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

## An Act To Reform the School Budget Validation Process

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

**Sec. 1. 20-A MRSA §1485, first** ¶, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

After January 31, 20082010, the format of the annual budget of a regional school unit must be in accordance with this section.

- **Sec. 2. 20-A MRSA §1485, sub-§3,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:
- **3. Budget approval.** A regional school unit's cost center summary budget must be approved at a regional school unit budget meeting and by a budget validation referendum as provided in section 1486pursuant to this subsection.
  - A. The regional school unit board shall preliminarily approve the budget received under subsection 2 at a meeting that is open to the public.
  - B. Subsequent to the meeting held under paragraph A, the regional school unit board shall hold a budget meeting open to the public to receive comment on the budget approved in paragraph A and may amend the budget at that meeting by vote of the board.
  - C. At the budget meeting held under paragraph B, the regional school unit board shall approve a final budget that is subject to referendum under section 1486. A final budget must be approved pursuant to this paragraph at least 21 days before a referendum under section 1486.
- **Sec. 3. 20-A MRSA §1486, first** ¶, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

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

- **Sec. 4. 20-A MRSA §1486, sub-§1,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:
- **1. Budget validation.** Following development of the annual regional school unit budget and approval at a regional school unit budget meeting as provided in section 1485, a referendum must be held in the regional school unit as provided in this section to allow the voters to validate or reject the total budget adopted at the regional school unit budget meeting.

Every 3 years, the voters in a regional school unit shall consider continued use of the budget validation referendum process. The warrant at the budget validation referendum in the 3rd year following adoption or continuation of the referendum process must include an article by which the voters of the school

administrative district may indicate whether they wish to continue the process for another 3 years. A vote to continue retains the process for 3 additional years. A vote to discontinue the process ends its use beginning with the following budget year and prohibits its reconsideration for at least 3 years.

- **Sec. 5. 20-A MRSA §1486, sub-§2,** as amended by PL 2007, c. 668, §19, is further amended to read:
- 2. Validation referendum procedures. The budget validation referendum must be held on or before the 14th calendar dayat the annual meeting under Title 30-A, section 2525 of each municipality within the regional school unit or the primary election under Title 21-A, section 339, to be determined by the regional school unit, following the scheduled date of the regional school unit budget meeting. The referendum may not be held on a Saturday, Sunday or legal holiday. For a year in which there is not a primary election, if the regional school unit board has decided to hold the referendum at the primary election, then the referendum must be held on the day that the primary election would be held if the year was a general election year. The vote at referendum is for the purpose of approving or rejecting the total regional school unit budget approved at the regional school unit budget meeting. The regional school unit board 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 regional school unit board for each cost center summary budget category article, the amount approved at the regional school unit budget meeting, a summary of the total authorized expenditures and, if applicable because of action on an article under section 15690, subsection 3, paragraph A, a statement that the amount approved at the regional school unit budget meeting includes locally raised funds that exceed the maximum state and local spending target pursuant to section 15671-A, subsection 5.
- **Sec. 6. 20-A MRSA §1486, sub-§3,** ¶**F,** as amended by PL 2007, c. 668, §20 and c. 695, Pt. G, §1, is repealed and the following enacted in its place:
  - F. Except as provided in paragraph G, the article to be voted on must be in the following form:

Yes No

A YES vote means you approve of this spending.

A NO vote means you do not approve of this spending."

- **Sec. 7. 20-A MRSA §1486, sub-§3, ¶G,** as repealed by PL 2007, c. 668, §20 and amended by c. 695, Pt. G, §2, is repealed and the following enacted in its place:
  - G. If the school budget exceeds the maximum state and local spending target pursuant to section 15671-A, subsection 5, the article to be voted on must be in the following form:

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(1) "Do you approve (name of regional school unit)'s spending \$...... for the upcoming school year as proposed by the regional school unit board? The amount is at or below (name of regional school unit)'s spending target as set by the Essential Programs and Services Funding Act.

Yes No

A YES vote means you approve of this spending.

A NO vote means you do not approve of this spending.

Yes No

A YES vote means you approve of this spending.

A NO vote means you do not approve of this spending."

**Sec. 8. 20-A MRSA §2307, sub-§1,** as enacted by PL 2007, c. 668, §28 and affected by §55, is amended to read:

**1. Budget meeting.** In charter municipalities the budget meeting required by section 1485, subsection 3, paragraph B must be a meeting of the municipal council or other municipal legislative body established by the charter with authority to approve the budget.

## **SUMMARY**

This bill amends the school budget approval process by allowing a budget to be approved at a school board meeting rather than a district-wide meeting, and then go directly to referendum vote. The bill also changes slightly the wording on the required referendum if a school budget exceeds the maximum state and local spending target.