

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

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

**Sec. 1. 20-A MRSA §1, sub-§26**, as amended by PL 2007, c. 240, Pt. XXXX, §5, is further amended to read:

**26. School administrative unit.** "School administrative unit" means the state-approved unit of school administration and includes a municipal school unit, school administrative district, community school district, regional school unit 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, ~~2009~~2010, "school administrative unit" means the state-approved unit of school administration and includes only a municipal school unit and a regional school unit formed pursuant to chapter 103-A.

**Sec. 2. 20-A MRSA §1479, sub-§3**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

**3. Expiration of contract.** After July 1, ~~2008~~2010, if a contract between a previous education unit and another previous education unit or a private school approved for tuition purposes expires, and the previous education unit that was the sending unit is a member of a regional school unit under this chapter, the provisions of this subsection apply.

A. If the option of attending a public school in another school administrative unit or a private school approved for tuition purposes subject to chapter 219 was available to students in the previous education unit, that option continues to be available to students who reside in the municipalities that composed the previous education unit after the municipality's inclusion in the regional school unit.

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

**Sec. 3. 20-A MRSA §1483**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

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

**1. Content.** Beginning with the budget for the ~~2008-2009~~2009-2010 school year, a regional school unit shall include in its budget document:

A. The regional school unit'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."

**Sec. 4. 20-A MRSA §1484**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

**§ 1484. Checklist required**

Beginning with the budget for the ~~2008-2009~~2009-2010 school year, prior to a vote on articles dealing with regional school unit appropriations, the moderator of a regular or special regional school unit budget meeting shall require the clerk or secretary of the regional school unit board 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.

**Sec. 5. 20-A MRSA §1485, first ¶**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

After January 31, ~~2008~~2009, the format of the annual budget of a regional school unit must be in accordance with this section.

**Sec. 6. 20-A MRSA §1485, sub-§1, ¶F**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

F. For fiscal year ~~2008-09~~2009-10, data documenting state and local savings from the reorganization to regional school units and the resulting mill rate reduction for each municipality.

**Sec. 7. 20-A MRSA §1486, first ¶**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

After January 31, ~~2008~~2009, the procedure for approval of the annual budget of a regional school unit must be in accordance with this section and section 1485.

**Sec. 8. 20-A MRSA §1502, sub-§2, ¶A**, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

A. On or after July 1, ~~2008~~2010, 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 set out in this paragraph.

(1) "Do you favor authorizing the board of directors of (name of regional school unit) to issue bonds or notes in the name of this regional school unit 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 school unit) to issue bonds or notes in the name of this regional school unit 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 school unit) to use the bond issue or notes in an amount not to exceed \$....., which was voted by the regional school unit 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 school unit) 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 school unit 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 when approved for current fiscal year funding, proceeds from insured losses, money from federal sources, other noneducational funds, etc.) ?

Yes No"

**Sec. 9. 20-A MRSA §1502, sub-§2, ¶C,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

C. On or after July 1, ~~2008~~2010, when a referendum is called for the purpose of authorizing the regional school unit board to contract for the schooling of secondary pupils, the article must be as set out in this paragraph.

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

Yes No"

**Sec. 10. 20-A MRSA §1502, sub-§2, ¶D,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

D. On or after July 1, ~~2008~~2010, when a referendum is called for the purpose of accepting or rejecting a prospective gift, the article must be as set out in this paragraph.

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

Yes No"

**Sec. 11. 20-A MRSA §1506, sub-§1, ¶A,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

A. "Existing debt" means any bond, note, loan agreement, lease-purchase agreement or other debt instrument issued prior to July 1, ~~2008~~2010 for the purposes of funding public schools, or for refinancing such debt, that remains outstanding at the time of a reorganization pursuant to this chapter. "Existing debt" does not include routine payables or commercial contract obligations.

**Sec. 12. 20-A MRSA §1506, sub-§4,** as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

**4. Debt of original education units.** After July 1, ~~2008~~2010, for each original education unit with existing debt that has reorganized into a new unit, if the new unit has not agreed to assume liability to pay that existing debt, the regional school unit board shall serve as agent for purposes of that existing debt and has full authority to:

- A. Sue and be sued in the name of the original education unit with respect to the existing debt;
- B. Determine the debt service due each fiscal year on any existing debt;
- C. As applicable, allocate to each member of the original education unit the member's share of the annual debt service for the existing debt of the original education unit in addition to each member's share of costs of the new unit;
- D. Collect the allocation for debt service on the existing debt from the original education unit or, as applicable, from each member of the original education unit in addition to each member's share of costs of the new unit;
- E. Pay the debt service on the existing debt of the original education unit when due; and
- F. Take all other actions necessary and proper with respect to the existing debt.

Allocations between members of the original education unit to pay the debt service for the existing debt must be made on the basis of the cost-sharing formula of the original education unit in effect on July 1, ~~2007~~2009, as applied to the year of allocation. In the case of state-subsidized debt service, the provisions of subsection 3 apply. Amounts to pay the debt service on the existing debt of the original education units must be included in the budget that the regional school unit board of a new unit submits for approval. If the original education unit is divided between different new units that have not agreed to assume liability to pay the existing debt, the commissioner shall require that the reorganization plan of one of those new units provide for that new unit to serve as agent for purposes of the existing debt of the original education unit. That new unit, as agent, has the authority provided by this subsection, except that the new unit shall notify the other new units containing members of the original education unit of the amounts they must assess and collect from their members who were members of the original education unit, and those other new units shall perform the functions in subsection 4, paragraphs C and D with respect to their members, and shall pay the appropriate amounts over to the new unit serving as agent.

**Sec. 13. 20-A MRSA §2307**, as enacted by PL 2007, c. 240, Pt. XXXX, §21, is amended to read:

**§ 2307. School budgets**

Notwithstanding any other law, municipal school budgets developed after January 1, ~~2008~~2009 must follow the same school budget requirements as regional school units pursuant to chapter 103-A.

**Sec. 14. 20-A MRSA §2603**, as enacted by PL 2007, c. 240, Pt. XXXX, §22, is amended to read:

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

A collaborative agreement between 2 or more previous education units may remain in effect after July 1, ~~2008~~2010. Notwithstanding any other provision of law to the contrary, collaborative agreements in existence on the effective date of this section may be extended or modified by the parties to the collaborative agreement.

**Sec. 15. 20-A MRSA §15671-A, sub-§2, ¶B**, as amended by PL 2007, c. 240, Pt. XXXX, §24, is further amended to read:

B. For property tax years beginning on or after April 1, 2005, the commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must decline over the period from fiscal year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation. Full-value education mill rates must be derived according to the following schedule.

(1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.

(2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.

(3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 45.56% statewide total local share in fiscal year 2007-08.

(4) Except as provided in subparagraph (6), for the 2008 property tax year and subsequent tax years, the full-value education mill rate is the amount necessary to result in a 45.0% statewide total local share in fiscal year 2008-09 and after.

(6) For school administrative units that do not conform to the requirements of chapter 103-A for the ~~2009~~2010 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year ~~2009-10~~2010-11 and after.

**Sec. 16. 20-A MRSA §15680, sub-§1, ¶A**, as amended by PL 2007, c. 240, Pt. XXXX, §25, is further amended to read:

A. System administration. The per-pupil amount for "system administration" is the actual system administration expenditures, as defined in the State's accounting handbook for local school systems, for the most recent year available excluding expenditures for leases and the purchase of land and buildings, less revenues to system administration for services to other governments and refunds from a statewide school management association, divided by the average October and April enrollment counts for that fiscal year and then inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index. Beginning in school year ~~2008-2009~~2009-2010, this per-pupil amount must be based on school year 2005-2006 system administration expenditures then reduced by 50% and inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index;

**Sec. 17. 20-A MRSA §15680, sub-§1, ¶B**, as amended by PL 2007, c. 240, Pt. XXXX, §26, is further amended to read:

B. Operation and maintenance of plant. The per-pupil amount for "operation and maintenance of plant" is the actual operation and maintenance of plant expenditures, as defined in the State's accounting handbook for local school systems, for the most recent year available excluding expenditures for leases and the purchase of land and buildings, divided by the average October and April enrollment counts for that fiscal year and then inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index. For school year ~~2008-2009~~2009-2010, the resulting per-pupil amount must be reduced by 5%;

**Sec. 18. 20-A MRSA §15681-A, sub-§2-A**, as enacted by PL 2007, c. 240, Pt. XXXX, §27, is amended to read:

**2-A. Reduction for fiscal year 2009-10.** For fiscal year ~~2008-09~~2009-10, the commissioner shall reduce by 5% the allocation for special education costs as described in subsection 2. These calculated special education costs for school administrative units for fiscal year ~~2008-09~~2009-10 are subject to the appeals procedure described in subsection 2.

**Sec. 19. 20-A MRSA §15681-A, sub-§3-A**, as enacted by PL 2007, c. 240, Pt. XXXX, §28, is amended to read:

**3-A. Reduction for fiscal year 2009-10.** For fiscal year ~~2008-09~~2009-10, the commissioner shall reduce by 5% the allocation for transportation costs as described in subsection 3. These calculated transportation costs for school administrative units for fiscal year ~~2008-09~~2009-10 are subject to the appeals procedure described in subsection 3.

**Sec. 20. 20-A MRSA §15691-A, first ¶**, as enacted by PL 2007, c. 240, Pt. XXXX, §32, is amended to read:

Beginning with the ~~2008-2009~~2009-2010 school year, this section applies to municipal assessments paid to a regional school unit.

**Sec. 21. 20-A MRSA §15696**, as enacted by PL 2007, c. 240, Pt. XXXX, §33, is amended 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~~2010 for a school administrative unit that is not a conforming school administrative unit:

- A. The school administrative unit is eligible for only 50% of the minimum state allocation under Title 20-A, section 15689, subsection 1;
- B. The school administrative unit's total cost of education is reduced by adjusting the cost component for system administration under section 15680, subsection 1, paragraph A by half;
- C. The school administrative unit is not eligible for a transition adjustment under section 15686 or any comparable year-over-year transition amount; and
- D. The school administrative unit receives less favorable consideration for approval and funding for school construction pursuant to rules of the state board.

**Sec. 22. PL 2007, c. 240, Pt. XXXX, §36, sub-§8** is amended to read:

**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 must be held on or before January 15, 2008 for a reorganization plan that was submitted by December 15, 2007 and that the Commissioner of Education found meets the requirements of this Part. A referendum must be held on ~~June 10, 2008~~June 9, 2009 for any plan received or revised after December 15, 2007 and subsequently found by the Commissioner of Education to meet the requirements of this Part.

"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~~2009.

**Sec. 23. PL 2007, c. 240, Pt. XXXX, §36, sub-§11** is amended to read:

**11. Result of disapproval at January 2008 referendum.** A school administrative unit that rejects a proposed reorganization plan at the January 15, 2008 referendum or at a subsequent referendum on or before ~~November 4, 2008~~November 3, 2009 may restart the process to form a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to prepare another reorganization plan.

A. Subsequent reorganization plans must meet the same requirements as for reorganization plans filed prior to the January 2008 referendum, except that the timelines are adjusted to reflect a July 1, ~~2009~~2010 reorganization date.

B. The penalties set forth in Title 20-A, section 15696 apply to any school administrative unit that fails to approve a reorganization plan on or before ~~November 4, 2008~~3, 2009 and to implement that plan by July 1, ~~2009~~2010.

**Sec. 24. PL 2007, c. 240, Pt. XXXX, §36, sub-§12** is amended to read:

**12. Reformulation of SAD as RSU.** Not later than December 1, ~~2008~~2009, the Commissioner of Education shall notify any school administrative district that has not voted to form a regional school unit on or before ~~November 4, 2008~~November 3, 2009 that the school administrative district must be recreated as a regional school unit under Title 20-A, chapter 103-A, effective July 1, ~~2009~~2010. Notwithstanding any other provision of law, a school administrative district may be changed to a regional school unit upon notice to the State Board of Education without dissolving the school administrative district.

**Sec. 25. PL 2007, c. 240, Pt. XXXX, §38** is amended to read:

**Sec. XXXX-38. Notification of allocation of funding to school administrative units.** Notwithstanding the Maine Revised Statutes, Title 20-A, section 15689-B, subsection 2, paragraph A, the notice by the Commissioner of Education to school boards of the estimated amount of state funds to be allocated to the school administrative unit for school years ~~2008-2009~~2009-2010 and ~~2009-2010~~2010-2011 must be provided not later than March 31st.

**Sec. 26. PL 2007, c. 240, Pt. XXXX, §39** is amended to read:



**Sec. XXXX-39. Adjustment for regional school unit start-up costs.** The Commissioner of Education shall establish an adjustment for the fiscal year ~~2008-09~~2010-11 to support the start-up costs associated with the reorganization of school administrative units to regional school units in accordance with the Maine Revised Statutes, Title 20-A, chapter 103-A.

**Sec. 27. PL 2007, c. 240, Pt. XXXX, §41** is amended to read:

**Sec. XXXX-41. Transfer of property and assets; regional school units approved prior to January 16, 2010.** This section applies to a regional school unit that is approved prior to January 16, ~~2008~~2010.

**1. 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 municipalities in existence prior to July 1, ~~2008~~2010 and of the school administrative units in existence prior to July 1, ~~2008~~2010 in their regions 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.

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

**3. Financing assumed debts.** A regional school unit shall assume the outstanding indebtedness of a school administrative unit in existence prior to July 1, ~~2008~~2010 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 July 1, ~~2008~~2010 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 July 1, ~~2008~~2010 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 July 1, ~~2008~~2010 in its regional school unit for nonstate funded projects pursuant to Title 20-A, section 15905-A and pursuant to section 1481.

**Sec. 28. PL 2007, c. 240, Pt. XXXX, §42** is amended to read:

**Sec. XXXX-42. Transfer of property and assets; regional school units approved after January 15, 2010.** This section applies to a regional school unit that is approved after January 15, 2008 and before November 5, ~~2008~~2009.

**1. 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 municipalities in existence prior to July 1, ~~2009~~2010 and of the school administrative units in existence prior to July 1, ~~2009~~2010 in their regions 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.

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

**3. Financing assumed debts.** A regional school unit shall assume the outstanding indebtedness of a school administrative unit in existence prior to July 1, ~~2009~~2010 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 July 1, ~~2009~~2010 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 July 1, ~~2009~~2010 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 July 1, ~~2009~~2010 in its regional school unit for nonstate funded projects pursuant to Title 20-A, section 15905-A and pursuant to section 1481.

**Sec. 29. PL 2007, c. 240, Pt. XXXX, §43** is amended to read:

**Sec. XXXX-43. Operational date and transfer of authority.**

**1. Operational date.** A regional school unit 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; regional school units approved prior to January 16, 2010.** This subsection applies to regional school units approved prior to January 16, ~~2008~~2010. The regional school unit 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 July 1, ~~2008~~2010 that are within the regional school unit. Those school administrative units in existence prior to July 1, ~~2008~~2010, 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.

**3. Transfer of governing authority; regional school units approved after January 15, 2010.** This subsection applies to regional school units approved after January 15, ~~2008~~2010 and before November 5, ~~2008~~2009. The regional school unit 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 July 1, ~~2009~~2010 that are within the regional school unit. Those school administrative units in existence prior to July 1, ~~2009~~2010, 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.

**4. Transfer of school accounts.** Notwithstanding Title 20-A, section 15004 or any charter of a municipal school unit, school administrative district or community school district, the balance remaining in the school accounts of the former municipal school unit, school administrative district or community school district within the regional school unit must be paid to the treasurer of the 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 or community school district 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.

**5. Transfer of teachers and employees.** Except as limited by paragraph A, for regional school units approved prior to January 16, ~~2008~~2010, all teachers and school employees who are employed by a participating school administrative unit on June 30, ~~2008~~2010 must be transferred to and employed by the regional school unit as of July 1, ~~2008~~2010. Except as limited by paragraph A, for regional school units approved after January 15, ~~2008~~2009 and before November 5, ~~2008~~3, 2009, all teachers and school employees who are employed by participating school administrative units on June 30, ~~2009~~2010 must be transferred and employed by the regional school unit as of July 1, ~~2009~~2010. 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 Part 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.

A. For regional school units approved prior to January 16, ~~2008~~2010, teachers or other employees whose employment terminates by application of law or contract or by action of a participating school administrative unit before July 1, ~~2008~~2010 may not be transferred. For regional school units approved after January 15, ~~2008~~2010 and before November 5, ~~2008~~2010, teachers or other employees whose employment terminates by application of law or contract or by action of a participating school administrative unit before July 1, ~~2009~~2010 may not be transferred.

B. 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.

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

A. On July 1, ~~2008~~2010 for regional school units approved prior to January 16, ~~2008~~2010 and on July 1, ~~2009~~2010 for regional school units approved after January 15, ~~2008~~2010 and before November 5, 2008, 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:

(1) 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;

(2) 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

(3) 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.

B. As early as possible but no later than August 31, ~~2011~~2012 for regional school units approved prior to January 15, ~~2008~~2010 and no later than August 31, ~~2012~~2013 for regional school units approved after January 15, ~~2008~~2010 and before November 2, ~~2008~~2010, 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.

(1) 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.

(2) 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.

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

(a) 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.

(b) 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.

(4) 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.

(5) 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.

(6) 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 (5) 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 (8).

(7) When there are unexpired collective bargaining agreements with different expiration dates in the merged bargaining units described in subparagraphs (4), (5) and (6), 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.

(8) 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 subparagraph.

(a) 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.

(b) 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.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

C. 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, salary schedules, hours and working conditions throughout the regional school unit must be made uniform and consistent as soon as practicable.

(1) 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.

**7. 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.

**Sec. 30. PL 2007, c. 240, Pt. XXXX, §45, sub-§5** is amended to read:

5. No later than December 15, ~~2008~~2009, the department shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the joint standing committee of the Legislature having jurisdiction over education matters. In its proposed implementing language, the department may include proposals to repeal, modify, redesign, effectively coordinate or delay the implementation of any of the listed mandates, as may be appropriate. Following receipt and review of the report, the joint standing committee of the Legislature having jurisdiction over education matters may report out a bill to the ~~First~~Second Regular Session of the 124th Legislature.

**Sec. 31. PL 2007, c. 240, Pt. XXXX, §46** is amended to read:

**Sec. XXXX-46. Report; validation referendum review.** The Department of Education shall conduct a review of the results of the validation referendums conducted for the approval of the ~~2008-2009~~, 2009-2010 and, 2010-2011 and 2011-2012 school budgets. In conducting its review, the department shall:

1. Collect and analyze the results of the referendums from school administrative units;
2. Determine the number of school budgets that were approved by the voters with the initial referendum;
3. Determine the number of school budgets that were not approved by the voters with the initial referendum;
4. For those school budgets that were not approved by the voters with the initial referendum, determine the number of referendums that were required to be held in order to obtain voter approval and the number of school budgets that exceeded the maximum state and local spending target;

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

6. Report its findings and recommendations, including suggested legislation, to the joint standing committee of the Legislature having jurisdiction over education matters by December 15, ~~2010~~2011. 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~~Second Regular Session of the 125th Legislature that extends, modifies or repeals the current validation referendum process.

**Sec. 32. PL 2007, c. 240, Pt. XXXX, §47** is amended to read:

**Sec. XXXX-47. Reports; additional necessary implementing legislation.** No later than January 31, 2008, the Commissioner of Education shall submit to the Joint Standing Committee on Education and Cultural Affairs an initial report that contains recommendations and any proposed legislation necessary to fully implement this Part including legislation to convert school administrative districts and community school districts to the regional school unit form of governance on July 1, ~~2009~~2010. Following receipt and review of the initial report, the ~~Joint Standing Committee on Education~~joint standing committee of the Legislature having jurisdiction over education matters may submit legislation to the ~~Second~~First Regular Session of the ~~123rd~~124th Legislature. No later than January 31, ~~2009~~2010, the Commissioner of Education shall submit to the joint standing committee of the Legislature having jurisdiction over education matters a final report that contains recommendations and any proposed legislation necessary to fully implement this Part including proposed legislation to repeal the laws governing school administrative districts and community school districts. Following receipt and review of the final report, the joint standing committee of the Legislature having jurisdiction over education matters may submit legislation to the ~~First~~Second Regular Session of the 124th Legislature.

**Sec. 33. PL 2007, c. 240, Pt. XXXX, §48** is amended to read:

**Sec. XXXX-48. Rulemaking for efficient, high-performing districts.** The Commissioner of Education shall adopt major substantive rules, as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A, to establish criteria for the identification of efficient, high-performing school districts beginning with the ~~2008-2009~~2009-2010 school year. In establishing the criteria, the commissioner must be guided by the criteria used by the Maine Education Policy Research Institute in its 2007 report "The Identification of Higher and Lower Performing Maine Schools" and establish an efficiency factor for per-pupil expenditures for system administration. The commissioner shall provisionally adopt the rules and submit them to the ~~Joint Standing Committee on Education and Cultural Affairs~~joint standing committee of the Legislature having jurisdiction over education and cultural affairs no later than December 1, ~~2007~~2008.

**Sec. 34. Appropriations and allocations.** The following appropriations and allocations are made.

## **EDUCATION, DEPARTMENT OF**

### **General Purpose Aid for Local Schools 0308**

Initiative: Appropriates funds in fiscal year 2008-09 that were deappropriated in Public Law 2007, chapter 240 to reflect the one year delay of the savings that were anticipated to be achieved as a result of the reorganization of school administrative units into regional school units.

<b>GENERAL FUND</b>	<b>2007-08</b>	<b>2008-09</b>
All Other	\$0	\$36,518,661
<hr style="width: 50%; margin: 0 auto;"/>		
GENERAL FUND TOTAL	\$0	\$36,518,661

### SUMMARY

This amendment is a minority report of the Joint Standing Committee on Education and Cultural Affairs. The amendment strikes and replaces the bill reported out by the committee pursuant to Public Law 2007, chapter 240, Part XXXX, section 47. The amendment delays the deadlines for implementation of the school district reorganization laws by one year, from July 1, 2009 to July 1, 2010. The amendment delays the penalties for noncompliance with the school district reorganization laws to be consistent with the July 1, 2010 deadline for implementation. The amendment also delays the following reductions from fiscal year 2008-09 to 2009-10:

1. The 50% reduction in state allocations for per-pupil system administration expenditures;
2. The 5% reduction in state allocations for per-pupil operation and maintenance of plant expenditures;
3. The 5% reduction in state allocations for special education costs; and
4. The 5% reduction in state allocations for transportation costs.

The amendment also adds an appropriations and allocations section.

### FISCAL NOTE REQUIRED (See attached)