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An Act To Encourage Cooperation among School Administrative Units

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

Whereas, the economic situation confronting our nation and all levels of government in the State will likely result in flat funding or reduced state and local general funds available for appropriation to support prekindergarten to grade 12 public education; and

Whereas, school administrative units in the State must achieve maximum efficiencies and reductions in administrative and other noninstructional costs while maintaining and fostering excellence in the classroom; and

Whereas, the enactment of this legislation is necessary to allow school administrative units to initiate organizational efforts to enter regional education cooperatives in order to achieve maximum efficiencies by carrying out specified educational functions and support services in a region of the State; and

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

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

Sec. 1. 20-A MRSA c. 113, as amended, is repealed.

Sec. 2. 20-A MRSA c. 113-A is enacted to read:

CHAPTER 113-A

REGIONAL EDUCATION COOPERATIVES

§ 2511. Definitions

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

1. <u>Cooperative.</u> <u>"Cooperative" means a regional education cooperative formed pursuant to this chapter.</u>

2. Cooperative agreement. <u>"Cooperative agreement" means an agreement between school</u> administrative units that form a regional education cooperative to share the responsibility for and cost of the delivery of specified educational functions and support services in a region such as, without limitation:

A. Alternative education programs;

- B. Special education programs or support services;
- C. Public preschool programs or 2-year kindergartens pursuant to chapter 203;
- D. Gifted and talented education programs pursuant to chapter 311;
- E. Online learning and distance education programs;
- F. Postsecondary education options pursuant to chapter 208-A;
- <u>G.</u> <u>Adult education programs pursuant to chapter 315;</u>
- H. Purchasing or contracting for goods or services;
- I. Staff training or professional development;
- J. Technology or technology support services;
- K. Accounting, payroll and financial management;
- L. Transportation routing and vehicle maintenance;
- M. Food service planning and purchasing; and
- N. Energy management and facilities maintenance.

3. Cooperative board. <u>"Cooperative board" means the governing body with the powers and duties set forth in this chapter for a regional education cooperative.</u>

§ 2512. Regional education cooperatives

The school boards of 2 or more school administrative units in existence as of July 1, 2009 may file an application to the commissioner for the purpose of entering a cooperative agreement to form a regional education cooperative. A cooperative is governed by a cooperative board formed and operating in accordance with this chapter. The participation of school administrative units in any of the specified educational functions or support services included in the cooperative agreement is voluntary. A cooperative board may designate school administrative unit personnel or service providers to provide the specified educational functions or support services included in the cooperative agreement. The cooperative board must include one school board member from each school administrative unit participating in the cooperative. The voting method established by the cooperative board may not include a method in which the board members cast weighted votes. The application for the cooperative must designate the lead school administrative unit for the cooperative. The superintendent of the lead school unit shall serve as a nonvoting, ex officio member of the cooperative board and shall administer the cooperative agreement and serve as fiscal agent for the cooperative board.

§ 2513. Application; approval; ratification

1. Application. An application under section 2512 for a cooperative must be in a form and contain such information as required by the commissioner, including, but not limited to:

A. The identification of the school administrative units that are applying to form the cooperative;

B. The identification of the lead school administrative unit;

C. The specified educational functions and support services to be provided by the cooperative, including the identification of the school administrative units that will participate in each specified educational function or support service and the number of students or staff to be served in each school administrative unit that is participating in each specified educational function or support service to be carried out by the cooperative;

D. The duration of the cooperative agreement;

E. The cost estimate or operational budget for the specified educational functions or support services to be carried out;

F. The method of providing the specified educational functions or support services and the designation of school administrative unit personnel or service providers who will provide the specified educational functions or support services;

G. The method of sharing costs among the school administrative units; and

H. The projected cost savings for the cooperative agreement and the method for redistributing cost savings among the school administrative units.

2. Approval. The commissioner shall either approve or reject an application under section 2512 based upon the information submitted pursuant to subsection 1, but no more than 20 cooperatives may be in existence at any one time. The commissioner shall keep a register of approved cooperatives. If at any time there are 20 cooperatives in existence, the commissioner may not accept applications under this chapter.

3. School board ratification. If the commissioner approves an application for a cooperative pursuant to subsection 2, the cooperative must be approved by a majority of the members of the school board of each school administrative unit involved in the cooperative before the cooperative becomes effective.

§ 2514. Cooperative agreement

1. Duration of cooperative agreement. A cooperative agreement that has been ratified pursuant to section 2513 is valid for the fiscal year beginning July 1st following the ratification vote and ends June 30th of the calendar year that coincides with the expiration date included in the cooperative agreement.

2. <u>Renewal of cooperative.</u> A cooperative may be renewed only upon reapplication to the commissioner and ratification by a majority of the members of each school board involved in the cooperative in accordance with this chapter.

§ 2515. Finance

1. State-local allocation. Expenses incurred under a cooperative agreement may be reported by the participating school administrative units as per-pupil amounts not related to staffing in addition to the items listed in section 15680.

2. Administrative costs. Costs for carrying out a cooperative agreement must be shared in accordance with the terms of the cooperative agreement, but costs of administration of the cooperative may not exceed 10% of the total budget of the cooperative agreement.

3. Cost savings. School administrative units that enter into a cooperative agreement shall share any identified cost savings in accordance with the method for redistributing cost savings set forth in the cooperative agreement. For the purposes of this chapter, the cost savings achieved are those cost savings directly associated with the categories of the specified educational functions and support services carried out in a region in accordance with a cooperative agreement for the delivery of prekindergarten to grade 12 education when comparing the base year costs to the costs in the subsequent fiscal year and adjusting for inflation.

§ 2516. Existing agreements

A shared service agreement between 2 or more school administrative units established in accordance with former chapter 113 or an interlocal agreement between 2 or more school administrative units established in accordance with Title 30-A, chapter 115 may remain in effect after July 1, 2009. Notwithstanding any other provision of law to the contrary, a shared service agreement or interlocal agreement in existence on the effective date of this section may be extended or modified by the parties to the agreement.

§ 2517. Development of interlocal agreements

Nothing contained in this chapter may be construed to prevent a school administrative unit from entering an interlocal agreement in accordance with Title 30-A, chapter 115 with other school administrative units and, whenever possible, with local and county governments and State Government to achieve efficiencies and reduce costs in the delivery of specified educational functions or support services.

Sec. 3. 20-A MRSA §6202, sub-§1-A, as enacted by PL 2005, c. 118, §1, is amended to read:

1-A. Interpretation. The statewide assessment program results may be interpreted in a manner that takes into account the particular role within a school administrative unit of regional special education or regional alternative education programs or schools approved by the commissioner in accordance with section 2501chapter 113-A or section 7253. For these programs or schools, the results may be interpreted

by assigning the student and the scores of the student to the school in the community where the student resides. The commissioner shall adopt rules to implement this subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 4. 20-A MRSA §8457, sub-§1, as amended by PL 1991, c. 716, §6 and PL 2003, c. 545, §5, is further amended to read:

1. General powers and duties. A cooperative board has all of the powers and duties of a school board as provided in section 1001, subsections 1, 2, 4 to 7, 11-A and 12; section 1002; section 1256, subsections 1, 2 and 4 to 7; section 1257; sections 1313 to 1315; section 2501; section 4801; section 13201; and section 13202. For such purposes, references in those sections to "school administrative unit," "administrative unit," "school unit," "unit," "school administrative district" or "district" mean career and technical education region; references in those sections to "school board," "school committee," "board," "board of directors" or "directors" mean cooperative board; references in those sections to "director" mean a member of a cooperative board; and references in those sections to "they" mean either, as appropriate in the context, cooperative board or members of the cooperative board.

Sec. 5. Organization of regional education cooperatives. It is the intent of the Legislature that school administrative units may begin to organize regional education cooperatives as set forth in the Maine Revised Statutes, Title 20-A, chapter 113-A upon the effective date of this Act and that regional education cooperatives may begin to carry out the operations set forth in cooperative agreements beginning on July 1, 2009.

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

SUMMARY

This bill provides for the formation of 20 regional education cooperatives. School administrative units established as of July 1, 2009 may join a regional education cooperative of their choice, and each participating school administrative unit has a single representative to the cooperative board. Participation in regional education cooperatives is voluntary and the participation of participating school administrative units in any of the specified educational functions or support services carried out by the regional education cooperative is voluntary.

The educational functions and support services to be provided by regional education cooperatives may include, but are not limited to:

- 1. Alternative education programs;
- 2. Special education programs or support services;
- 3. Public preschool programs or 2-year kindergartens;
- 4. Gifted and talented education programs;
- 5. Online learning and distance education programs;
- 6. Postsecondary education options;

- 7. Adult education programs;
- 8. Purchasing or contracting for goods or services;
- 9. Staff training or professional development;
- 10. Technology or technology support services;
- 11. Accounting, payroll and financial management;
- 12. Transportation routing and vehicle maintenance;
- 13. Food service planning and purchasing; and
- 14. Energy management and facilities maintenance.

Participating school administrative units voluntarily choose which educational functions or support services they purchase from the regional education cooperative and contribute only for the costs of those educational functions or support services that they use. Savings achieved through the regional education cooperative accrue to the participating school administrative units, with a portion reserved for administrative costs of the regional education cooperative.