall annually prepare a budget for:

- A. Operational costs;
- B. Bonds falling due;
- C. Interest on bonds or other obligations;
- D. Rentals and other charges in a contract; and
- E. Temporary loans.

2. Distribution. At least 7 days before the regional learning community budget meeting, the board of directors shall make available to the legislative body responsible for final budget approval and residents of the regional learning community a detailed budget document. The detailed budget document must include a summary of anticipated revenues and estimated school expenditures.

§1464. Regional learning community budget; budget formats

1. Content. Effective July 1, 2008, a regional learning community shall include in its budget document:

- A. The regional learning community's total cost of funding public education from kindergarten to grade 12, its non-state-funded debt service, if any, and any additional expenditures authorized by law;
- B. A summary of anticipated revenues and estimated school expenditures for the fiscal year; and
- C. The following statement, including the estimated dollar amount of state retirement payments: "This budget does not include the estimated amount of \$..... in employer share of teacher retirement costs that is paid directly by the State."

§1465. Actions on budget

Effective July 1, 2008, the following provisions apply to approving a regional learning community budget under this chapter.

1. Checklist required. Prior to a vote on articles dealing with regional learning community appropriations, the moderator of a regular or special regional learning community 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 is conclusive evidence of the number present at the meeting.

§1466. Cost center summary budget format

After January 31, 2008, the format of the annual budget of a regional learning community must be in accordance with this chapter.

1. Cost center summary budget format. The regional learning community budget must consist of the following cost centers and supporting data:

A. Expenditures:

- (1) Prekindergarten to grade 12 instruction;
- (2) Instructional support;
- (3) Leadership;
- (4) Operations;
- (5) Transportation; and
- (6) Other commitments;

B. Revenue sources:

- (1) Total education costs appropriated pursuant to section 15690, subsection 1;
- (2) Non-state-funded debt service costs approved pursuant to section 15690, subsection 2, if any; and
- (3) Additional local funds, if any, approved pursuant to section 15690, subsection 3, paragraph A or B;

C. A summary of total regional learning community expenditures; and

D. Other optional local data showing the amount and percentage of changes proposed in the state allocation, the local share and the total regional learning community budget and related information determined appropriate by the regional learning community board of directors.

2. Budget warrant. The warrant articles presented to the legislative body of the regional learning community for approval of the regional learning community budget must correspond to the categories of the cost center summary budget described in subsection 1. In addition to expenditure and revenue cost center summary totals, the board of directors shall provide to voters a reasonably detailed breakdown for each major subcategory within each budget category. The department shall adopt routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A defining and establishing the content of those informational subcategories.

3. Budget approval. A regional learning community's cost center summary budget must be approved at a regional learning community budget meeting and by a budget validation referendum as provided in section 1467.

4. Transfer between budget cost center lines. During the year for which the budget is approved using the cost center summary budget format, the regional learning community board of directors may transfer an amount not exceeding 5% of the total appropriation for any cost center to another cost center or among other cost centers without voter approval.

§1467. Budget validation referendum

After January 31, 2008, the procedure for approval of the annual budget of a regional learning community must be in accordance with this section and section 1466.

1. Budget validation. Following development of the annual regional learning community budget and approval at a regional learning community budget meeting as provided in section 1466, a referendum must be held in the regional learning community as provided in this section to allow the voters to validate or reject the total budget adopted at the regional learning community budget meeting.

2. Validation referendum procedures. The budget validation referendum must be held on the 3rd day, other than Saturday, Sunday or a legal holiday, following the scheduled date of the regional learning community budget meeting. The vote at referendum is for the purpose of approving or rejecting the total regional learning community budget approved at the regional learning community budget meeting. The board of directors shall provide printed information to be displayed at polling places to assist voters in voting. That information is limited to the total amounts proposed by the board of directors for each cost center summary budget category article, the amount approved at the regional learning community budget meeting and a summary of the total authorized expenditures.

3. Budget validation referendum voting. The method of calling and voting at a budget validation referendum is as provided in sections 1476 and 1477, except as otherwise provided in this subsection or as is inconsistent with other requirements of this section.

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

B. The warrant for a regional learning community budget meeting to be followed by a budget validation referendum may be a consolidated warrant covering both.

C. The warrant and absentee ballots must be delivered to the municipal clerk at least 7 days before the date of the regional learning community budget meeting.

D. Absentee ballots received by the municipal clerk may not be processed or counted unless received after the conclusion of the regional learning community budget meeting and before the close of the polls.

E. All envelopes containing absentee ballots received before the conclusion of the regional learning community budget meeting or after the close of the polls must be marked "rejected" by the municipal clerk.

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

"Do you favor approving the (name of regional learning community) budget for the . . . school year that was adopted at the regional learning community budget meeting on . . . ?

Yes No"

4. Failure to approve budget. If the voters do not validate the budget approved in the regional learning community budget meeting at the budget validation referendum vote, the regional learning community board of directors shall hold another regional learning community budget meeting in accordance with this section and section 1466 at least 10 days after the referendum to vote on a budget approved by the board of directors. The budget approved at the regional learning community budget meeting must be submitted to the voters for validation at referendum in accordance with this section. The process must be repeated until a budget is approved at a regional learning community budget meeting and validated at referendum. If a budget is not approved and validated before July 1st of each year, section 1468 applies.

§1468. Failure to pass budget

If a budget for the operating of the regional learning community is not approved prior to July 1st, the latest budget as submitted by the board of directors is automatically considered the budget for operational expenses for the ensuing year until a final budget is approved, except that, when the regional learning community board delays the regional learning community budget meeting, the operating budget must be approved within 30 days of the date the commissioner notifies the regional learning community board of the amount allocated to the regional learning community under section 15689-B or the latest budget submitted by the regional learning community board of directors becomes the operating budget for the next school year.

§1469. Special budget meeting

The school board may call a special budget meeting when it declares an emergency exists. The voters of the regional learning community may authorize the directors at a special regional learning community budget meeting to expend additional funds from the regional learning community's undesignated fund balance or to pledge the credit of the regional learning community to obtain additional money for the operation of schools. A special budget meeting held on or after July 1, 2008 must be conducted in accordance with sections 1466 and 1467.

§1470. Regional learning community assessments

Regional learning community assessments must follow these procedures.

1. Warrant. In accordance with the budget approved by the voters at an annual budget meeting and in substantially the same form as the warrant of the Treasurer of State for taxes, the regional learning community board of directors shall issue its warrants to the assessors of each member municipality requiring them to assess upon the taxable estates within the municipality an amount that is that municipality's share of the regional learning community's costs.

2. Commitment. The municipal assessors shall commit the assessment to the constable or collector. Constables and collectors have the authority and powers to collect the regional learning community's taxes as is vested in them by law to collect state, county and municipal taxes.

3. Installments. The regional learning community board of directors shall notify the member municipalities of the monthly installments that will become payable during the fiscal year.

4. Payment. A municipal treasurer shall pay the amount of the tax assessed in the fiscal year against the municipality to the treasurer of the regional learning community. The payments must be paid in monthly installments on or before the 20th of each month.

5. Gifts. A municipality may use the proceeds from gifts or trust funds allocated for educational purposes to pay its share of the assessment.

6. Enforcement. If a municipal treasurer fails to pay the installment due, or any part, on the dates required, to initiate collection procedures, the treasurer of the regional learning community may notify the municipal treasurer of the failure to pay. Interest accrues on each unpaid installment at the rate established under Title 36, section 186 beginning on the 60th day after the date the installment is due under subsection 4. If payment of an installment is not made within 60 days after the due date, the treasurer of the regional learning community may initiate an action in Superior Court to compel payment of the delinquent installment. The court shall determine the amount owed by the municipality to the regional learning community and shall order the municipal treasurer to pay all delinquent installments, accrued interest and any court costs and reasonable attorney's fees incurred by the regional learning community. To ensure prompt payment of the delinquent installments, the court may require that amounts due to the municipality from the State under Title 30-A, section 5681 and Title 36, sections 578 and 685 be

paid to the regional learning community until the amount determined by the court is satisfied. The court shall promptly notify the disbursing state agency of the determination and direct the agency to make the required change in payee and the amounts to be paid. If additional funds are needed to satisfy the amount determined by the court to be paid to the regional learning community, the court may order the attachment or trustee process and sale of real or personal property owned by the municipality or the attachment of the municipality's bank accounts or require property tax payments to the municipality to be turned over to the court and may pay the amount owed the regional learning community from the proceeds and return any excess to the municipality.

§1471. Power to borrow money

A regional learning community may borrow money as follows.

1. Regional learning community board of directors. The regional learning community board of directors may borrow money to pay for:

A. Current operating expenses of the regional learning community if the loans are repaid within 13 months of the date of borrowing and are limited to an amount reasonably required for current operating expenses;

B. School construction projects as defined in section 15901; and

C. Minor capital costs as defined in section 15672, subsection 20-A.

2. Voter approval. Bonds or notes for school construction purposes must first be approved by a majority of voters of the regional learning community voting at an election called by the regional learning community board of directors and held as provided in this chapter, except as is otherwise provided in this section.

A. Each bond or note must have inscribed upon its face the name of the regional learning community, the date it was issued, the amount of the bond or note and the annual interest rate, payable semiannually. Each bond or note must be in the form and be sold in the manner, at public or private sale, as the regional learning community board of directors determines in accordance with state law. Bonds may not be sold for less than par.

B. Notes or bonds issued by a regional learning community must be signed by the treasurer or assistant superintendent and countersigned by the chair of the regional learning community board of directors. If coupon bonds are issued, each coupon must be attested by a facsimile signature of the treasurer.

C. Each issue of bonds must mature in substantially equal annual installments so that the first installment is payable not later than 2 years and the last installment not later than 25 years after the date of issue.

3. Temporary notes. Prior to issuing authorized school construction bonds or notes, the regional learning community board of directors may borrow in anticipation of their sale by issuing temporary notes and renewal notes subject to the following.

A. The total face value amount of the temporary notes and renewal notes may not exceed at any one time the authorized outstanding amount of the school construction bonds or notes.

B. If the proceeds of an issue of bonds are used in whole or in part to fund temporary notes, the period during which the issue of bonds is outstanding plus the period of the loan represented by the temporary notes or renewal notes may not exceed 25 years.

C. Temporary notes mature not later than 3 years from the date the first temporary note is issued.

D. Temporary notes and renewal notes are legal obligations of the regional learning community.

E. The board of directors of a regional learning community that has received a certificate of approval of a school construction project pursuant to Title 20, section 3458 to be paid in accordance with the alternate method prescribed in Title 20, section 3460 may borrow in anticipation of unpaid portions of state aid and may issue temporary and renewal notes.

F. If the temporary or renewal notes in anticipation of state aid exceed the aggregate amount of state aid actually received by the regional learning community, the unexpended balance of those notes must be used for the repayment. If an outstanding balance remains, it must be included in the next annual budget and is not subject to change at the regional learning community budget meeting.

4. Early redemption. Bonds or notes issued on behalf of a regional learning community may be made subject to call for redemption, with or without premium, at the election of the regional learning community board of directors before the date fixed for final payment of those bonds or notes. When these bonds or notes are issued, they must contain provisions setting forth the method by which the option to call may be exercised, the procedure for payment in the event of call and the legal effect of making the call.

5. Regional learning community status. Notes and bonds, and loans to pay current operating expenses and contracts are legal obligations of the regional learning community. The regional learning community is a quasi-municipal corporation within the meaning of Title 30-A, section 5701 and all the provisions of that section apply to it.

6. Debt limit. The aggregate principal amount of outstanding bonds or notes issued by a regional learning community for school construction purposes may not exceed, at any one time, 10% of the total of the last preceding state valuation of all the municipalities within the regional learning community plus an amount not to exceed 4% of that total regional learning community valuation set by the state board at the time of the initial approval of the school construction project.

A. Indebtedness in excess of 10% incurred under the law as it existed prior to April 1, 1974 is validated.

B. Outstanding school indebtedness assumed by the regional learning community must be included in its limit of indebtedness, excluding contracts and notes in anticipation of state aid issued pursuant to subsection 3.

C. The percentage limit of the indebtedness for bonds or notes for school construction purposes authorized after April 27, 1967 must be fixed as of the time of authorization by the voters or, if no regional learning community meeting is held to authorize those bonds or notes, upon the expiration of 35 days following passage of a resolution of the board of directors as described in subsection 7.

D. If the issuance of bonds or notes together with all outstanding indebtedness included within the regional learning community's limit of indebtedness would cause the regional learning community's indebtedness to exceed 10% of the total of the last preceding state valuation of all the municipalities within the regional learning community, the regional learning community board of directors may not issue those bonds or notes until it has received a certificate of approval pursuant to Title 20, section 3458.

E. If a certificate of approval under Title 20, section 3458 indicates that the state board has authorized state aid to be paid in accordance with the alternate method prescribed by Title 20, section 3460, the total estimated amount of state aid payable on account of the school

construction project described in the certificate of approval must be treated as outstanding school indebtedness for the purpose of computing the borrowing capacity of the regional learning community to finance that project by issuing its bonds or notes. State aid is determined by applying the applicable percentage of state aid to the total estimated cost of the project, as set forth in the certificate of approval.

7. Bonds and notes under 1% of valuation. The regional learning community board of directors may issue bonds or notes not to exceed 1% of the last preceding state valuation of all the municipalities within the regional learning community:

A. By calling a regional learning community meeting to approve the issuance of those bonds or notes; or

B. By passing a resolution to that effect, setting forth the amount of the proposed issue and the purposes for which the proceeds will be used and meeting the following requirements.

(1) The secretary of the board shall, within 5 days of the date of the passage of the resolution, cause attested copies of the resolution to be posted in 3 public and conspicuous places within each of the municipalities within the regional learning community. The secretary shall make a return of the posting stating its time and place. The return must be kept with the records of the regional learning community, and a copy of the return must be mailed to each of the municipal officers of each municipality within the regional learning community.

(2) If, within 35 days of the date of the passage of the resolution, petitions with signatures of at least 10% of the residents in the regional learning community eligible to vote on the date that the resolution was adopted are filed with the secretary requesting a vote of the regional learning community to approve or disapprove the issuance of the bonds or notes, the secretary shall immediately notify the board. The board shall call a referendum for that purpose as set forth in this chapter.

(3) The board may not authorize bonds or notes by resolution if the amount of the proposed issue, together with the amount of any other bonds or notes authorized solely by resolution and that are for the same purpose, exceeds 1% of the total of the last state valuation of all the participating municipalities.

§1472. Reserve fund

A regional learning community may establish a reserve fund as follows.

1. Establishment. A regional learning community may establish a reserve fund for school construction projects, financing the acquisition or reconstruction of a specific or type of capital improvement or financing the acquisition of a specific item or type of capital equipment by including a request in the regional learning community budget and receiving voter approval. The regional learning community board of directors is the trustee of the reserve fund. The reserve fund must be deposited or invested by the treasurer under the direction of the regional learning community board.

2. Deposit or investment. All regional learning community funds, including reserve funds and trust funds to the extent not prohibited by the terms of the instrument or vote creating the fund, must be deposited or invested by the treasurer under the direction of the regional learning community board of directors according to the requirements for the deposit or investment of municipal funds contained in Title 30-A, chapter 223, subchapter 3-A.

3. Expending money from reserve funds. The regional learning community board of directors may expend the sum in the reserve fund when authorized to do so by a vote of the regional learning community at a regional learning community meeting or a regional learning

community budget meeting when an article for that purpose is set out in the warrant calling the meeting.

§1473. Bid procedure

This section applies to bids.

1. Written bids. Bids must be in writing, sealed with the outside envelope or wrapper plainly marked "Bid, not to be opened until (appropriate date)" and mailed to or filed with the superintendent.

2. Time of opening. A director on the regional learning community board or an employee of the regional learning community may not open a bid until the appointed time.

3. Public opening. At the time and place stated in the public notice, and open to the public, all bids must be opened by the superintendent or, in the superintendent's absence or disability, by any director designated for the purpose by the chairman of the board of directors.

4. Reading. If any citizens who are not regional learning community board directors or employees of the regional learning community are present or if any representatives of the press are present, bids must at the time either be made available for examination by them or must be read aloud in a manner to be heard plainly by those in attendance.

§1474. Void contracts

A contract made by the regional learning community board of directors in a regional learning community during the term of a member who is pecuniarily interested in that contract, either directly or indirectly, is void, unless the regional learning community board of directors has advertised for sealed bids for that contract and that advertisement for sealed bids has been published at least 5 days prior to the date set for closing of bids in a newspaper having general circulation within the regional learning community.

§1475. Regional learning community referendum

1. Authority to call a regional learning community referendum. The regional learning community board shall initiate a regional learning community referendum:

- A. To approve the issuance of bonds or notes for school construction projects;
- B. To approve a change in the selection of a school building site;
- C. To authorize the board of directors to contract for the schooling of secondary pupils;
- D. To accept or reject a prospective gift; and
- E. To borrow funds for minor capital costs as defined in section 15672, subsection 20-A.

§1476. Method of calling a regional learning community referendum

A regional learning community referendum must be initiated by a warrant prepared and signed by a majority of the regional learning community board of directors. The warrant must be countersigned by the municipal officers in the municipality where the warrants are posted.

1. Municipal officers. The warrant must direct the municipal officers within the regional learning community to call a referendum on a date and time determined by the regional learning community board of directors. A warrant must be prepared and distributed at least 30 days prior to the date of the referendum, except that a warrant for a regional learning community budget referendum held in accordance with this chapter must be prepared and distributed at least 14 days prior to the date of the referendum.

- A. The warrant must be directed to a resident of the regional learning community by name, ordering the resident to notify the municipal officers of each of the municipalities within the

regional learning community to call a town meeting or city election on the date specified by the regional learning community board of directors. No other date may be used. The person who serves the warrant shall make a return on the warrant stating the manner of services and the time when it was given.

B. The warrant must be served on the municipal clerk of each of the municipalities within the regional learning community by delivering an attested copy of the warrant in hand within 3 days of the date of the warrant. The municipal clerk, on receipt of the warrant, shall immediately notify the municipal officers within the municipality. The municipal officers shall forthwith meet, countersign and have the warrant posted.

C. The warrants and other notices for the referendum must be in the same manner as provided in Title 21-A, except that the regional learning community board of directors shall hold a public hearing at least 7 days before the referendum vote. At least 7 days before the public hearing, the regional learning community board of directors shall give notice of the public hearing by having a copy of the proposed referendum, together with the time and place of hearing, posted in the same manner required for posting a warrant under this section.

2. Content of the warrant. The warrant must set forth the articles to be acted on in each municipal referendum. The articles must have the following form.

A. On or after July 1, 2008, when a referendum is called for the purpose of authorizing the issuance of bonds or notes for capital outlay purposes, the articles must be substantially as follows.

(1) "Do you favor authorizing the board of directors of (name of regional learning community) to issue bonds or notes in the name of this regional learning community for school construction purposes in an amount not to exceed \$..... to construct a (elementary or secondary school) to be located at..... (specifically defined lot where school is to be erected)

Yes No"

(2) "Do you favor authorizing the board of directors of (name of regional learning community) to issue bonds or notes in the name of this regional learning community for school construction or minor capital projects in an amount not to exceed \$..... for the purpose of (purpose of school construction project)

Yes No"

(3) "Do you favor authorizing the board of directors of (name of regional learning community) to use the bond issue or notes in an amount not to exceed \$..... which was voted by the regional learning community on (date) to construct a (elementary or secondary school) to be located at (specifically defined lot where school is to be located)

Yes No"

(4) "Do you favor authorizing the board of directors of (name of regional learning community) to construct a (elementary or secondary school) to be located at (specifically defined lot where school is to be located) with the total project cost not to exceed \$..... and to issue bonds or notes in the name of this regional learning community for school construction purposes in an amount not to exceed \$..... with the balance of the total project costs to be derived from (description of other sources of funds such as initial state share where approved for current fiscal year

funding, proceeds from insured losses, money from federal sources, other noneducational funds, etc.)

Yes No"

B. When a regional learning community votes to change the site of its school construction project using the article in paragraph A, subparagraph (3), the date of authorization of the project is the original date the voters authorized the regional learning community board to issue bonds or notes for that project.

C. On or after July 1, 2008, when a referendum is called for the purpose of authorizing the regional learning community board to contract for the schooling of secondary pupils, the article must be as follows.

"Do you favor authorizing the board of directors of (name of regional learning community) to contract in the name of this regional learning community with (name of regional learning community or private school) for the schooling of secondary pupils for a term of years?"

Yes No"

D. On or after July 1, 2008, when a referendum is called for the purpose of authorizing a change in the method of sharing costs in the regional learning community, the article must be as follows.

"Do you favor changing the method of sharing costs in (name of regional learning community) from the present method of (describe) to the method of: (describe)."

Yes No"

E. On or after July 1, 2008, when a referendum is called for the purposes of accepting or rejecting a prospective gift, the article must be as follows.

"Do you favor authorizing the board of directors of (name of regional learning community) to accept a prospective gift under the following conditions?(terms and conditions)."

Yes No"

§1477. Referendum procedures

The following procedures apply to a regional learning community referendum.

1. Ballots. The regional learning community board of directors shall prepare and furnish the required number of ballots for carrying out the referendum as posted, including absentee ballots. The regional learning community board of directors shall prepare and furnish all other materials necessary to fulfill the requirements for voting procedures.

2. Voting. Voting must be held and conducted as follows.

A. The voting at referenda held in towns must be held and conducted in accordance with Title 30-A, sections 2524 and 2528 to 2532, even though the town has not accepted the provisions of Title 30-A, sections 2524 and 2525. The facsimile signature of the clerk under Title 30-A, section 2528, subsection 6, paragraph F must be that of the regional learning community chair of the board of directors. If a regional learning community referendum is called to be held simultaneously with any statewide election, the voting in towns must be held and conducted in accordance with Title 21-A, except that the duties of the Secretary of State must be performed by the regional learning community board of directors and if the statewide election is a primary election, any registered voter may vote in the referendum. The absentee

voting procedure of Title 21-A must be used, except that the duties of the Secretary of State must be performed by the regional learning community board of directors.

B. The voting at referenda in cities must be held and conducted in accordance with Title 21-A, including the absentee voting procedure, except that the duties of the Secretary of State must be performed by the regional learning community board of directors and if the statewide election is a primary election, any registered voter may vote in the referendum.

3. Return and counting. The return and counting of votes must be as follows.

A. The municipal clerk shall, within 24 hours of the determination of the results of the vote in the municipality, certify and send to the regional learning community board of directors the total number of votes cast in the affirmative and in the negative on each article.

B. As soon as all of the results from all of the municipalities have been returned to the regional learning community board of directors, the regional learning community board of directors shall meet and compute the total number of votes cast in all of the municipalities within the regional learning community in the affirmative and in the negative on each article.

C. If the regional learning community board of directors determines that there were more votes cast in the affirmative than in the negative on a given article, it shall declare that the article has passed.

D. If the regional learning community board of directors determines that the total number of votes cast on an article in the affirmative is equal to or less than those cast in the negative, it shall declare that the article has not passed.

E. The regional learning community board of directors shall enter its declaration and computations in its records and send certified copies to the clerk of each municipality within the regional learning community.

§1478. Reconsideration

The procedure to reconsider votes taken at a regional learning community referendum is as follows.

1. Time limit. The regional learning community board of directors shall, within 60 days, initiate a new regional learning community referendum to reconsider the vote of the previous referendum if, within 7 days of the first referendum, at least 10% of the number of voters voting for the gubernatorial candidates in the last gubernatorial election in the municipalities within the regional learning community petition to reconsider a prior regional learning community referendum vote.

2. Required quorum. A reconsideration referendum is not valid unless the number of persons voting in that referendum is at least equal to the number who voted in the prior regional learning community referendum.

3. Bond. If the margin of the vote being reconsidered was between 10% and 25%, the petitioners shall post a bond with the petition equal to the actual and reasonable costs of the new referendum. If the margin of the vote being reconsidered exceeded 25%, the petitioners shall post an additional bond equal to the actual and reasonable costs that may be incurred as a result of the delay of an authorization or approval granted in the prior regional learning community referendum. If the petitioners are successful, the bonds must be canceled.

§1479. Bonds; notes; other

All bonds, notes or other evidences of indebtedness issued for regional learning community purposes by a regional learning community for major capital expenses, bus purchases or current

operating expenses, including tax or other revenue anticipation notes, are general obligations of the regional learning community.

1. Tax assessments. The municipal officers or regional learning community board of directors shall require the sums that are necessary to meet in full the principal of and interest on the bonds, notes or other evidences of indebtedness issued pursuant to this section 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 under subsection 1 must be reduced by the amount of an allocation of funds appropriated by the Legislature to pay the principal and interest owed by the regional learning community in a given year as certified to the regional learning community by the commissioner. The commissioner shall certify the amount due to the regional learning community within 30 days of its appropriation by the Legislature.

3. Collection. After assessment and reduction under subsection 2, the remaining sum must be paid from ad valorem taxes, which may be levied without limit as to rate or amount upon all the taxable property within the regional learning community.

§1480. Closing school

1. Vote; cost of election. A school in a member municipality of a regional learning community may not be closed unless the voters in the member town vote on the following article in accordance with the referendum procedure set forth in this chapter.

"Article: Do you favor authorizing the board of directors of (name of regional learning community) to close (name of school)?

Yes No"

(The election must be conducted only within that member municipality, and the costs of the election are borne by the regional learning community.)

2. Expense of keeping the school open. If the voters vote to keep the school open, the member municipality is liable for some additional expense for actual local operating costs and transportation operating costs as defined in section 15672. The determination of costs is subject to the approval of the commissioner. The cost to be borne by the town voting to keep a school open is the amount that would be saved if the school were closed. Any additional costs that must be borne by the member municipality must be part of the article presented to the voters at the meeting to determine whether the school should remain open.

3. Costs and procedures during subsequent years. During any year subsequent to the year during which a school remains open contrary to the regional learning community board of directors' vote to close that school, as a result of a municipal referendum, the school will be open without any additional cost to the municipality except as described in paragraphs A and B.

A. If the regional learning community board of directors again votes to close the school and the voters of the member municipality again vote to keep the school open, as described in this subsection, then the school will remain open and the member municipality will be obligated to pay the additional costs as described in subsection 2.

B. If the regional learning community board of directors again votes to close the school and the voters of the member municipality fail to vote to keep the school open, then the school is closed. In this event, the school may be reopened only if the regional learning community board of directors votes to reopen the school.

4. Definition of school closing. For purposes of this section, a school closing is any action or actions by the regional learning community board of directors that have the effect of providing no instruction for any students at that school.

5. Method of payment by liable municipality. If a municipality is liable for additional expenses as determined in subsection 3, paragraph A, then the amount of this additional expense must be subtracted from the regional learning community budget before each member municipality's assessment is computed. This additional expense must be paid by the member municipality that is liable in equal monthly amounts, unless the regional learning community and that member municipality mutually agree to another method of payment.

§1481. State board review of commissioner's decisions

A regional learning community or other interested party may request that the state board reconsider decisions made by the commissioner under this chapter. The state board has the authority to overturn decisions made by the commissioner. In exercising this power, the state board is limited by this chapter.

§1482. Rules

The state board may adopt rules to carry out this chapter. Rules adopted under this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

§1483. Transition

A regional learning community must be in full compliance with this chapter no later than July 1, 2008.

Sec. MM-22. 20-A MRSA c. 105, as amended, is repealed.

Sec. MM-23. 20-A MRSA c. 107, as amended, is repealed.

Sec. MM-24. 20-A MRSA c. 109, as amended, is repealed.

Sec. MM-25. 20-A MRSA c. 111, as amended, is repealed.

Sec. MM-26. 20-A MRSA §2705 is enacted to read:

§2705. Absence of contract

A student who resides in a school administrative unit that does not maintain that student's grade from kindergarten to grade 12, and that does not enter into a contract for the education of its students pursuant to this chapter, has the option of attending a public school in another school administrative unit or private school approved for the receipt of public funds pursuant to chapter 117 subject to the provisions of chapter 219. Beginning in school year 2008-2009, the same option may be exercised by a student in a regional learning community, if that option was available from the school administrative unit in existence prior to June 30, 2008 in which that student resides.

Sec. MM-27. 20-A MRSA §4102, as amended by PL 1999, c. 206, §3, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-28. 20-A MRSA §4102-A is enacted to read:

§4102-A. Closing of a school building

The closing of a school building by a regional learning community may occur only when:

1. Replaced by new building. The school building has been replaced by other school buildings as part of a school construction project that has been approved by the state board or the commissioner in accordance with chapter 609;

2. Condemned. The school building has been condemned and ordered closed by local or state officials for health and safety reasons; or

3. Lack of need. The building has been determined to be unnecessary or unprofitable to maintain by the governing body of the regional learning community. Before a building may be closed under this subsection, a report must be filed with the commissioner. The report must include, at a minimum:

A. A projection of the number of students in the affected area over the next 5 school years, including a projection of the educational programs that they will need;

B. The manner in which the continuation of the educational programs for the affected students will be provided;

C. The effective date on which the closing will take place;

D. A projection of additional transportation or other related services;

E. The existence of any other outstanding financial commitments, including debt service, related to the school building along with a retirement schedule of payments to meet the commitments;

F. The proposed disposition of the school building;

G. The financial impact of closing the school building; and

H. A statement of reasons why the school building is being closed.

Before a regional learning community board of directors may close a school building pursuant to this subsection, voter approval must be obtained in accordance with section 1480.

Sec. MM-29. 20-A MRSA §7209, sub-§1, ¶E, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

E. The department, in consultation with regional sites, shall develop an action plan with timelined to achieve compliance with federal or state law. The department may assume temporary responsibilities for operations at a regional site that fails to meet compliance requirements. This paragraph is repealed June 30, 2008.

Sec. MM-30. 20-A MRSA §7209, sub-§3, ¶E, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

E. Establish a standard, statewide template for ~~regional-site~~ contracts with therapeutic service providers, including policies and procedures for the review of contracts, that must be included in the annual entitlement plan described in subsection 1, beginning in fiscal year 2006-07;

Sec. MM-31. 20-A MRSA §7209, sub-§3, ¶F, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

F. Refine program accountability standards for compliance with federal mandates ~~that must be included in the annual entitlement plan described in subsection 1,~~ including the development of a performance review system to monitor and improve ~~regional-site~~ performance through the use of efficiency ratings aligned with the accountability standards and through a compliance plan that requires the ~~regional-site to address~~ meeting of the unmet needs of eligible children in accordance with specific targets and time frames;

Sec. MM-32. 20-A MRSA §7209, sub-§5, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

5. Regional site board of directors. A board of directors of a regional site is responsible for governance of its activities, including the management and oversight of its general operations. Membership must include representatives of the regional offices of the Department of Health and

Human Services, representatives of participating school administrative units, parents of children with disabilities and other community members as determined appropriate. A regional site board member or a board member's employer may not, during the term for which the member serves on the board, derive any revenue from work performed for the Child Development Services System. A representative of a participating school administrative unit whose participation in the Child Development Services System is limited to work performed for the school administrative unit is exempt from the requirements of this subsection. Terms of membership and methods of appointment or election for each board of directors must be determined by the board of ~~director's~~ directors' bylaws, subject to approval by the department. This subsection is repealed June 30, 2008.

Sec. MM-33. 20-A MRSA §7209, sub-§7, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

7. Regional site; administration. A board of directors of a regional site shall:

- A. Hire, fire and supervise the staff of the regional site according to the job classifications, pay scales and personnel policies established by the state intermediate educational unit established under subsection 3;
- B. Enter into contracts, leases and agreements and any other instruments and arrangements that are necessary, incidental or convenient to the performance of its duties and the execution of its powers under this chapter, using forms and procedures developed by the department;
- C. Ensure data entry and reporting through June 30, 2007; and
- D. Provide fiscal management of money allocated to it, in compliance with federal and state laws and subject to proof of an annual audit.

This subsection is repealed June 30, 2008.

Sec. MM-34. 20-A MRSA §7209, sub-§8, as enacted by PL 2005, c. 662, Pt. A, §30, is amended to read:

8. Regional site; duties and obligations. A board of directors of a regional site shall:

- A. Ensure provision of child find activities as required by the federal Individuals with Disabilities Education Act, 20 United States Code, Section 1400 et seq.;
- B. Ensure provision of childcount activities as required by the federal Individuals with Disabilities Education Act, 20 United States Code, Section 1400 et seq.;
- C. Ensure appropriate data collection, training, staff development and direct service provision to eligible children with disabilities, from birth to under 3 years of age, in accordance with Part C of the federal Individuals with Disabilities Education Act, 20 United States Code, Section 1400 et seq.;
- D. Ensure that eligible children with disabilities, from birth to under 3 years of age, receive early intervention services, in accordance with the payment provisions established by the State;
- E. Ensure that eligible children with disabilities, from 3 years of age to under 6 years of age, receive free, appropriate public education services, in collaboration with school administrative units when possible;
- F. Coordinate with eligible families the development of individualized family service plans for children with disabilities from birth to 2 years of age or coordinate an individualized education program for a child 3 years of age to under 6 years of age unless an individualized family service plan is preferred; and

G. Designate local personnel for training to commit funds for free, appropriate public education. Personnel who commit funds for free, appropriate public education must be trained and certified by the state intermediate educational unit established under subsection 3. The board of directors of a regional site shall determine which trained and certified personnel may commit funds.

This subsection is repealed June 30, 2008.

Sec. MM-35. 20-A MRSA §8301-A, as amended by PL 2005, c. 2, Pt. D, §23 and as affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

§8301-A. Definitions

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

1. Affiliated unit. "Affiliated unit" means a school administrative unit that is affiliated with another school administrative unit that operates a center. An affiliated school administrative unit may have its secondary students served by a center operated by a school administrative unit with which it is affiliated. An affiliated school administrative unit may also operate career and technical education satellite programs.

2. Budget failure. "Budget failure" means the failure of a region, by August 1st of any fiscal year, to approve a budget for the region that is at least equal to the sum of the total allocations for career and technical education of the member school administrative units in the region. This subsection is repealed June 30, 2008.

2-A. Career and technical education. "Career and technical education" means a course or program of education designed to create or improve job-related skills that is part of a secondary school curriculum and approved by the commissioner according to this chapter. A school administrative unit regional learning community shall make career and technical education available to persons residing in the school administrative unit regional learning community who are eligible to receive free public secondary education.

3. Center. "Center" means an administrative entity ~~established pursuant to this chapter that provides career and technical education to secondary students. Unless otherwise specifically provided for by this chapter, a center~~ and is governed, operated and administered by a single school administrative unit the regional learning community in which the center is located. A center shall make its programs available to serve secondary students from school administrative units with which it is affiliated the regional learning community in which it is located. A center may include within its administrative structure career and technical education satellite programs operated by school administrative units with which it is affiliated within the regional learning community.

~~**4. Municipality.** "Municipality" has the same meaning as in section 15672, subsection 21.~~

~~**5. Parent.** "Parent" means a parent, as defined in section 1, subsection 20, with legal custody of a minor child.~~

~~**6. Region.** "Region" means a quasi-municipal corporation established by the Legislature to provide career and technical education to secondary students that is comprised of all the school administrative units within the geographical boundaries set forth for each career and technical education region in section 8451. A region is governed by a cooperative board formed and operating in accordance with this chapter.~~

~~**7. Residence.** "Residence" means, with reference to a person's eligibility to receive career and technical education, the school administrative unit in which is located the legal residence of the person's parent if the person has not reached 18 years of age, the legal residence of the person~~

~~after the person reaches 18 years of age or the legal residence of the person after the person becomes an emancipated minor. A federal reservation is considered part of the school administrative unit in which it is located.~~

8. Satellite program. "Satellite program" means a program ~~providing~~ delivered at a site different from a career and technical education center that provides career and technical education to secondary students that and is operated, under section 8403-A, by a school administrative unit affiliated with a center regional learning community.

~~9. State subsidy.~~ "State subsidy" has the same meaning as in section 15672, subsection 31-A.

10. Unit. "Unit" means a school administrative unit.

Sec. MM-36. 20-A MRSA §8305-A, as corrected by RR 2003, c. 2, §43, is amended to read:

§8305-A. Eligibility

1. General right. A person eligible to receive free public secondary education may, consistent with this section and department rules:

A. Receive career and technical education from a center, ~~satellite program or region~~ regional learning community that serves the person's residence; or

B. Receive career and technical education from a center, ~~satellite program or region~~ regional learning community outside of the geographical area that serves the person's residence, subject to the approval of the commissioner and the governing bodies of the sending ~~unit~~ regional learning community and receiving center, ~~satellite program or region~~ regional learning community.

2. Admission standards. A ~~region, center or satellite program~~ regional learning community shall determine, in accordance with its published admission standards, whether to admit a person to such a ~~region, center or satellite~~ its program. Unless otherwise specifically provided for in this chapter, priority to enroll in any career and technical education course of study offered by a ~~region, center or satellite program~~ regional learning community must be given first to persons eligible to receive a free public secondary education who are residents of municipalities served by that ~~region, center or satellite program~~ regional learning community.

3. Adult participation in career and technical education courses. Persons who are 20 years of age or older and who otherwise comply with the requirements of this section may receive career and technical education in a career and technical education course if, after all other eligible persons have been enrolled in that course, space exists to accommodate participation by persons who are 20 years of age or older. A ~~region, center or satellite program~~ regional learning community may charge reasonable fees to persons who are 20 years of age or older and who receive career and technical education pursuant to this section.

Sec. MM-37. 20-A MRSA §8306, sub-§2, as corrected by RR 2003, c. 2, §44, is amended to read:

2. Regional learning community plans. The state board shall approve a plan for the provision of career and technical education by each center ~~or region~~ regional learning community. The plans must be prepared by each center ~~or region~~ regional learning community at the time of its organization or reorganization, approved by the school board ~~or cooperative board~~ governing each center ~~or region~~ regional learning community, and include:

A. A survey of the career and technical education needs nationally, statewide and in the geographic area served by the center ~~or region~~ regional learning community;

B. A survey of employment opportunities nationally, statewide and in the geographic area served by the ~~center or region~~ regional learning community;

C. A description of the programs to be offered by the ~~center or region~~ regional learning community;

C-1. A description of the manner in which academic courses will be used to augment trade-oriented skill courses for career and technical education students at the ~~center or region~~ regional learning community;

D. A description of each geographic area served by the ~~center or region~~ regional learning community and the location of each career and technical education program to serve those areas; and

E. A description of the manner in which the career and technical education programs offered by the ~~center or region~~ regional learning community address the career and technical education needs in the geographic area served by the ~~center or region~~ regional learning community and employment opportunities nationally, statewide and in the geographic area served by the ~~center or region~~ regional learning community.

Sec. MM-38. 20-A MRSA §8306, sub-§5, as corrected by RR 2003, c. 2, §45, is amended to read:

5. Reorganizing centers and regions. The state board may, in compliance with section 8307:

- A. Change existing boundaries of centers and regions;
- B. Change the status of a center to a region or a region to a center;
- C. Dissolve existing regions or centers;
- D. Create new regions or centers; or
- E. Create alternative organizational methods of delivering career and technical education.

This subsection is repealed June 30, 2008.

Sec. MM-39. 20-A MRSA §8306-A, 2nd ¶, as corrected by RR 2003, c. 2, §46, is amended to read:

A program or course of career and technical education may not be offered by a ~~region, center or affiliated unit~~ regional learning community unless approved by the commissioner in compliance with rules adopted pursuant to this chapter.

Sec. MM-40. 20-A MRSA §8307-A, as corrected by RR 2003, c. 2, §§47-50, is repealed.

Sec. MM-41. 20-A MRSA §8351, as amended by PL 2005, c. 2, Pt. D, §24 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

§8351. State aid for career and technical education centers and career and technical education regions

State aid for centers and regions must be administered in accordance with chapters 606-B and 609 and Title 20, section 3457. This section is repealed June 30, 2008.

Sec. MM-42. 20-A MRSA §8353, as corrected by RR 2003, c. 2, §51, is amended to read:

§8353. Tuition for students sent out of state

If a ~~unit~~ regional learning community that serves a student's residence determines that that student would be better served by receiving career and technical education, on a tuition basis, at an out-of-state secondary level career and technical school that is located closer to that student's residence than a Maine ~~center, satellite program or region~~ regional learning community serving that student's residence, the State shall subsidize the ~~unit~~ regional learning community the same amount for that student as would have been incurred by ~~such a center, satellite program or region~~ the regional learning community providing the same or similar career and technical education to the student.

Sec. MM-43. 20-A MRSA §8354, as corrected by RR 2003, c. 2, §§52-54, is amended to read:

§8354. Tuition computation for out-of-state students

The tuition charge for each out-of-state student receiving career and technical education ~~at a center, satellite program or region~~ in a regional learning community is determined as follows.

1. Primary method. The per student tuition charge is determined by:

A. Adding the amounts paid by the ~~center, satellite program or region~~ municipalities in the regional learning community during the previous fiscal year for:

- (1) Teachers' salaries;
- (2) Fuel;
- (3) Janitorial services;
- (4) Textbooks;
- (5) Reference books;
- (6) School supplies for desk and laboratory use;
- (7) Public utility services;
- (8) Replacement of instructional equipment;
- (9) Insurance;
- (10) Compensation for the career and technical education director and the career and technical education director's assistants;
- (11) Employee fringe benefits; and
- (12) Electricity services provided by competitive electricity providers or other entities authorized by the Public Utilities Commission to provide electricity services;

B. Adjusting the amounts in paragraph A by the allowable percentages set forth in section 5805, subsection 1, paragraph D; and

C. Dividing this sum by the average number of all regularly enrolled students at the ~~center, satellite program or region~~ in the regional learning community on October 1st and April 1st of the previous fiscal year.

2. Alternate method. When the cost of fuel, janitorial services, public utility services, electricity services or insurance for facilities used to provide career and technical education can not be separated from similar costs for other facilities not used to provide career and technical education, the costs of facilities used to provide career and technical education are determined by prorating the square footage of floor space used to provide career and technical education to the total amount of floor space at the facilities.

Sec. MM-44. 20-A MRSA §8401, as amended by PL 1991, c. 655, §8, is further amended to read:

§8401. Career and technical education centers

Centers shall ~~must~~ operate within the regional learning community established in chapter 103-A at Augusta, Bath, Biddeford, ~~the former~~ School Administrative District No. 61(Bridgton), Caribou, ~~the former~~ School Administrative District No. 46(Dexter), Ellsworth, ~~the former~~ School Administrative District No. 9(Farmington), ~~the former~~ School Administrative District No. 27 (Fort Kent), Lewiston, Madawaska, Portland, ~~the former~~ School Administrative District No. 1(Presque Isle), Sanford, ~~the former~~ School Administrative District No. 54(Skowhegan), ~~the former~~ School Administrative District No. 24(Van Buren), Waterville and Westbrook. ~~School Administrative District No. 27, School Administrative District No. 33 and Madawaska School Department are authorized to enter into a cooperative agreement to provide for the construction and operation of a center in School Administrative District No. 33.~~

Sec. MM-45. 20-A MRSA §8403-A, sub-§8 is enacted to read:

8. Repeal. This section is repealed June 30, 2008.

Sec. MM-46. 20-A MRSA §8404, sub-§5 is enacted to read:

5. Repeal. This section is repealed June 30, 2008.

Sec. MM-47. 20-A MRSA §8405, first ¶, as amended by PL 1991, c. 518, §16, is further amended to read:

A ~~unit~~ regional learning community operating a center shall employ a certified vocational director.

Sec. MM-48. 20-A MRSA §8451, sub-§1, as corrected by RR 2003, c. 2, §60, is amended to read:

1. Legislative intent. It is the intent of the Legislature that each career and technical education region shall provide career and technical education in accordance with this chapter and shall function as an extension of the secondary schools located within the region's boundaries. This subsection is repealed June 30, 2008.

Sec. MM-49. 20-A MRSA §8451-A, as amended by PL 2005, c. 2, Pt. D, §27 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

§8451-A. Programs

A region shall provide programs of career and technical education. Programs of career and technical education are eligible to receive state subsidy pursuant to chapters 606-B and 609. All programs of career and technical education offered by a region must be approved by the commissioner pursuant to section 8306-A. The programs must offer a sequence of courses that are directly related to the preparation of individuals for employment in current or emerging occupations and may include training and education in academic and business skills preparing students to further their education at the community college or college level or allowing students to use trade and occupational skills on other than an employee basis. Programs of career and technical education may also include alternative educational programs and training and education in music, athletics, art and other activities approved by the commissioner pursuant to section 8306-A. This section is repealed June 30, 2008.

Sec. MM-50. 20-A MRSA §8452, as corrected by RR 2003, c. 2, §62, is amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-51. 20-A MRSA §8453-A, sub-§4 is enacted to read:

4. Repeal. This section is repealed June 30, 2008.

Sec. MM-52. 20-A MRSA §8454, sub-§4 is enacted to read:

4. Repeal. This section is repealed June 30, 2008.

Sec. MM-53. 20-A MRSA §8455, as corrected by RR 1991, c. 2, §63 and amended by PL 2003, c. 545, §5, is further amended to read:

§8455. Career and technical education region considered a political subdivision

A career and technical education region is a political subdivision within the meaning of Title 5, section 19002, subsection 6, and a quasi-municipal corporation within the meaning of Title 30-A, section 5701, and all the provisions of those sections apply to it. This section is repealed June 30, 2008.

Sec. MM-54. 20-A MRSA §8456, as amended by PL 1991, c. 716, §6 and PL 2003, c. 545, §5, is further amended to read:

§8456. Voter approval of cooperative board articles

A region shall vote on articles submitted by the cooperative board using the procedures set forth in sections 1351 to 1354. For such purposes, references in those sections to "school administrative district" or "district" mean career and technical education region; references in those sections to "board of directors," "board," "school board," "school directors" or "school director" mean cooperative board; and references in those sections to "they" mean either, as appropriate in the context, cooperative board or members of the cooperative board. This section is repealed June 30, 2008.

Sec. MM-55. 20-A MRSA §8457, sub-§6 is enacted to read:

6. Repeal. This section is repealed June 30, 2008.

Sec. MM-56. 20-A MRSA §8458, as corrected by RR 2003, c. 2, §64, is further amended to read:

§8458. Career and technical education director; chief administrative officer

1. Employment of career and technical education director. The cooperative regional learning community board shall employ a certified career and technical education director who shall administer, in compliance with this section, the provision of career and technical education in the region regional learning community.

4. Appointment of chief administrative officer. The cooperative regional learning community board shall appoint a chief administrative officer who shall administer the region career and technical education program in compliance with policy set by the cooperative regional learning community board, nominate teachers and other employees for employment by the region regional learning community and perform such other duties as are assigned to the chief administrative officer by the cooperative regional learning community board. The cooperative regional learning community board shall appoint as the chief administrative officer either:

- A. The career and technical education director; or
- B. The superintendent of a unit in the region regional learning community.

~~**5. Appointment of treasurer and secretary.** The cooperative board may appoint the career and technical education director or the chief administrative officer as treasurer or secretary, or both, of the cooperative board.~~

Sec. MM-57. 20-A MRSA §8459, as amended by PL 1991, c. 518, §26 and PL 2005, c. 397, Pt. D, §3, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-58. 20-A MRSA §8460, as corrected by RR 2003, c. 2, §§65 and 66, is amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-59. 20-A MRSA §8461, sub-§4 is enacted to read:

4. Repeal. This section is repealed June 30, 2008.

Sec. MM-60. 20-A MRSA §8462, sub-§3 is enacted to read:

3. Repeal. This section is repealed June 30, 2008.

Sec. MM-61. 20-A MRSA §8463, as amended by PL 1991, c. 518, §29, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-62. 20-A MRSA §8464, as amended by PL 1991, c. 518, §29 and PL 2005, c. 397, Pt. D, §3, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-63. 20-A MRSA §8465, as amended by PL 1993, c. 742, §1 and PL 2003, c. 545, §5, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-64. 20-A MRSA §8466, sub-§3 is enacted to read:

3. Repeal. This section is repealed June 30, 2008.

Sec. MM-65. 20-A MRSA §8467, sub-§3 is enacted to read:

3. Repeal. This section is repealed June 30, 2008.

Sec. MM-66. 20-A MRSA §8468, sub-§4 is enacted to read:

4. Repeal. This section is repealed June 30, 2008.

Sec. MM-67. 20-A MRSA §15671-A, sub-§5, as amended by PL 2005, c. 519, Pt. AAAA, §2, is further amended to read:

5. Exceeding maximum state and local spending target. If the sum of a school administrative unit's required local contribution determined pursuant to section 15688, subsection 3-A plus the state contribution as calculated pursuant to section 15688, subsection 3-A, paragraph D, plus any state funds resulting from a transition adjustment pursuant to section 15686, plus any additional local amount proposed to be raised pursuant to section 15690, subsection 3 exceeds the school administrative unit's maximum state and local spending target established pursuant to subsection 4, the following provisions govern approval of that additional amount.

A. The article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B. Notwithstanding section 1304, subsection 6; section 1701, subsection 7; Title 30-A, section 2528, subsection 5, or any other provision of law, municipal charter provision or ordinance, voter approval of the article, whether in town meeting, district meeting or other voting process established by law, municipal charter or ordinance, including, but not limited to, any vote on the article initiated by voter petition, must be by referendum or written ballot.

B. In a municipality where the responsibility for final adoption of the school budget is vested by the municipal charter in a council, this paragraph applies, except that the petition and referendum provisions apply only if the municipal charter does not otherwise provide for

or prohibit a petition and referendum process with respect to the matters described in this paragraph.

(1) A majority of the entire membership of the school board or committee must approve the additional amount in a regular budget meeting.

(2) An article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B and be approved by a majority of the entire membership of the council in a vote taken in accordance with section 15690, subsection 5 or, if the council votes not to approve the article, by a majority of voters voting in a referendum called pursuant to subparagraph (4).

(3) If an article is approved by the council pursuant to subparagraph (2), the voters may petition for a referendum vote on the same article in accordance with subparagraph (4). If a petition is filed in accordance with subparagraph (4), the vote of the council is suspended pending the outcome of the referendum vote. Upon approval of the article by a majority of the voters voting in that referendum, the article takes effect. If the article is not approved by a majority of the voters voting in that referendum, the article does not take effect. Subsequent to the vote, the school committee or board may again propose an additional amount, subject to the requirements of this section.

(4) If a written petition, signed by at least 10% of the number of voters voting in the last gubernatorial election in the municipality, requesting a vote on the additional amount is submitted to the municipal officers within 30 days of the council's vote pursuant to subparagraph (2), the article voted on by the council must be submitted to the legal voters in the next regular election or a special election called for the purpose. The election must be held within 45 days of the submission of the petition. The election must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the clerk to post a new list of voters and absentee ballots must be prepared and made available at least 14 days prior to the date of the referendum. For the purpose of registration of voters, the registrar of voters must be in session the secular day preceding the election. The voters shall indicate by a cross or check mark placed against the word "Yes" or "No" their opinion on the article. The results must be declared by the municipal officers and entered upon the municipal records.

This subsection is repealed June 30, 2008.

Sec. MM-68. 20-A MRSA §15671-A, sub-§6, is enacted to read:

6. Exceeding maximum state and local spending target. Beginning July 1, 2008, if the sum of a school administrative unit's required local contribution determined pursuant to section 15688, subsection 3-A plus the state contribution as calculated pursuant to section 15688, subsection 3-A, paragraph D, plus any state funds resulting from a transition adjustment pursuant to section 15686, plus any additional local amount proposed to be raised pursuant to section 15690-A, subsection 3 exceeds the school administrative unit's maximum state and local spending target established pursuant to subsection 4, the governing body must approve the additional amount pursuant to section 15690-A, subsection 3, paragraph B.

Sec. MM-69. 20-A MRSA §15679, sub-§2, as enacted by PL 2003, c. 504, Pt. A, §6, is amended to read:

2. Students-to-staff ratios. In calculating the salary and benefit costs pursuant to this section, the commissioner shall utilize the following student-to-staff ratios.

A. For the elementary school level and the middle school level:

(1) The student-to-education technician ratio is 100:1;

- (2) The student-to-guidance staff ratio is 350:1;
- (3) The student-to-librarian ratio is 800:1;
- (4) The student-to-media assistant ratio is 500:1;
- (5) The student-to-health staff ratio is 800:1;
- (6) The student-to-school administrative staff ratio is 305:1. Beginning in the 2008-2009 school year, the calculation must include an allocation for at least one principal for each school; and
- (7) The student-to-clerical staff ratio is 200:1.

B. For the high school level:

- (1) The student-to-education technician ratio is 250:1;
- (2) The student-to-guidance staff ratio is 250:1;
- (3) The student-to-librarian ratio is 800:1;
- (4) The student-to-media assistant ratio is 500:1;
- (5) The student-to-health staff ratio is 800:1;
- (6) The student-to-school administrative staff ratio is 315:1. Beginning in the 2008-2009 school year, the calculation must include an allocation for at least one principal for each school; and
- (7) The student-to-clerical staff ratio is 200:1.

Sec. MM-70. 20-A MRSA §15688, sub-§2, as amended by PL 2005, c. 2, Pt. D, §54 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

2. Member municipalities in school administrative districts or community school districts; total costs. For each municipality that is a member of a school administrative district or community school district, the commissioner shall annually determine each municipality's total cost of education. A municipality's total cost of education is the school administrative district's or community school district's total cost of education multiplied by the percentage that the municipality's most recent calendar year average pupil count is to the school administrative district's or community school district's most recent calendar year average pupil count. This subsection is repealed June 30, 2008.

Sec. MM-71. 20-A MRSA §15688, sub-§2-A is enacted to read:

2-A. Member municipalities in a regional learning community; total costs. Effective July 1, 2008, for each municipality that is a member of a regional learning community, the commissioner shall annually determine each municipality's total cost of education. A municipality's total cost of education is the regional learning community's total cost of education multiplied by the percentage that the municipality's most recent calendar year average pupil count is to the regional learning community's most recent calendar year average pupil count.

Sec. MM-72. 20-A MRSA §15688, sub-§3-A, as enacted by PL 2005, c. 2, Pt. D, §56 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

3-A. School administrative unit; contribution. For each school administrative unit, the commissioner shall annually determine the school administrative unit's required contribution, the required contribution of each municipality that is a member of the unit, if the unit has more than one member, and the State's contribution to the unit's total cost of education in accordance with the following.

- A. For a school administrative unit composed of only one municipality, the contribution of the unit and the municipality is the same and is the lesser of:

- (1) The total cost described in subsection 1; and
 - (2) The total of the full-value education mill rate calculated in section 15671-A, subsection 2 multiplied by the property fiscal capacity of the municipality.
- B. For a school administrative district or community school district composed of more than one municipality, each municipality's contribution to the total cost of education is the lesser of:
- (1) The municipality's total cost as described in subsection 2; and
 - (2) The total of the full-value education mill rate calculated in section 15671-A, subsection 2 multiplied by the property fiscal capacity of the municipality.
- C. For a school administrative district or community school district composed of more than one municipality, the unit's contribution to the total cost of education is the lesser of:
- (1) The total cost as described in subsection 1; and
 - (2) The sum of the totals calculated for each member municipality pursuant to paragraph B, subparagraph (2).
- D. The state contribution to the school administrative unit's total cost of education is the total cost of education calculated pursuant to subsection 1 less the school administrative unit's contribution calculated pursuant to paragraph A or C, as applicable. The state contribution is subject to reduction in accordance with section 15690, subsection 1, paragraph C.

This subsection is repealed June 30, 2008.

Sec. MM-73. 20-A MRSA §15688, sub-§3-B is enacted to read:

3-B. School administrative unit; contribution. Beginning July 1, 2008, for each school administrative unit, the commissioner shall annually determine the school administrative unit's required contribution, the required contribution of each municipality that is a member of the unit, if the unit has more than one member, and the State's contribution to the unit's total cost of education in accordance with the following.

- A. For a regional learning community, each municipality's contribution to the total cost of education is the lesser of:
 - (1) The municipality's total cost as described in subsection 2-A; and
 - (2) The total of the full-value education mill rate calculated in section 15671-A, subsection 2 multiplied by the property fiscal capacity of the municipality.
- B. For a regional learning community, the school administrative unit's contribution to the total cost of education is the lesser of:
 - (1) The total cost as described in subsection 1; and
 - (2) The sum of the totals calculated for each member municipality pursuant to paragraph A, subparagraph (2).
- C. The state contribution to the school administrative unit's total cost of education is the total cost of education calculated pursuant to subsection 1 less the school administrative unit's contribution calculated pursuant to paragraph B. The state contribution is subject to reduction in accordance with section 15690-A, subsection 1, paragraph C.

Sec. MM-74. 20-A MRSA §15688, sub-§4, as amended by PL 2005, c. 2, Pt. D, §57 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

4. Method of cost sharing; exception. For the purpose of local cost sharing, the provisions of subsection 3-A do not apply to municipalities that are members of a school administrative district or a community school district whose cost sharing formula was established pursuant to

private and special law prior to January 1, 2004. For each municipality that is a member of a school administrative district or a community school district whose cost sharing formula was established pursuant to private and special law prior to January 1, 2004, the cost sharing formula established pursuant to private and special law determines each municipality's local cost of education. This subsection is repealed June 30, 2008.

Sec. MM-75. 20-A MRSA §15689, sub-§1-A, as enacted by PL 2005, c. 519, Pt. AAAA, §14, is amended to read:

1-A. Adjustments to state contributions to member municipalities in certain school districts. ~~Beginning in~~ In fiscal year 2007-08, the minimum state allocation provisions of subsection 1 are applicable for each case when one or more member municipalities, but not all the district's member municipalities, have a local contribution that is below the mill rate expectation established pursuant to section 15671-A. For each school district eligible under this subsection, the minimum state allocation provisions of subsection 1 are applicable for each member municipality that has a local contribution that is below the mill rate expectation established pursuant to section 15671-A, except that the transition percentages in section ~~15689~~, subsection 1, paragraph B must be multiplied by the percentage of calendar year resident pupils in the member municipality. This subsection is repealed June 30, 2008.

Sec. MM-76. 20-A MRSA §15689, sub-§1-B is enacted to read:

1-B. Adjustments to state contributions to member municipalities in certain regional learning communities. Beginning in fiscal year 2008-09, the minimum state allocation provisions of subsection 1 are applicable for each case when one or more member municipalities, but not all the regional learning community member municipalities, have a local contribution that is below the mill rate expectation established pursuant to section 15671-A. For each regional learning community eligible under this subsection, the minimum state allocation provisions of subsection 1 are applicable for each member municipality that has a local contribution that is below the mill rate expectation established pursuant to section 15671-A, except that the transition percentages in subsection 1, paragraph B must be multiplied by the percentage of calendar year resident pupils in the member municipality.

Sec. MM-77. 20-A MRSA §15689-D, as enacted by PL 2005, c. 2, Pt. D, §61 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

§15689-D. Governor's recommendation for funding levels

The Department of Administrative and Financial Services, Bureau of the Budget shall annually certify to the Legislature the funding levels that the Governor recommends under sections 15683, 15683-A, 15689 and 15689-A. The Governor's recommendations must be transmitted to the Legislature within the time schedules set forth in Title 5, section 1666. The commissioner may adjust, consistent with the Governor's recommendation for funding levels, per-pupil amounts not related to staffing pursuant to section 15680 and targeted funds pursuant to section 15681.

Sec. MM-78. 20-A MRSA §15690, as amended by PL 2005, c. 519, Pt. AAAA, §§17 and 18, is further amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-79. 20-A MRSA §15690-A is enacted to read:

§15690-A. Local appropriations

Beginning with the budget for the 2008-2009 school year, this section applies to local appropriations for school purposes.

1. School administrative unit contribution to total cost of funding public education from kindergarten to grade 12. The legislative body of each school administrative unit may vote to raise and appropriate an amount up to its required contribution to the total cost of education as described in section 15688.

A. For a school administrative unit, an article in substantially the form set out in subparagraph (1) must be used when the school administrative unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article: To see what sum the (name of regional learning community) will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the (name of regional learning community) will raise and assess as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth below):

<u>Total appropriated (regional learning community by municipality):</u>	<u>Total raised (regional learning community assessments by municipality):</u>
<u>Town A (\$amount)</u>	<u>Town A (\$amount)</u>
<u>Town B (\$amount)</u>	<u>Town B (\$amount)</u>
<u>Town C (\$amount)</u>	<u>Town C (\$amount)</u>
<u>Regional Learning Community</u>	<u>Regional Learning Community</u>
<u>Total Appropriated</u>	<u>Total Raised</u>
<u>(\$sum of above)</u>	<u>(\$sum of above)"</u>

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The regional learning community's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the regional learning community must raise and assess in order to receive the full amount of state dollars."

B. The state share of the total cost of funding public education from kindergarten to grade 12 as described in section 15688, excluding state-funded debt service for each school administrative unit, is limited to the same proportion as the local school administrative unit raises of its required contribution to the total cost of education as described in section 15688, excluding state-funded debt service costs.

2. Non-state-funded debt service. For a school administrative unit's indebtedness previously approved by its legislative body for non-state-funded major capital school construction projects or non-state-funded portions of major capital school construction projects and minor capital projects, the legislative body of each school administrative unit may vote to raise and appropriate an amount up to the regional learning community's annual payments for non-state-funded debt service.

A. An article in substantially the form set out in subparagraph (1) must be used when a school administrative unit is considering the appropriation for debt service allocation for non-state-funded school construction projects or non-state-funded portions of school construction projects and minor capital projects.

(1) "Article: To see what sum the (name of regional learning community) will raise and appropriate for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, non-state-funded portions of school construction projects and minor capital projects in addition to the funds appropriated as the local share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12. (Recommend \$.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the (name of regional learning community) long-term debt for major capital school construction projects and minor capital renovation projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters or other legislative body."

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.

A. If the amount of the additional funds does not result in the school administrative unit's exceeding its maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the form set out in subparagraph (1) must be used when a school administrative unit is considering the appropriation of additional local funds:

(1) "Article: To see what sum the (name of regional learning community) will raise and to appropriate the sum of (Recommend \$.....) in additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690-A. (Recommend \$.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the regional learning community's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state-funded debt service that will help achieve the (name of regional learning community) budget for educational programs."

B. If the amount exceeds the school administrative unit's maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the form set out in subparagraph (1) must be used when a school administrative unit is considering an appropriation of additional local funds.

(1) "Article: Do you favor authorizing (name of regional learning community) to raise and appropriate \$..... in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$..... as required to fund the budget recommended by the regional learning community board of directors? The regional learning community board of directors recommends \$..... for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$.....:"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the regional learning community's local contribution to the total cost of funding public

education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state-funded debt service that will help achieve the (name of regional learning community) budget for educational programs."

4. Total budget article. A school administrative unit must include a summary article indicating the total annual budget for funding public education from kindergarten to grade 12 in the school administrative unit. The amount recommended must be the gross budget of the school system. This article, which must be in substantially the form set out in paragraph A, does not provide money unless the other articles are approved.

A. "Article: To see what sum the (name of regional learning community) will authorize the regional learning community's board of directors to expend for the fiscal year beginning (July 1,) and ending (June 30,) from the regional learning community's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690-A, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools. (Recommend \$.....)"

5. Vote. Actions taken pursuant to subsections 1 to 4 must be taken by a recorded vote.

Sec. MM-80. 20-A MRSA §15691, sub-§3 is enacted to read:

3. Repeal. This section is repealed June 30, 2008.

Sec. MM-81. 20-A MRSA §15691-A is enacted to read:

§15691-A. Municipal assessment paid to a regional learning community

1. Presentation of assessment schedule. The assessment schedule based on the budget approved at a regional learning community budget meeting must be presented to the treasurer of each municipality that is a member of the regional learning community. The assessment schedule must include each member municipality's share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in section 15688 and the school administrative unit's contribution to debt service for non-state-funded school construction projects and additional local funds for school purposes under section 15690-A.

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

Sec. MM-82. 20-A MRSA §15692, sub-§3 is enacted to read:

3. Repeal. This section is repealed June 30, 2008.

Sec. MM-83. 20-A MRSA §15693, sub-§9 is enacted to read:

9. Repeal. This section is repealed June 30, 2008.

Sec. MM-84. 20-A MRSA §15694, as enacted by PL 2005, c. 2, Pt. D, §62 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended by adding at the end a new paragraph to read:

This section is repealed June 30, 2008.

Sec. MM-85. 20-A MRSA §15695, sub-§4 is enacted to read:

4. Repeal. This section is repealed June 30, 2008.

Sec. MM-86. 20-A MRSA §15755, as enacted by PL 2005, c. 2, Pt. D, §63 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is repealed.

Sec. MM-87. 20-A MRSA §15901, sub-§1, ¶A, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

A. Acknowledgment of the ~~local~~ regional need;

Sec. MM-88. 20-A MRSA §15901, sub-§4, ¶D, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

D. The building of or acquisition of other facilities related to the operation of ~~school administrative units~~ regional learning communities;

Sec. MM-89. 20-A MRSA §15901, sub-§4, ¶E, as repealed and replaced by PL 1983, c. 613, is amended to read:

E. The complete restoration of existing school buildings in lieu of replacement when in the judgment of the commissioner the action is in the best interest of the State and ~~local-unit~~ the regional learning community; and

Sec. MM-90. 20-A MRSA §15901, sub-§6, as corrected by RR 1991, c. 2, §71 and amended by PL 2003, c. 545, §5, is repealed.

Sec. MM-91. 20-A MRSA §15901, sub-§7, as corrected by RR 1991, c. 2, §71 and amended by PL 2003, c. 545, §5, is repealed.

Sec. MM-92. 20-A MRSA §15901, sub-§8, as corrected by RR 1991, c. 2, §71 and amended by PL 2003, c. 545, §5, is repealed.

Sec. MM-93. 20-A MRSA §15902, as amended by PL 1999, c. 81, §8, is further amended to read:

§15902. Regional learning communities

1. Building committee. ~~The legislative body of a school administrative unit~~ A regional learning community board may establish a special building committee at a regular or specially called meeting held prior to a school construction project receiving the concept approval provided in section 15901. If the ~~legislative body~~ board does not establish a special building committee, the ~~school~~ board shall act as the building committee and may delegate the powers and duties of the building committee to the superintendent. If a vacancy occurs in the membership of a special building committee established under this subsection by the ~~legislative body~~ board, the ~~legislative body~~ board may fill that vacancy. The powers and duties of the building committee must be determined at the time of its establishment by the ~~legislative body of the school administrative unit~~ regional learning community board, or by the ~~school~~ board when it acts as the building committee and delegates those powers and duties to the superintendent. Powers and duties not assigned to the building committee that are not specifically delegated to other entities in this section remain with the ~~school~~ regional learning community board.

2. Regional learning community board approval. A plan for a school construction project voted for by a ~~school administrative unit~~ shall regional learning community must be approved by the ~~school~~ regional learning community board.

3. Authority to sell bonds. A ~~school administrative unit~~ regional learning community may sell bonds to raise the local share of project costs.

4. Final report to commissioner. On the completion of a school construction project or a permanent space lease-purchase project, the building committee shall certify to the commissioner that the construction project has been completed in conformity with the approved plans and specifications.

Sec. MM-94. 20-A MRSA §15903, sub-§5, ¶B, as amended by PL 1999, c. 81, §10, is further amended to read:

B. Upon receipt by the commissioner of a written petition from one or more residents of the ~~school administrative unit~~ regional learning community where the school construction project or permanent space lease-purchase project is located claiming that the project has not been completed in conformity with the approved plans and specifications, the commissioner shall cause an inspection of the project to be made or shall issue a written explanation to the petitioner or petitioners explaining the commissioner's refusal to do so. The petitioner or petitioners shall certify as part of the petition that the claim of nonconformance has been brought to the attention of the superintendent of the ~~school administrative unit~~ regional learning community in which the school construction project or permanent space lease-purchase project is located and that the superintendent has failed to respond in a satisfactory manner to that claim.

Sec. MM-95. 20-A MRSA §15903, sub-§5, ¶C, as enacted by PL 1987, c. 379, is further amended to read:

C. If an investigation is held, the commissioner shall notify the building committee, or legislative body of the ~~school administrative unit~~ regional learning community when no building committee exists, of the findings of the investigation and of any changes required. The building committee or ~~legislative body of the school administrative unit~~ regional learning community board shall make the changes within a reasonable period of time. Failure to do so shall ~~render~~ renders the ~~school administrative unit~~ regional learning community liable to the penalties provided in section 6801-A.

Sec. MM-96. 20-A MRSA §15904, as amended by PL 2005, c. 12, Pt. WW, §§8 and 9 and c. 683, Pt. B, §15, is further amended to read:

§15904. Local vote

Prior to final approval by the state board, a school construction project, except a small scale school construction project as defined in section 15901, subsection 4-A, must receive a favorable vote conducted in accordance with the following.

1. Municipal schools. In a municipality where the responsibility for final adoption of the school budget is vested in a municipal council by municipal charter or in a town meeting, the vote shall must be by referendum in accordance with the appropriate provisions set forth in Title 21-A and Title 30-A, except that the filing requirement contained in Title 30-A, section 2528, subsection 5, does not apply. This subsection is repealed June 30, 2008.

2. Regional learning communities. In a ~~school administrative district~~ regional learning community the vote must be conducted in accordance with ~~section 1305 or sections 1351 to 1354~~ chapter 103-A.

3. Community school districts. In a community school district, the vote shall must be conducted in accordance with Title 30-A, sections 2528 to 2532. The return and counting of votes shall must be conducted in accordance with the procedures established in section 1353, subsection 3. The district school committee shall:

A. Issue a warrant ordering the municipalities within the district to place the school construction article on the ballot; and

B. Prepare and furnish the required number of ballots for carrying out the vote.

This subsection is repealed June 30, 2008.

4. Form. The article shall must indicate:

D. The estimated amount of the additional operating costs during each of the first 2 years; and

E. ~~The school administrative unit~~ regional learning community is responsible for the local share of annual principal and interest payments for this school construction project included in the total cost of education appropriated pursuant to section ~~15690~~ 15690-A, subsection 1, if any, and for the annual principal and interest payments for the non-state-funded portion of this school construction project.

5. Career and technical education regions. In a career and technical education region, the vote must be conducted in accordance with sections 1351 to 1354 and section 8465. References in sections 1351 to 1354 to school administrative unit and board of directors mean "career and technical education region" and "cooperative board," respectively. This subsection is repealed June 30, 2008.

6. Permanent space lease-purchase projects. A permanent space lease-purchase project, as defined in section 15901, subsection 4-B, whose costs are wholly eligible as debt service costs for subsidy purposes under section 15672, subsection 2-A, paragraph B must receive a favorable vote of the ~~legislative body of the school administrative unit~~ regional learning community board. A permanent space lease-purchase project whose lease-purchase costs are not eligible as debt service costs for subsidy purposes under section 15672, subsection 2-A, paragraph B must receive a favorable vote of the ~~legislative body~~ board conducted in accordance with this section, except that subsection 4 does not apply. The vote may authorize the ~~school~~ regional learning community board or school committee to enter into a mortgage, security interest or other encumbrance on the permanent space lease-purchase project determined to be necessary for the permanent space lease-purchase project.

Sec. MM-97. 20-A MRSA §15905, sub-§5, as enacted by PL 1993, c. 410, Pt. ZZZ, §1, is amended to read:

5. Approval criteria. In approving school construction projects, the state board shall ensure that ~~school administrative units~~ regional learning communities have made efficient use of existing school facilities within the ~~unit~~ regional learning communities and have explored and when feasible developed agreements for sharing facilities with neighboring ~~school administrative units~~ regional learning communities.

Sec. MM-98. 20-A MRSA §15905, sub-§6, as enacted by PL 1995, c. 632, §2, is amended to read:

6. Facility maintenance plan required. The state board shall require a ~~school administrative unit~~ regional learning community applying for state funds for a school construction project to establish a facility maintenance plan for the projected life cycle of the proposed school building. The department shall provide technical assistance to ~~school administrative units~~ regional learning communities in carrying out this section. Assistance must include, but is not limited to, the provision of a model facility maintenance plan and the provision of technical and other assessment information from the school facilities inventory under section 15917.

Sec. MM-99. 20-A MRSA §15905, sub-§7, as amended by PL 2005, c. 683, Pt. B, §16, is further amended to read:

7. Interest-only interim local financing. Notwithstanding any provision of law or rule to the contrary, the state board may accelerate the dates on which it grants concept approval and funding approval for a school construction project that has been placed on the special priority list of the state board on the condition that the ~~school-administrative unit~~ regional learning community provide interest-only interim local financing for the project in accordance with this subsection. The period of interest-only interim local financing must be determined by the state board at the time concept approval is granted for a project and must be based on the time difference between the date that final funding approval is expected to be granted on an accelerated basis and the date that final funding approval would have been expected to be granted in the normal course. The period of interim local financing for a project may not exceed 5 years.

Notwithstanding any provision of law or rule to the contrary, a ~~school-administrative unit, including a school-administrative unit established by private and special law,~~ regional learning community authorized to issue securities for school construction purposes may issue its securities for school construction purposes on an interest-only basis during a period of interest-only interim local financing approved by the state board in accordance with this subsection. The period of interest-only interim local financing must precede, and be in addition to, the periods for interest payments and principal payments otherwise established pursuant to the school construction rules of the state board. The length of the period of interest-only interim local financing and the length of the debt service schedule otherwise established must be clearly stated on the face of the securities.

The interest-only payments made by a ~~school-administrative unit~~ regional learning community during the period of interim financing must be paid from local funds without state participation and may not be included in the ~~unit's~~ regional learning community's debt service costs for state subsidy purposes under section 15672, subsection 2-A. Such interest-only payments during the period of interim local financing may not be considered debt service costs as defined in section 15672, subsection 2-A for purposes of calculating amounts subject to the debt service limit established by this section.

The referendum question that is submitted to the voters for a project subject to interest-only interim local financing under this subsection must include, in addition to the information required by section 15904, an informational statement that sets forth the length of the period of interest-only interim financing established by the state board, an estimate of the annual interest cost during the period of interest-only interim local financing and a statement that the interest-only payments during the period of interim local financing is not eligible for inclusion in the debt service allocation of the ~~school-administrative unit~~ regional learning community for purposes of calculating state school construction subsidy to the ~~unit~~ regional learning community.

The maximum period that securities for a school construction project may be outstanding under any applicable statute or rule must be extended by the length of the period of interest-only interim local financing approved by the state board under this subsection.

If the voters of a ~~school-administrative unit~~ regional learning community do not vote to approve a school construction project subject to interest-only interim local financing under this subsection, the ~~unit's~~ regional learning community's school construction project remains eligible for concept and funding approval from the state board at the time that the project would be eligible for such approval without interest-only interim local financing.

Sec. MM-100. 20-A MRSA §15905-A, sub-§4, as enacted by PL 1999, c. 95, §2, is amended to read:

4. Municipal schools. In a municipal school unit where the responsibility for final adoption of the school budget is vested in the municipal council by municipal charter, a nonstate funded project may be approved without a referendum vote if the charter does not require a referendum. This subsection is repealed June 30, 2008.

Sec. MM-101. 20-A MRSA §15907, sub-§1, as amended by PL 1997, c. 787, §10, is further amended to read:

1. Payment of State's share. The state allocation for debt service costs must be paid by the commissioner to each ~~unit~~ regional learning community according to that ~~unit's~~ regional learning community's debt retirement schedule and rules adopted pursuant to this chapter.

A. For all current and future debt service costs payable by a ~~school-administrative-unit~~ regional learning community to the Maine Municipal Bond Bank, the state allocation for debt service costs must be paid by the commissioner to the bond bank or its designated trustee one business day prior to the date of the ~~unit's~~ regional learning community's next debt service cost payment as outlined in the ~~unit's~~ regional learning community's debt retirement schedule and in accordance with rules adopted pursuant to this chapter. If the payment date falls on a Monday, payment must be made to the bond bank on the preceding Friday.

B. At least 60 days prior to the date of the ~~school-administrative-unit's~~ regional learning community's next debt service cost as outlined in the ~~unit's~~ regional learning community's debt retirement schedule, the commissioner shall inform the bond bank as to the ~~unit's~~ regional learning community's state share of debt service for its next debt service payment.

Sec. MM-102. 20-A MRSA §15907, sub-§2, as enacted by PL 1981, c. 693, §§ 5 and 8, is further amended to read:

2. Payment of local share. A ~~school-administrative-unit~~ regional learning community shall pay the local share of ~~their~~ its project costs.

Sec. MM-103. 20-A MRSA §15908, sub-§4, as enacted by PL 1993, c. 721, Pt. B, §1 and affected by Pt. H, §1, is amended to read:

4. Consistent siting. The state board shall adopt criteria governing applications under this chapter to direct construction projects for new schools to areas determined suitable under the provisions of Title 30-A, chapter 187, subchapter H 2, by the ~~municipality~~ regional learning community within which the project will be located. The board may not require a minimum contiguous parcel size for the project as a condition of approval.

Sec. MM-104. 20-A MRSA §15908-A, sub-§3, as enacted by PL 2003, c. 497, §2 and affected by §5, is amended to read:

3. Requirements for approval. The state board shall withhold approval of a state-funded new or substantially renovated school or school building if the ~~local-school-authority~~ regional learning community board proposing the project can not show that it has duly considered the most energy-efficient and environmentally efficient designs suitable in accordance with rules adopted pursuant to this section.

Sec. MM-105. 20-A MRSA §15909, as amended by PL 1987, c. 803, §§3 and 5, is further amended to read:

§15909. Financing

1. Rate of construction aid. A ~~school-administrative-unit's~~ regional learning community's initial local share of the total cost of a project shall must be either 5% of the total cost or the equivalent of one mill multiplied by the ~~unit's~~ regional learning community's state valuation, whichever is less.

A. The one mill shall must be calculated on the state valuation in effect at the time the project is first approved by the state board.

B. The ~~unit's~~ regional learning community's initial local share shall must be applied to the project costs during the period of construction.

C. The ~~unit's~~ regional learning community's initial local share may be derived from local appropriations or gifts.

D. The ~~unit's~~ regional learning community's initial local share ~~shall~~ may not be considered an educational cost for inclusion in the ~~unit's~~ regional learning community's state-local allocation under chapter 605.

E. This subsection does not apply to projects approved in local referendum under section 15904 after June 30, 1985.

2. Bonds. A ~~school-administrative-unit~~ regional learning community shall sell bonds in its name for the total cost of the project minus the amounts listed in paragraph A. Bond sales ~~shall~~ must be consistent with rules adopted or amended by the state board.

A. The amount to be bonded ~~shall~~ must be determined as follows. The total cost of the project ~~shall~~ must be reduced by:

- (2) Proceeds from insured losses;
- (3) Money from federal sources; and
- (4) Other noneducational funds, except gifts and money from federal revenue sharing sources.

B. A ~~school-administrative-unit~~ regional learning community may borrow money for projects in anticipation of bond sales. Borrowing ~~shall~~ must be consistent with rules adopted or amended by the state board.

3. Deductions; cost of project. Proceeds from insured losses, money from federal sources and other noneducational funds ~~shall~~ must be deducted from the total cost of the project to determine the amount on which the state's State's share ~~shall be~~ is calculated. Proceeds from gifts or moneys from federal revenue sharing sources ~~shall~~ must be treated as local appropriations.

~~4. Construction projects approved in fiscal year 1984-85.~~ School administrative units which received voter approval on a school construction project in a referendum under section 15904 in fiscal year 1984-85 shall include the initial local share under subsection 1 in the total cost of the project under subsection 2, paragraph A.

Sec. MM-106. 20-A MRSA §15910, as enacted by PL 1981, c. 693, §§5 and 8 and amended by PL 2003, c. 689, Pt. B, §6, is further amended to read:

§15910. Requirements

The following requirements ~~shall~~ apply to a school construction project.

1. Applications. An application for approval of a project ~~shall~~ must include the information required by the state board.

2. Reports. A ~~school-administrative-unit~~ regional learning community shall file:

A. A copy of the debt retirement schedule with the commissioner as soon as bonds are sold; and

B. A final report on a project to include any information the commissioner may require. This report ~~shall~~ must be made within the time specified by rule by the commissioner.

3. Penalty. Failure to submit accurate reports within specified times ~~shall be deemed~~ is sufficient cause for withholding school construction aid until the ~~school-administrative-unit~~ regional learning community complies.

4. Time of signing. A ~~school-administrative-unit~~ regional learning community may not sign a contract for construction or begin construction until the final plans and specifications have been

approved by the commissioner, the Bureau of Public Improvements, the Department of Health and Human Services and the State Fire Marshal.

Sec. MM-107. 20-A MRSA §15911, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

§15911. Community services; conditions of approval

The state board may approve construction of school buildings without obligating the State to pay a share of the costs of those buildings, if those portions are to be constructed to fulfill a community service need.

1. Community service. "Community service" means a service ~~which~~ that does not fulfill an educational purpose or ~~which~~ that is not restricted to a school-age population.

2. Breakdown of costs. If construction of facilities to meet a community service need occurs in conjunction with a school construction project, the board shall:

A. Require a breakdown of costs for the entire project; and

B. Approve a plan as to how operating costs, including repairs, ~~shall~~ will be shared by agreement between the municipal officers and the ~~school~~ regional learning community board.

3. Findings. The state board's finding ~~shall become~~ becomes a part of the certificate of approval and ~~shall~~ must be the basis on which all costs ~~shall be~~ are apportioned between the municipality and the ~~school administrative unit~~ regional learning community board for as long as that portion of the project ~~shall~~:

A. ~~Continue~~ Continues to serve that community need; and

B. ~~Remain~~ Remains under the control of persons other than the ~~school~~ regional learning community board.

4. Application. An application from a ~~school administrative unit~~ regional learning community for approval of a school construction project ~~shall~~ must include evidence that approval will result in meeting or helping to meet the total construction and program needs of the area to be served.

Sec. MM-108. 20-A MRSA §15912, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

§15912. Inspection of facility; compliance

If it appears that a ~~school administrative unit~~ regional learning community has failed to maintain a school facility ~~which~~ that protects the health, welfare and safety of the persons utilizing the facility, the commissioner may cause an inspection to be made. The commissioner shall notify the ~~school administrative unit~~ regional learning community of the findings of the investigation and of any changes to be made. The ~~school administrative unit~~ regional learning community shall make the changes promptly. If it fails to make the changes, it ~~shall be~~ is liable to the penalties provided in section ~~6801~~ 6801-A.

Sec. MM-109. 20-A MRSA §15913, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

§15913. School bus shelters

1. Placement. School bus shelters for school children, when approved by the ~~school~~ regional learning community board of the ~~unit~~ regional learning community in which they are located, may be placed or maintained outside the right-of-way and at least 33 feet from the center line of a highway.

2. Requirement. A shelter shall must be:

- A. Constructed of steel or other durable material with concrete floor raised above ground level;
- B. Kept clean, well painted or otherwise suitably maintained at all times; and
- C. Kept free from snow.

3. Removal. The school ~~regional learning community~~ board may order ~~its~~ the removal of a shelter if it does not meet these the requirements under subsections 1 and 2.

Sec. MM-110. 20-A MRSA §15915, as amended by PL 2005, c. 499, §1, is further amended to read:

§15915. Energy service companies and 3rd-party financing

1. Initial agreement. Any school-administrative-unit regional learning community may enter into an agreement of up to 15 years with a private party, such as an energy service or 3rd-party financing company, for the design, installation, operation, maintenance and financing of energy conservation or combined energy conservation and air quality improvements at existing school administrative-unit regional learning community facilities. The school-administrative-unit's regional learning community's costs to enter into such an agreement are not applicable to the unit's regional learning community's school construction project costs, the debt service on which is eligible for subsidy purposes under section 15907. Such an agreement is deemed to be a professional service, which is not subject to the competitive bidding requirements of Title 5, section 1743-A, if the agreement:

- A. Provides for operation or maintenance of the improvement for at least 5 years or the entire term of the financing agreement if longer than 5 years;
- B. Requires a guaranty by the contractor that the improvement will meet performance criteria set forth in the agreement for at least 5 years or for the entire term of the financing agreement if longer than 5 years; and
- C. Has a total contract cost, excluding interest and operating and maintenance costs, of less than \$2,000,000 for any school building.

A school-administrative-unit regional learning community may select contractors for these professional services on the basis of a request for qualifications or a request for proposals and it is not required to use a competitive method set forth in this chapter and Title 5, section 1743-A and Private and Special Law 1999, chapter 79. The selection process must include at a minimum a request for qualifications or a request for proposals that is advertised in a newspaper of general circulation in the school-administrative-unit regional learning community and a newspaper of general circulation in the City of Augusta. The school-administrative-unit regional learning community shall interview not fewer than 3 service providers unless a smaller number of service providers responds to the request for qualifications or requests for proposals. The performance criteria in the agreement is subject to approval by the Department of Administrative and Financial Services, Bureau of General Services. A request for qualifications or proposals may not contain terms that require service providers to have more than 3 years of experience in the energy conservation field or the use of equipment that is not generally available to service providers or terms that are otherwise included for the purpose of bias or favoritism toward a particular service provider. Objections to the terms of a request for qualifications or proposals under this subsection are deemed waived if not delivered in writing to the office of the superintendent of schools in that school-administrative-unit regional learning community within 21 days of the last publication of the newspaper advertisement.

2. Future operation. Any school-administrative-unit regional learning community, at the termination of the agreement with the private party pursuant to this section, may acquire, operate and maintain the improvement, may renew the agreement with the private party or may make an agreement with another private party to operate and maintain the improvement.

Sec. MM-111. 20-A MRSA §15915-A, sub-§1, as enacted by PL 1997, c. 664, §1 and amended by PL 2003, c. 545, §5, is further amended to read:

1. Service agreements. ~~The governing bodies of school-administrative units and career and technical education regions~~ Regional learning community boards are authorized to enter into agreements for not more than 10 years with private entities such as telecommunications service providers to purchase telecommunications services, including services for interactive audio and visual communication and transmission of data for educational purposes.

Sec. MM-112. 20-A MRSA §15915-A, sub-§2, as enacted by PL 1997, c. 664, §1 and amended by PL 2003, c. 545, §5, is further amended to read:

2. Interlocal agreements. ~~The governing bodies of school-administrative units and career and technical education regions~~ Regional learning community boards are authorized to enter into interlocal agreements in accordance with Title 30-A, chapter 115 and may organize or cause to be organized joint boards and legal entities including public nonprofit corporations under Title 13, chapter 81 and Title 13-B to purchase telecommunications services and to acquire customer premise telecommunications, as defined by the Public Utilities Commission, and related technology equipment.

Sec. MM-113. 20-A MRSA §15918, as enacted by PL 1997, c. 787, §11, is amended to read:

§15918. Maintenance and capital improvement plan assistance

The department and the Department of Administrative and Financial Services, Bureau of General Services shall provide assistance to ~~school-administrative units, including~~ regional learning communities and the unorganized territories, in establishing maintenance and capital improvement programs under section 4001, subsection 7. The department, with assistance from the Department of Administrative and Financial Services, Bureau of General Services, shall provide a maintenance template, software and assistance with initial inventory inputs to ensure consistent comprehensive local maintenance and capital improvement plans and to provide for electronic reporting of maintenance and capital improvement progress by ~~school-administrative units~~ regional learning communities to the department. The Department of Education and the Bureau of General Services shall adopt rules necessary to implement this section. Rules adopted by the Department of Education and the Bureau of General Services to implement this section are major substantive rules pursuant to Title 5, chapter 375, subchapter ~~II-A~~ 2-A.

Sec. MM-114. Initial staggered terms. Notwithstanding the Maine Revised Statutes, Title 20-A, section 1454, subsection 2, the initial members elected to a regional learning community board of directors shall meet and draw lots for the length of term specified as follows.

1. Municipalities with annual elections. In municipalities with annual elections, 1/3 of the directors serve one-year terms, 1/3 of the directors serve 2-year terms and 1/3 of the directors serve 3-year terms. If the number of directors is not evenly divisible by 3, the first remaining director serves a 3-year term and the 2nd a 2-year term.

2. Municipalities with biennial elections. In municipalities with biennial elections, 1/2 of the directors serve 4-year terms and 1/2 of the directors serve 2-year terms. If the number of directors is not divisible by 2, the remaining director serves a 4-year term.

The directors shall serve their terms as determined at the organizational meeting and an additional period until the next regular election of the municipalities. Thereafter, the directors' terms of office are as established in accordance with the provisions of Title 20-A, section 1454.

Sec. MM-115. Transition; schedule; department assistance; use of existing schools and facilities.

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "Department" means the Department of Education.
- B. "Implementation year" means the year that begins July 1, 2008 and ends June 30, 2009.
- C. "Transition year" means the year that begins July 1, 2007 and ends June 30, 2008.

2. Schedule. During the transition year, school administrative units within each of the regions designated in the Maine Revised Statutes, Title 20-A, chapter 103-A shall collaborate, with assistance from the department, in order to organize as regional learning communities in accordance with Title 20-A, chapter 103-A. During the transition year and by the beginning of the implementation year, each regional learning community becomes operational as a school administrative unit on the date set by the State Board of Education as provided in Title 20-A, chapter 103-A, but no later than July 1, 2008.

3. Department assistance. To implement the requirements of this Part, the department must provide the following financial and technical assistance to school administrative units for the duration of both the transition year and the implementation year:

- A. A transition team made up of legal, financial and educational programming consultants that will be assigned to each region to assist regional staff with transition and implementation; and
- B. Monthly professional development opportunities to participate in collaborative learning sessions with the other regions and the department, on topics related to the transition to and implementation of the regional model, and on standards-based programming, uses of data for improved student achievement and other topics identified by the superintendents.

4. Use of existing schools and facilities. A regional learning community may, at the discretion of the regional school board and in a manner that is consistent with Title 20-A, continue to operate schools and facilities that were in operation prior to the date established under subsection 2 upon which the regional learning community becomes operational.

Sec. MM-116. Transfer of property and assets.

1. Board of directors. The directors of the board of each regional learning community established in the Maine Revised Statutes, Title 20-A, chapter 103-A shall determine what school property of the municipalities, Child Development Services System regional sites and career and technical education regions in existence prior to July 1, 2008 and of the school administrative units in existence prior to June 30, 2008 in their regions is necessary to carry out the functions of the regional learning community and shall request in writing that the board of each such school administrative unit, Child Development Services System regional site and career and technical education region or the municipal officers transfer title of their school property and buildings to the regional learning community board of directors.

2. Transfer. The municipal officers and boards contacted pursuant to subsection 1 shall make the transfer of property and assets notwithstanding any other provision in the charter of the school administrative unit or municipality or the laws governing the Child Development Services System regional sites or the career and technical education regions or other provision of law.

3. Financing assumed debts. A regional learning community shall assume the outstanding indebtedness of a school administrative unit in existence prior to June 30, 2008 or a career and technical education region in existence prior to June 30, 2008 in its regional learning community for school construction projects approved for subsidy under Title 20-A, chapter 609. If a regional learning community board of directors has assumed the outstanding indebtedness of a school administrative unit in existence prior to June 30, 2008 or a career and technical region in existence prior to June 30, 2008 in its regional learning community, the directors of the regional learning community board may, notwithstanding any other statute or any provision of any trust agreement, use any sinking fund or other money set aside by the school administrative unit in existence prior to June 30, 2008 or a career and technical region in existence prior to June 30, 2008 to pay off the indebtedness for which the money was dedicated. A regional learning community board of directors is not required to assume the outstanding indebtedness of a school administrative unit in existence prior to June 30, 2008 or a career and technical education region in existence prior to June 30, 2008 in its regional learning community for nonstate funded projects pursuant to Title 20-A, section 15905-A.

Sec. MM-117. Operational date and transfer of authority.

1. Operational date. A regional learning community board of directors becomes operational on the date set by the State Board of Education as provided in the Maine Revised Statutes, Title 20-A, chapter 103-A.

2. Transfer of governing authority. The regional learning community board of directors, on the date established in subsection 1, shall assume responsibility for the management and control of the public schools and programs within the school administrative units in existence prior to June 30, 2008, Child Development Services System regional sites and career and technical education regions in existence prior to June 30, 2008 that are within the regional learning community. Those school administrative units in existence prior to June 30, 2008, Child Development Services System regional sites and career and technical education regions in existence prior to June 30, 2008, on the date established in subsection 1, have no further responsibility for the operation or control of the public schools and programs within the regional learning community.

3. Transfer of school accounts. Notwithstanding Title 20-A, section 15004 or any charter of a community school district or coterminous district, or any laws governing the Child Development Services System regional sites or the career and technical education regions, the balance remaining in the school accounts of the municipalities, community school districts or coterminous school districts within the regional learning community must be paid to the treasurer of the regional learning community in equal monthly installments over the remainder of the fiscal year in which the regional learning community is formed.

4. Teacher contracts. The contracts between the municipalities or the career and technical education regions within the regional learning community and all teachers are automatically assigned to the regional learning community board of directors as of the date the regional learning community becomes operative and remain in effect until the end of the implementation year, unless otherwise negotiated by the teachers and the regional learning community board of directors. The regional learning community board of directors shall assign teachers to their duties and make payments upon their contracts.

5. Superintendent contracts. The contracts between the superintendents and municipalities within the regional learning community are transferred to the regional learning community board of directors. The regional learning community board of directors shall determine the superintendents' duties within the regional learning community.

Sec. MM-118. Property tax reduction. Each school administrative unit must provide assessment reductions to each member municipality that will result in property tax reduction for the unit's member taxpayers through one or more of the following:

1. Increase. The increase provided pursuant to Part C of this Act in state general purpose aid for local schools;

2. Savings. Savings from the regionalization of school administrative units beginning in fiscal year 2008-09; and

3. Other. Other efficiencies chosen by school administrative units.

For each school administrative unit, the Commissioner of Education and the Commissioner of Administrative and Financial Services shall establish and report an assessment reduction target that will result in an amount equal to at least 90% of the increase provided in Part C of this Act in general purpose aid for local schools resulting in property tax reduction.

Each school administrative unit must report annually to the Department of Education, in a format provided by the department that incorporates the target established above, the unit's assessment reductions and that each member municipality has provided to its taxpayers the property tax reduction resulting from the assessment reductions. If a school administrative unit's targeted assessment reductions or any member municipality property tax reductions are not reported or do not occur, the Commissioner of Education and the Commissioner of Administrative and Financial Services shall develop a mechanism to guarantee that the full amount of property tax reduction available to the member municipality taxpayers under subsections 1 to 3 occurs.

Sec. MM-119. Report; additional necessary implementing legislation. No later than January 31, 2008, the Commissioner of Education shall submit to the Joint Standing Committee on Education a report that contains recommendations and any proposed legislation necessary to fully implement this Part. Following receipt and review of the report, the Joint Standing Committee on Education may submit legislation to the Second Regular Session of the 123rd Legislature.

Sec. MM-120. Effective date. Those sections of this Part that repeal the Maine Revised Statutes, Title 20-A, chapter 103, chapter 105, chapter 107, chapter 109 and chapter 111 take effect June 30, 2008. Those sections of this Part that amend Title 20-A, chapters 313, 606-B, 608 and 609 take effect June 30, 2008.

PART MM

This Part implements amendments to the Maine Revised Statutes, Title 20-A in order to streamline the administration of local education in the State. The impact of these changes will be a significant reduction in the number of school superintendents, increases in class sizes for middle and high school students consistent with national norms and an overall reduction in the administrative cost per Maine student. It also makes available property tax reductions equivalent to 90% of the state share of education funding provided in this budget and mandates that these property tax reductions occur.