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Amend the bill by inserting after section 1 the following:

**Sec. 2. 20-A MRSA §3801, sub-§3, ¶B**, as enacted by PL 2017, c. 284, Pt. VVVVV, §6, is amended to read:

B. An interlocal agreement may include but is not limited to a description of the following:

- (1) The approval process for the formation of a school management and leadership center;
- (2) Any associate members, the process for including associate members and their roles in the school management and leadership center;
- (3) The process to authorize the school management and leadership center to borrow funds for school construction purposes including bonds and notes;
- (4) The process to approve the purchase or lease of buildings or land by the school management and leadership center;
- (5) The process by which a school management and leadership center may establish, maintain and expend funds from a reserve fund or contingency fund;
- (6) The process of hiring an executive director for the school management and leadership center;  
and
- (7) A transition plan to move authorized programs and services from a member to the school management and leadership center.; and
- (8) The process for withdrawal of a single school administrative unit from the school management and leadership center.

An interlocal agreement must provide for the continuation of continuing contract rights under section 13201 for participating school administrative unit teachers who subsequently are employed by the school management and leadership center.

**Sec. 3. 20-A MRSA §3802, sub-§§13 and 14**, as enacted by PL 2017, c. 284, Pt. VVVVV, §6, are amended to read:

**13. Withdrawal from school management and leadership center.** ~~If a~~ single school administrative unit ~~applies to~~ may withdraw, it must demonstrate to the commissioner that as a result of the school administrative unit's withdrawing that there will be no increase in costs or decrease in student programs and services for the withdrawing school administrative unit and for any of the remaining member school administrative units of the school management and leadership center ~~from a~~ school management and leadership center only in accordance with withdrawal provisions included in the interlocal agreement pursuant to section 3801, subsection 3.

**14. Dissolution of school management and leadership center.** A school management and leadership center may not be dissolved unless it ~~applies to the commissioner for approval and~~ only if:

A. All member school administrative units apply to transfer to another school management and leadership center and the commissioner approves; or

B. If all the member school administrative units of a school management and leadership center apply to dissolve the school management and leadership center, they demonstrate to the commissioner that there will be no increase in costs or decrease in student programs and services for any of the member school administrative units of the school management and leadership center.

C. The dissolution is in accordance with the provisions of its interlocal agreement under Title 30-A, chapter 115 that provide for the termination of the agreement and the disposal of property.

**Sec. 4. 20-A MRSA §3808** is enacted to read:

**§ 3808. Collective bargaining in school management and leadership centers**

**1. Assumption of obligations, duties, liabilities and rights.** On and after the operational date of a school management and leadership center, teachers and other employees whose positions are transferred from a school administrative unit to the school management and leadership center and were included in a bargaining unit represented by a bargaining agent, and for participating school administrative units, teachers and other employees who are subsequently employed by the school management and leadership center and were included in a bargaining unit and represented by a bargaining unit, continue to be included in the same bargaining unit and represented by the same bargaining agent pending completion of the bargaining agent and bargaining unit merger procedures and bargaining for initial school management and leadership center collective bargaining agreements covering school management and leadership center employees, as described in this section. After employees become employees of the school management and leadership center, the school management and leadership center has the obligations, duties, liabilities and rights of a public employer pursuant to Title 26, chapter 9-A with respect to those employees.

**2. Structure of bargaining units.** All bargaining units of school management and leadership center employees must be structured on a school management and leadership center-wide basis. Teachers and other school employees who are employed by the school management and leadership center to provide consolidated services must be removed from the existing bargaining units of teachers and other employees who are employed by each member school unit and merged into units of school management

and leadership center employees. Merger into school management and leadership center-wide bargaining units is not subject to approval or disapproval of employees. Formation of school management and leadership center-wide bargaining units must occur in accordance with this subsection.

A. In each school management and leadership center, there must be one unit of teachers, if any teachers are employed by the school management and leadership center, and, to the extent they are on the effective date of this paragraph included in bargaining units, other certified professional employees, excluding principals and other administrators.

B. Any additional bargaining units in a school management and leadership center must be structured as follows.

(1) 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 school management and leadership center and avoiding conflicts among different bargaining agents to the extent possible.

(2) In the event of a dispute regarding the classifications to be included within a school management and leadership center-wide bargaining unit, the current bargaining agent or agents or the school management and leadership center 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.

C. When there is the same bargaining agent in all bargaining units that will be merged into a school management and leadership center-wide bargaining unit, the units must be separated and merged on the operational date or the date represented employees are transferred to the school management and leadership center, whichever is applicable, and the school management and leadership center shall recognize the bargaining agent as the representative of the merged unit.

D. When all bargaining units that will be separated and merged into a school management and leadership center-wide bargaining unit are represented by separate local affiliates of the same state labor organization, the units must be separated and merged on the operational date or the date represented employees are transferred to the school management and leadership center, whichever is applicable. The identity of a 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 labor organization to the school management and leadership center, the school management and leadership center shall recognize the designated bargaining agent as the representative of employees in the merged unit. If necessary, the parties shall 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.

E. When there are bargaining units that will be separated and merged into a school management and leadership center-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 separated and merged on the operational date or the date represented employees are transferred to the school management and leadership center, whichever is applicable, 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 separation and merger of separate local affiliates of the same state labor organization described in paragraph D 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 paragraph F.

F. When bargaining units with different bargaining agents must be merged into a single school management and leadership center-wide bargaining unit pursuant to this section, the bargaining agent of the merged bargaining unit must be selected in accordance with Title 26, section 967 except as modified in this section.

(1) 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 school management and leadership center.

(2) The petition must be filed not more than 90 days prior to the first August 31st occurring after either the 3rd anniversary date of the operational date of the school management and leadership center or the date on which positions are transferred from member school units to the school management and leadership center, whichever is later.

(3) The election ballot may contain only the names of the bargaining agents of bargaining units that will be merged into the school management and leadership center-wide bargaining unit and the choice of no representative, but no other choices. A showing of interest is not required from any such bargaining agent other than its current status as representative.

(4) The obligation to bargain with existing bargaining agents continues from the operational date of the school management and leadership center or the date on which positions are transferred from member school units to the school management and leadership center, whichever is later, until the determination of the bargaining agent of the school management and leadership center-wide bargaining unit under this section; but in no event may any collective bargaining agreement that is executed after the operational date extend beyond the first August 31st occurring after either the 3rd anniversary date of the operational date of the school management and leadership center or the date on which positions are transferred from member school units to the school management and leadership center, whichever is later.

(5) The Maine Labor Relations Board shall expedite to the extent practicable all petitions for determination of the bargaining agent in the school management and leadership center filed pursuant to this section.

(6) The bargaining units must be merged into a school management and leadership center-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.

(7) Until the first August 31st occurring after either the 3rd anniversary date of the operational date of the school management and leadership center or the date on which positions are transferred from member school units to the school management and leadership center, whichever is later, existing bargaining agents shall continue to represent the bargaining units that they represented on the day prior to the operational date of the school management and leadership center. If necessary, each bargaining agent and the school management and leadership center must negotiate interim collective bargaining agreements to expire the first August 31st occurring after either the 3rd anniversary date of the operational date of the school management and leadership center or the date on which positions are transferred from member school units to the school management and leadership center, whichever is later.

(8) When there are 2 or more bargaining units in which there are employees who are represented either by the same bargaining agent or by separate local affiliates of the same state labor organization that will be merged into a school management and leadership center-wide bargaining unit with one or more other bargaining units pursuant to the election procedures described in this paragraph, the bargaining units that are represented either by the same bargaining agent or by separate local affiliates of the same state labor organization must merge as of the operational date. The procedures for merger of separate local affiliates of the same state labor organization described in paragraph D must be followed if applicable.

**3. Agent to engage in collective bargaining.** After the merger of bargaining units in a school management and leadership center, the bargaining agent of a school management and leadership center-wide bargaining unit and the school management and leadership center shall engage in collective bargaining for a collective bargaining agreement for the school management and leadership center-wide bargaining unit. In the collective bargaining agreement for each school management and leadership center-wide bargaining unit, the employment relations, policies, practices, salary schedules, hours and working conditions throughout the school management and leadership center must be made uniform and consistent as soon as practicable. In the event that the parties are unable to agree upon an initial school management and leadership center-wide collective bargaining agreement, the parties must use the dispute resolution procedures pursuant to Title 26, section 965 to resolve their differences.

**4. Application of collective bargaining agreements.** On and after the operational date of a school management and leadership center, but before the completion of negotiations for a single school management and leadership center-wide collective bargaining agreement for the school management and leadership center-wide bargaining unit, the wages, hours and working conditions of an employee of the school management and leadership center who is in a bargaining unit and who is reassigned to a different

position that is in a different bargaining unit but that upon the completion of the merger of bargaining units will be included in the same school management and leadership center-wide bargaining unit must be determined by the terms of the collective bargaining agreement that applies to the position to which the employee is reassigned, except as provided in this subsection.

A. If the application of the collective bargaining agreement that applies to the position to which the employee is reassigned would cause a reduction in the employee's wage or salary rate, the employee's wage or salary rate must be maintained at the rate the employee was paid immediately prior to the reassignment until the completion of negotiations for a single school management and leadership center-wide collective bargaining agreement for the school management and leadership center-wide bargaining unit or the applicable collective bargaining agreement requires a higher wage or salary rate for the employee, whichever occurs sooner.

B. If the application of the existing collective bargaining agreement that applies to the position to which the employee is reassigned would cause a reduction in the amount that is paid by the school management and leadership center for premiums for health insurance for the employee and the employee's dependents, the school management and leadership center's payment must be maintained at the amount that was paid immediately prior to the reassignment until the completion of negotiations for a single school management and leadership center-wide collective bargaining agreement for the school management and leadership center-wide bargaining unit or the applicable collective bargaining agreement requires a higher payment, whichever occurs sooner.

C. If the application of the existing collective bargaining agreement that applies to the position to which the employee is reassigned provides for coverage under a different health insurance plan, the employee may elect to retain coverage under the health insurance plan in which the employee was enrolled immediately prior to reassignment if the eligibility provisions of the plan permit until the completion of negotiations for a single school management and leadership center-wide collective bargaining agreement for the school management and leadership center-wide bargaining unit.'

Amend the bill in section 3 in the last line (page 3, line 41 in L.D.) by striking out the following: "8.51" and inserting the following: '8.46'

Amend the bill by striking out all of sections 4 and 5 and inserting the following:

**‘Sec. 4. Total cost of funding public education from kindergarten to grade 12.** The total cost of funding public education from kindergarten to grade 12 for fiscal year 2018-19 is as follows:

	<b>2018-19 TOTAL</b>
<b>Total Operating Allocation</b>	
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683	\$1,464,839,305
Total adjustments to state subsidy pursuant to Title 20-A, section 15689 included in subsidizable costs and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$509,865,569
<b>Total Operating Allocation and Subsidizable Costs</b>	

Total operating allocation pursuant to Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$1,974,704,874
<b>Total Debt Service Allocation</b>	
Total debt service allocation pursuant to Title 20-A, section 15683-A	\$96,696,235
<b>Total Adjustments pursuant to Title 20-A, section 15689</b>	
Audit adjustments pursuant to Title 20-A, section 15689, subsection 4	\$250,000
Educating students in long-term drug treatment center adjustments pursuant to Title 20-A, section 15689, subsection 5	\$391,378
Regionalization, consolidation and efficiency assistance adjustments pursuant to Title 20-A, section 15689, subsection 9	\$4,083,539
Bus refurbishing program adjustments pursuant to Title 20-A, section 15689, subsection 13	\$180,123
MaineCare seed payments adjustments pursuant to Title 20-A, section 15689, subsection 14	\$642,466
Special education budgetary hardship adjustment pursuant to Title 20-A, section 15689, subsection 15	\$1,000,000
Total adjustments to the state share of total allocation pursuant to Title 20-A, section 15689	\$6,547,506
<b>Targeted Education Funds pursuant to Title 20-A, section 15689-A</b>	
Special education costs for state agency clients and state wards pursuant to Title 20-A, section 15689-A, subsection 1	\$29,737,998
Essential programs and services components contract pursuant to Title 20-A, section 15689-A, subsection 3	\$300,000
Education research institute contract pursuant to Title 20-A, section 15689-A, subsection 6	\$250,000
Emergency bus loan pursuant to Title 20-A, section 15689-A, subsection 9	\$0
Data management and support services for essential programs and services pursuant to Title 20-A, section 15689-A, subsection 10	\$4,926,754
Postsecondary course payments pursuant to Title 20-A, section 15689-A, subsection 11	\$3,000,000
National board certification salary supplement pursuant to Title 20-A, section 15689-A, subsection 12	\$307,551
Learning through technology program pursuant to Title 20-A, section 15689-A, subsection 12-A	\$14,114,965
Jobs for Maine's Graduates including college pursuant to Title 20-A, section 15689-A, subsection 13	\$3,545,379
Maine School of Science and Mathematics pursuant to Title 20-A, section 15689-A, subsection 14	\$3,615,347
Maine Educational Center for the Deaf and Hard of Hearing pursuant to Title 20-A, section 15689-A, subsection 15	\$7,769,215
Transportation administration pursuant to Title 20-A, section 15689-A, subsection 16	\$389,890
Special education for juvenile offenders pursuant to Title 20-A, section 15689-A, subsection 17	\$382,418
Center of Excellence for At-risk Students pursuant to Title 20-A, section 15689-A, subsection 20	\$152,000
Fund for the Efficient Delivery of Educational Services pursuant to Title 20-A, section 15689-A, subsection 21	\$0

Comprehensive early college programs funding (bridge year program) pursuant to Title 20-A, section 15689-A, subsection 23	\$1,000,000
Community school pilots (3 pilot projects for 5 years) pursuant to Title 20-A, section 15689-A, subsection 25	\$50,000
Maine School for Marine Science, Technology, Transportation and Engineering pursuant to Title 20-A, section 15689-A, subsection 26	\$320,414
Total targeted education funds pursuant to Title 20-A, section 15689-A	\$69,861,931
<b>Enhancing student performance and opportunity pursuant to Title 20-A, section 15688-A and section 15672, subsection 1-D</b>	
Career and technical education costs pursuant to Title 20-A, section 15688-A, subsection 1	\$51,500,000
Career and technical education middle school costs pursuant to Title 20-A, section 15672, subsection 1-D	\$0
College transitions programs through adult education college readiness programs pursuant to Title 20-A, section 15688-A, subsection 2	\$450,000
New or expanded public preschool pursuant to Title 20-A, section 15688-A, subsection 4	\$0
School improvement and support pursuant to Title 20-A, section 15688-A, subsection 5	\$0
National industry standards for career and technical education pursuant to Title 20-A, section 15688-A, subsection 6	\$2,000,000
Total enhancing student performance and opportunity pursuant to Title 20-A, section 15688-A and section 15672, subsection 1-D	\$53,950,000
<b>Total Cost of Funding Public Education from Kindergarten to Grade 12</b>	
Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, not including normal retirement costs	\$2,201,760,546
Total normal cost of teacher retirement	\$46,519,107
Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, including normal retirement costs	\$2,248,279,653
Total cost of state contribution to unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423, excluding the normal cost of teacher retirement	\$181,527,833
Total cost of funding public education from kindergarten to grade 12, plus state contributions to the unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423	\$2,429,807,486

**Sec. 5. Local and state contributions to total cost of funding public education from kindergarten to grade 12.** The local contribution and the state contribution appropriation provided for general purpose aid for local schools for the fiscal year beginning July 1, 2018 and ending June 30, 2019 is calculated as follows:

	<b>2018-19 LOCAL</b>	<b>2018-19 STATE</b>
<b>Local and State Contributions to the Total Cost of Funding Public Education from Kindergarten to Grade 12</b>		
Local and state contributions to the total cost of funding public education from kindergarten to grade 12 pursuant to the Maine Revised Statutes, Title 20-A, section 15683, subject to statewide distributions required by law	\$1,132,901,570	\$1,115,378,083
State contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423 excluding the normal cost of teacher retirement		\$181,527,833
State contribution to the total cost of funding public education from kindergarten to grade 12 plus state contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance pursuant to Title 5, chapters 421 and 423		\$1,296,905,916

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

### **SUMMARY**

This amendment is the majority report of the Joint Standing Committee on Education and Cultural Affairs. The amendment includes provisions regarding dissolution for a school administrative unit to withdraw from a school management and leadership center and includes provisions for the merging of bargaining units of employees of a school administrative unit that also are employed by a school management and leadership center. The amendment also makes several changes to the total cost of

funding public education from kindergarten to grade 12, the state contribution and the local contribution for fiscal year 2018-19, including:

1. Reducing the mill expectation rate for municipalities from 8.51 to 8.46 for fiscal year 2018-19 since the proposed allocation for career and technical education middle school programs for fiscal year 2018-19 is reduced by \$5,000,000 and \$5,000,000 is also reduced from the local costs for funding public education from kindergarten to grade 12;

2. Transferring the provision of the adjustments from the state share of the total allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15689 to the audit adjustment pursuant to Title 20-A, section 15689, subsection 4; and

3. Amending the provisions regarding:

A. The state contribution to the total cost of teacher retirement by indicating that the total costs include the unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers; the total costs exclude the normal cost of teacher retirement; and

B. The state contribution to the total cost of funding public education from kindergarten to grade 12 by indicating that the total costs include the state contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance.

**FISCAL NOTE REQUIRED**

**(See attached)**