

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-TWO

H.P. 129 - L.D. 176

An Act To Facilitate a Grade 9 to 16 School Project

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

Sec. 1. Authorization. The voters of School Administrative District No. 4, School Administrative District No. 41 and School Administrative District No. 46 are authorized to form a community school district under this Act. The community school district is authorized to be formed only if the voters of each of these 3 school administrative districts approve the formation in accordance with section 4. The voters of Regional School Unit No. 64 are also authorized to participate in forming the community school district under this Act in accordance with section 4. If formed, the new community school district is authorized to construct a regional high school integrated with career and technical education and postsecondary educational opportunities that the State Board of Education has placed on the 2017-2018 approved projects list.

Sec. 2. Organization; operation; name. If the community school district authorized under this Act is approved, the community school district:

1. Is a school administrative unit responsible for grades 9 to 12 under this Act and the general law;
2. Shall operate a career and technical education center that is designated to serve the students within its geographic region and that replaces the career and technical education center operated by School Administrative District No. 46;
3. Is established as a body politic and corporate and a quasi-municipal corporation within the meaning and for purposes of Title 30-A, section 5701; and
4. Consists of School Administrative District No. 4, School Administrative District No. 41 and School Administrative District No. 46. Regional School Unit No. 64, if approved by the voters of that regional school unit, may also be a member.

The community school district territory includes the territories of its member school administrative units.

The initial name of the community school district is "MidMaine Community School District." At the first budget meeting of the community school district, the voters may select a different name under a warrant article provided for that purpose.

Sec. 3. Continuity for approved regional high school. Before the formation of the community school district under this Act, School Administrative District No. 4, School Administrative District No. 41 and School Administrative District No. 46 are authorized to form a joint regional high school committee from their school board memberships. The committee is authorized to take all necessary or appropriate steps for the regional high school that the State Board of Education has placed on the 2017-2018 approved projects list to receive concept approval. Notwithstanding any provision of law to the contrary, the State Board of Education is authorized to accept joint applications from and grant project approvals to the joint regional high school committee, including site approval and concept approval, but may not give further approvals after concept approval unless the formation of the community school district and the regional high school project are approved pursuant to this Act. Regional School Unit No. 64 may but is not required to participate in the joint regional high school committee if approved by the State Board of Education. The State Board of Education shall include all school administrative units and career and technical education centers and regions affected by this Act in the planning and approval process.

Sec. 4. Referendum. The community school district may be formed by favorable referendum votes in School Administrative District No. 4, School Administrative District No. 41 and School Administrative District No. 46 as provided in this Act. Any of the school boards of those school administrative districts may decide not to hold the referendum, in which case the community school district may not be formed. The referenda to approve the formation of the community school district and the construction financing of the new regional high school must occur:

1. On the same day mutually selected by the 3 required school administrative district school boards; or
2. If a date is not mutually selected by the 3 required school administrative district school boards, on the first statewide election day occurring at least 90 days following State Board of Education concept approval of the regional high school project.

The ballot questions for the formation of the new community school district and the financing of the new regional high school construction must be substantially in the following forms, with such changes in form and content as the school boards of the proposed member school administrative units determine the development of the project requires:

"Do you favor [name of school administrative unit voting] joining a new community school district for the operation of grades 9 through 12, and accepting the provisions of "An Act to Facilitate a Grade 9 to 16 School Project," enacted by the Legislature?"

"Do you favor authorizing the school board of the new community school district to issue bonds or notes in the name of the community school district in an amount not to exceed \$..... to construct and equip a regional high school with programming for both regular secondary education and career and technical education and with opportunities for postsecondary instruction, all on a single campus to be located at?"

The 2nd question must be accompanied by disclosure information for school construction projects required by law. Both questions may be modified or accompanied by

other information that the school boards provide to accurately inform the voters. Unless both questions are approved by a majority of the voters voting in each of the 3 required school administrative districts, the community school district may not be formed.

The school board of Regional School Unit No. 64 may call a similar referendum on the same day for purposes of joining the community school district formed under this Act. If the voters of that regional school unit approve both questions, Regional School Unit No. 64 may also be a member of the community school district. If the school board of Regional School Unit No. 64 elects not to participate in the referendum, or if it participates and its voters do not approve both questions, it is not a member of the community school district.

After the referendum, the secretary of each school administrative district, and Regional School Unit No. 64, if applicable, shall file a return of voting with the Commissioner of Education. The commissioner shall determine if each of the school administrative units by majority vote has approved both questions and shall notify the 3 required school administrative districts, and Regional School Unit No. 64, if applicable, whether the community school district is formed and whether the membership also includes Regional School Unit No. 64.

Sec. 5. Certificate of organization; transitional period. If the community school district is formed, the Commissioner of Education shall issue to the member school administrative units a dated certificate of organization for the community school district setting forth the community school district's official name, listing its member school administrative units and describing the composition and voting method of its school board and the cost-sharing formula. The certificate of organization is conclusive evidence of the community school district's lawful organization. The commissioner shall report the results to the State Board of Education. The effective date of organization is the date the commissioner issues the certificate, as long as the community school district's first operational year begins on a July 1st that follows the date of the referendum by at least 210 days. The period between the date of organization and the beginning of the first operational year is a transitional period as described in sections 8 and 9.

Sec. 6. Governance; board composition and apportionment. If the community school district is formed, the school board of the community school district is a district school committee for all purposes of and has the duties and authority of a community school district board of trustees under the Maine Revised Statutes, Title 20-A, chapter 105. The members of the school board must be selected by appointment from the school boards of the member school administrative units, as provided by the general law for a community school district that does not include kindergarten and grades one to 12. The school board of the community school district consists of 12 members if Regional School Unit No. 64 is a member and 9 members if it is not. Since the board is an appointed board, representation and voting power are equally divided among the member school administrative units. The voters of the community school district may authorize a change in the number of school board members appointed by each member school administrative unit, as long as the number of board members each member school administrative unit appoints and the voting power of each school board member remains equal.

Sec. 7. Continued existence. Upon the beginning of the community school district's first operational year, the member school administrative units continue to exist for all purposes of kindergarten and grades 1 to 8, and for prekindergarten if applicable,

notwithstanding the provisions of the Maine Revised Statutes, Title 20-A, sections 1258 and 1479. The State Board of Education shall issue the member school administrative units amended certificates of organization effective July 1st of the first operational year of the community school district which are conclusive evidence of their continued lawful organization, as amended. The member school administrative units must continue to receive all federal and state school subsidy and general purpose aid for grades 9 to 12 until the beginning of the first operational year of the community school district. Beginning in the first operational year of the community school district, the member school administrative units must continue to receive federal and state school subsidies and general purpose aid for kindergarten and grades 1 to 8, and for prekindergarten if applicable. The member school administrative units as reorganized are governed by all of the applicable provisions of Title 20-A to the extent not in conflict with this Act.

Sec. 8. Community school district during transitional period. Upon receipt of the certificate of organization of the community school district, the school board of each member school administrative unit shall appoint from its membership 3 individuals to serve on the school board of the community school district. The superintendent of Alternative Organizational Structure No. 94 shall call the first meeting of the school board and supervise the oaths of office and the election of a board chair. The school board shall elect a chair at its first meeting. The school board shall select a superintendent, who may be the superintendent of one of the member school administrative units, to serve as the superintendent of the community school district during the transitional period. During the transitional period, the school board shall prepare and submit the community school district's budget for the first operational year in accordance with this Act and the general law. During the transitional period, the school board has all authority reasonably necessary to prepare for the first operational year and for the design, construction and financing of the new regional high school, including hiring a superintendent and other employees, adopting school policies, negotiating contracts and collective bargaining agreements for the first operational year and thereafter, opening accounts, contracting for services and property, including a site for the new regional high school, closing on real estate for the new regional high school, issuing bonds or notes for the regional high school project or for other capital or working capital needs and other authority necessary for those purposes and provided to school committees of fully operational community school districts by the general law.

Sec. 9. School district members during transitional period. If the community school district is formed, the member school administrative units are responsible for the costs of the community school district incurred for the transitional period in an amount reasonably determined by the school board of the community school district in proportion to their secondary pupil counts on the state funding reports for each member school administrative unit for that fiscal year. The member school administrative units shall fund an account opened by the community school district for those costs. The member school administrative units shall continue to operate secondary schools during the transitional period.

Sec. 10. Educational continuity and coordination. If the community school district is formed, the community school district and its member school administrative units shall consult and work together to achieve educational continuity and coordinate the

transfer of responsibility for grades 9 to 12 to the community school district for its first operational year and thereafter.

Sec. 11. Transfer of assets; assumption of liabilities. If the community school district is formed, all real property that is currently owned or used for grades 9 to 12 must remain property of the member school administrative units, for the members' use or disposition. The community school district shall lease the high schools and the career and technical education center from the member school administrative units from year-to-year for \$1.00 annual rent plus all building costs, including insurance, utilities, maintenance and repairs, together with an amount equal to the annual debt and heating, ventilation and air conditioning lease payments on the high schools, if any, during the period commencing on July 1st of the first operational year and ending upon the substantial completion and occupancy of the new regional high school. For any buildings used by the high school grades and by other grades or for other purposes, the costs must be allocated equitably for purposes of this section. As of July 1st of the first operational year of the community school district, the member school administrative units shall reach an equitable agreement with the community school district to share transportation costs and services. When appropriate, this may include transfer of title to an equitable portion of a member school administrative unit's bus fleet to the community school district for its use and disposition, subject to outstanding financing. The community school district shall pay the costs of outstanding financing on transferred buses when or before due. As of July 1st of the first operational year of the community school district, the member school administrative units shall also transfer by bill of sale or other instrument ownership of all other equipment, furnishings and other tangible and intangible assets, including accounts receivable but excluding cash, purchased or primarily used by or attributable to high schools or the career and technical education center, subject to outstanding financing. The community school district shall pay the costs of outstanding financing for transferred assets when or before due. The member school administrative units shall also equitably share with the community school district the costs and benefits of service contracts with vendors.

Sec. 12. Allocation of existing fund balances; accrued liabilities. If the community school district is formed, as of July 1st of the first operational year of the community school district, and no later than that date, each member school administrative unit shall transfer an estimated share of all funds, allocable in proportion to its number of secondary students and the total number of students in that member school administrative unit on the state funding report of the member for that year. The amount transferred may be reduced if necessary so as not to be more than an amount that is equitably proportionate to the amounts transferred by the other member school administrative units to the community school district based on their respective numbers of secondary and total students. These amounts may be adjusted by additional payments or refunds, based on completed audits of the member school administrative units for the fiscal year prior to the first operational year, and within 45 days of the completion of those audits. The community school district shall pay the accrued summer salary and benefit liabilities of the member school administrative units attributable to their secondary teachers and staff for the fiscal year prior to the first operational year of the community school district and payable in the first operational year of the community school district.

Sec. 13. Transfer of teachers and employees; system administrators. If the community school district is formed, as of July 1st of the first operational year of the

community school district, the provisions of the Maine Revised Statutes, Title 20-A, section 1464, subsection 4 apply with respect to those teachers and employees of the member school administrative units that work primarily at the secondary level or on behalf of secondary students. All teachers and employees of the member school administrative units that work primarily at the elementary school level or on behalf of elementary students must retain the same employment status with the member school administrative unit employing them. It is the intent of this Act to neither decrease nor increase the rights and benefits of transferred employees or the employer. The community school district school board and the school boards of the member school administrative units shall negotiate in good faith the transfer or sharing of system administrator contracts whose terms expire after the first operational year of the community school district.

Sec. 14. Collective bargaining. If the community school district is formed, as of July 1st of the first operational year of the community school district, the provisions of the Maine Revised Statutes, Title 20-A, section 1464 apply and the school board of the community school district is the employer with respect to the teachers and employees transferred to the community school district under the provisions of this Act. Each school board of the respective member school administrative units shall continue to be the employer under its collective bargaining agreements with respect to the teachers and employees that have not transferred to the community school district under this Act.

Sec. 15. Dispute resolution. If the community school district is formed, the Commissioner of Education or the commissioner's designee is authorized to settle any disputes that may arise between the community school district and its member school administrative units or between the member school administrative units under sections 9 to 12 and with respect to administrator contracts under section 13. The commissioner's decision is final and binding.

Sec. 16. Borrowing; lease purchasing. The school board of the community school district has the same authority to borrow for capital project and capital equipment needs that a community school district board of trustees has under the general law in effect on the effective date of this Act to borrow for minor capital costs. Except as provided by this section, in order to issue bonds or notes for capital borrowing, the voters of the community school district must approve a warrant article authorizing the school board to issue bonds or notes at a district meeting or district referendum of the community school district called and held as provided by this Act. If the principal amount to be borrowed added to the then remaining total principal of all outstanding bonds or notes for capital project and capital equipment needs that the voters approved at a district meeting exceeds 0.25% of the adjusted state valuation of the municipalities of the member school administrative units, voter approval must be by referendum. Borrowing for school construction projects must be approved by referendum to the extent required by the general law. Bonds and notes are general obligations of the community school district secured by its full faith and credit. Bonds or notes issued during the transitional period are payable after the start of the first operational year of the community school district. The school board of the community school district may borrow for operating costs and may enter into lease-purchase agreements to the extent and for the purposes permitted under the general law.

Sec. 17. Budget format and procedure. The format and procedure for the operating budget of the school operated by the community school district to be presented to the voters of the community school district must be the cost center summary budget

format and the budget validation referendum procedure of the general law or as may be otherwise provided by the general law. The format and procedure may be changed to the extent permitted or required by the general law.

Sec. 18. Cost sharing; assessment. The community school district shall apportion amounts to the municipalities of its member school administrative units for the required local contribution based on the Maine Revised Statutes, Title 20-A, chapter 606-B and amounts to the municipalities of its member school administrative units for additional local funds based on the number of resident secondary pupils in each municipality as calculated under chapter 606-B. The community school district shall:

1. Assess and collect school taxes from the municipalities of its member school administrative units as provided by the general law; and
2. Follow procedure of the general law for amendment of cost sharing. The referendum procedure used to form the community school district is the manner of adoption of the original formula for cost sharing.

Sec. 19. District meeting procedures. The community school district shall conduct budget meetings and special budget meetings in the manner provided under the general law. The community school district may conduct other district meetings in the manner provided for school district budget meetings under the general law.

Sec. 20. District referendum procedures. The community school district shall conduct referenda for purposes described in this Act or the general law in the manner provided for regional school units under the Maine Revised Statutes, Title 20-A, chapter 103-A.

Sec. 21. Controlling law. If any provision of this Act conflicts with the Maine Revised Statutes, Title 20-A, chapter 105, the provisions of this Act control. For purposes of applying a provision of Title 20-A, chapter 105 to the community school district's member school administrative units, "school board" may be substituted for "municipal officers" and "school administrative district" or "regional school unit" may be substituted for "municipality" or "town," when the substitution is necessary to fulfill the purpose and intent of that provision and does not conflict with this Act.