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An Act To Allow Minor Capital School Improvement Projects To Be Permitted Costs under Essential Programs and Services

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

Whereas, many school administrative units have an immediate need to submit proposals for approval for reimbursement of costs incurred for minor capital school improvement projects; and

Whereas, it is necessary to change the law to allow reimbursement for these projects; 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 MRS §15672, sub-§2-A, ¶B, as amended by PL 2007, c. 111, §3, is further amended to read:

B. Lease costs for school buildings when the leases, including leases under which the school administrative unit may apply the lease payments to the purchase of portable, temporary classroom space, have been approved by the commissioner for the year prior to the allocation year. Lease costs include costs for leasing:

(1) Administrative space. A school administrative unit engaged in a state-approved lease-purchase agreement for administrative space is eligible for state support until July 1, 2008;

(2) Temporary and interim instructional space. Temporary space is instructional space consisting of one or more mobile or modular buildings that are portable, that are constructed on- or off-site and that can be disassembled and moved economically to a new location. Interim instructional space is fixed instructional space that a school administrative unit rents for a defined period of time and then vacates at the end of the lease.

(a) A school administrative unit with state-approved need for instructional space may lease temporary or interim space, with state support, for a maximum of 5 years. A school administrative unit may appeal to the commissioner if this limitation presents an undue burden. When making a determination on a school administrative unit's request for relief based on undue burden, the commissioner may consider, but is not limited to considering, the following:

(i) Fiscal capacity;

(ii) Enrollment demographics; and

(iii) Unforeseen circumstances not within the control of the appealing school administrative unit.

An extension granted by the commissioner beyond the 5-year maximum for state support is limited to a period of one year. Any additional request for extensions must be submitted and reviewed on an annual basis. The commissioner's decision is final.

(b) A school administrative unit with state-approved need for instructional space may engage in a lease-purchase agreement for temporary or interim instructional space with state support for a maximum of 5 years; and

(3) Permanent small instructional space that replaces existing approved leased temporary or interim instructional space. Permanent small instructional space consists of new buildings or additions to existing buildings that are secured to a permanent foundation. Once an existing leased temporary or interim instructional space has been replaced by a permanent small instructional space through an approved financing agreement, that space is eligible for state support for a maximum of 10 years.

The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter 2-A; and

Sec. 2. 20-A MRSA §15672, sub-§2-A, ¶C, as amended by PL 2007, c. 111, §4, is further amended to read:

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

Sec. 3. 20-A MRSA §15672, sub-§2-A, ¶E is enacted to read:

E. Principal and interest costs for minor capital school improvement projects, including, but not limited to, the replacement of windows, a boiler or a roof, when the school administrative unit has received prior state approval for the minor capital school improvement project. The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

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

SUMMARY

This bill allows the cost of minor capital school improvement projects, including, but not limited to, the replacement of windows, a boiler or a roof, to be permitted costs under the essential programs and services funding formula.