

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the amendment in Part XXXX in section 13 in §1461 in the first paragraph in the last line (page 752, line 22 in amendment) by inserting after the following: "section." the following: 'In completing the reorganization under this section, school administrative units shall strive to create 80 regional state-approved units of school administration or a number that meets the administrative efficiencies desired by the Legislature.'

Amend the amendment in Part XXXX in section 13 in §1461 by striking out all of subsections 3 and 4 and inserting the following:

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

A. 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. The commissioner shall approve the plan if it meets the following guidelines.

(1) The proposed regional school unit must serve not fewer than 2,500 students, except where circumstances relating to one or more of 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;

(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; or

(g) If, after performing due diligence to develop a regional plan that meets the 2,500 students enrollment requirement, a school administrative unit is unable to achieve the enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit.

(2) The plan must provide comprehensive programming for all students from kindergarten 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 section 1451.

(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.

C. When circumstances justify an exception to the size requirement of 2,500 students, the unit must serve as close to 2,500 students as possible. The unit may not serve fewer than 1,200 students except in the following circumstances:

(1) The schools are operated by tribal school committees; or

(2) The unit is geographically isolated. For purposes of this subparagraph, "a geographically isolated unit" includes, without limitation, a unit on a coastal island not connected by a road or bridge to the mainland.

4. Review and approval of plans; exceptions. If the commissioner 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.

A. The commissioner shall approve a regionalization plan that:

(1) Is consistent with the provisions of section 1451 and clearly addresses each of the elements listed in subsection 3, paragraph A; and

(2) Serves at least 2,500 students or has been granted an exception from the minimum size requirements under subsection 3, paragraph B, subparagraph (1), division (g) or subsection 3, paragraph C.

B. If the commissioner finds that a plan does not meet the requirements of this chapter or denies a request for an exemption from the unit size requirements of this section, the commissioner shall

provide a written decision detailing the reasons for the denial and specific findings relative to any policies or criteria that have not been met.

C. A decision of the commissioner to reject a plan or deny a request for an exemption from the unit size requirements must be submitted to the joint standing committee of the Legislature having jurisdiction over education matters for review.'

Amend the amendment in Part XXXX by striking out all of section 32 and inserting the following:

'**Sec. XXXX-32. 20-A MRSA §15696** is enacted to read:

§ 15696. Penalties for nonconforming school administrative units

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

A. The nonconforming school administrative unit's state subsidy must be reduced by an amount equal to 50% of the legislatively approved elementary school level, middle school level and high school level per-pupil essential programs and services rate for system administration applied to the number of resident pupils at each school level in the school administrative unit as of July 1, 2009 until such time as the school administrative unit is compliant with the applicable minimum number of resident pupils.

B. The school administrative unit receives less favorable consideration for approval and funding for school construction pursuant to rules of the state board.'

Amend the amendment in Part XXXX in section 35 in subsection 1 in paragraph C in the 2nd line (page 794, line 26 in amendment) by striking out the following: "reflect" and inserting the following: 'be guided by'

Amend the amendment in Part XXXX in section 35 in subsection 1 in paragraph C in subparagraph (2) in the 2nd line (page 794, line 29 in amendment) by striking out the following: "not more than 80" and inserting the following: 'more efficient'

Amend the amendment in Part XXXX in section 35 in subsection 4 in the first line (page 795, line 23 in amendment) by inserting after the following: "2007" the following: 'for school administrative units that intend to hold a referendum pursuant to subsection 8 on or before January 15, 2008 and by May 1, 2008 for school administrative units that have not held a referendum pursuant to subsection 8 by January 15, 2008'

Amend the amendment in Part XXXX in section 35 by striking out all of subsections 6, 7 and 8 and inserting the following:

'**6. Guidelines.** In developing a reorganization plan for school administrative units in existence on the effective date of this Part, the governing bodies of school administrative units shall work within the following guidelines:

A. The proposed regional school unit must serve not fewer than 2,500 students, except where circumstances relating to one or more of the following factors justify an exception:

- (1) Geography, including physical proximity and the size of the current school administrative unit;
- (2) Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit;
- (3) Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized;
- (4) Transportation;
- (5) Population density;
- (6) 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; or
- (7) If, after performing due diligence to develop a regional plan that meets the 2,500 students enrollment requirement, a school administrative unit is unable to achieve the enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit;

B. The proposed unit, viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join a regional school unit;

C. The plan must provide comprehensive programming for all students from kindergarten to grade 12 and must include at least one publicly supported secondary school;

D. The plan must be consistent with the policies set forth in Title 20-A, section 1451;

E. 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;

F. The plan must reorganize administrative functions, duties and noninstructional personnel in order that the following be accomplished:

- (1) The projected expenditures of the reorganized school unit in fiscal year 2008-09 for transportation, special education and facilities and maintenance must be 5% less than the projected transportation, special education and facilities and maintenance expenditures of each of the participating school administrative units in fiscal year 2007-08; and
- (2) The projected expenditures of the reorganized school unit in fiscal year 2008-09 for system administration must be no more than the legislatively approved essential programs and services system administration rate established for fiscal year 2008-09; and

G. When circumstances justify an exception to the size requirement of 2,500 students, the unit must serve as close to 2,500 students as possible. The unit may not serve fewer than 1,200 students except in the following circumstances:

- (1) The schools are operated by tribal school committees; or

(2) The unit is geographically isolated. For purposes of this subparagraph, "a geographically isolated unit" includes, without limitation, a unit on a coastal island not connected by a road or bridge to the mainland.

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

A. The Commissioner of Education shall approve a regionalization plan that:

(1) Is consistent with the provisions of the Maine Revised Statutes, Title 20-A, section 1451 and clearly addresses each of the elements listed in Title 20-A, section 1461, subsection 3, paragraph A; and

(2) Serves at least 2,500 students or has been granted an exception from the minimum size requirements under subsection 6, paragraph A, subparagraph (7) or subsection 6, paragraph G.

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

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

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

8. 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 conducted in accordance with the referendum procedures applicable to the school administrative unit of which the municipality is a member. A referendum may be held on or before January 15, 2008 but if it is not, a referendum must be held on June 10, 2008.

"Article: Do you favor approving the school administrative 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 school administrative unit) joining the proposed regional school unit, which will be provided with the following incentives:

More favorable consideration in approval and funding of school construction projects; and
Eligibility for additional financial support for reorganization costs.

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

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

A reduction in state funding of education costs in an amount estimated to be \$_____ for school year 200_ and \$_____ for school year 200_, with the possibility of ongoing penalties for continued failure to join an approved regional school unit. Reductions in state education funding will likely result in an increased mill rate expectation to meet the local share of education costs."

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

Amend the amendment in Part XXXX in section 45 by striking out all of subsection 6 and inserting the following:

'6. Report its interim findings regarding progress towards consolidation and recommendations, including suggested legislation, to the Joint Standing Committee on Education and Cultural Affairs by January 18, 2008 and submit a final report, including suggested legislation, to the joint standing committee of the Legislature having jurisdiction over education matters by January 10, 2009. In its recommendations, the department shall include proposals to extend, modify or repeal the current validation referendum process. Following receipt and review of the report, the joint standing committee of the Legislature having jurisdiction over education matters shall report out a bill to the First Regular Session of the 125th Legislature that extends, modifies or repeals the current validation referendum process.'

SUMMARY

This amendment amends the framework for the reorganization of school administrative units as proposed in Committee Amendment "A" in the following ways:

1. It clarifies the language regarding the requirements a reorganization plan must meet in order to gain the approval of the Commissioner of Education. If the commissioner rejects a plan or a request for an exemption from unit size requirements, the commissioner is required to provide a written explanation of the rejection. In addition, the commissioner is required to submit the explanation for the denial to the joint standing committee of the Legislature having jurisdiction over education matters for review;

2. It exempts from the minimum student enrollment requirement a school administrative unit that develops a regional plan that meets the 2,500 students enrollment requirement but is unable to achieve the enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit;

3. It allows a school administrative unit to serve fewer than 1,200 students if the unit is operated by a tribal school committee or is geographically isolated, which includes a unit on a coastal island not connected by a road or bridge to the mainland;

4. It allows a referendum to be held on the proposed reorganization plan any time up to January 15, 2008; however, if a referendum is not held by that date, a school administrative unit is required to hold a referendum on June 10, 2008;

5. It allows a school administrative unit that chooses to not hold a referendum until June 10, 2008 to submit the reorganization plan to the Commissioner of Education by May 1, 2008 instead of December 1, 2007 for those units that hold the referendum no later than January 15, 2008;

6. It revises the penalties for nonconforming units to make those penalties less punitive; and

7. It changes the reporting requirements for the Commissioner of Education by requiring an interim report to be submitted to the Joint Standing Committee on Education and Cultural Affairs by January 18, 2008 regarding progress towards consolidation followed by a final report one year later.

FISCAL NOTE REQUIRED

(See attached)