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Legislative Document

No. 1568

H.P. 1130

House of Representatives, April 16, 2019

An Act Authorizing the Deorganization of Magalloway Plantation

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative HEAD of Bethel.
Cosponsored by Senator DOW of Lincoln and
Representatives: KINNEY of Knox, REED of Carmel, TUELL of East Machias.

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

2 **PART A**

3 **Sec. A-1. Deorganization of Magalloway Plantation.** Notwithstanding any
4 contrary requirement of the Maine Revised Statutes, Title 30-A, chapter 302, if in
5 accordance with Title 30-A, section 7207 a majority of the voters in Magalloway
6 Plantation approve the deorganization procedure developed in accordance with Title
7 30-A, section 7205, the question of Magalloway Plantation's deorganization is approved
8 by the registered voters of Magalloway Plantation pursuant to section 8 of this Part and
9 Magalloway Plantation has executed a withdrawal agreement with Regional School Unit
10 No. 78, Magalloway Plantation in Oxford County is deorganized, except that the
11 corporate existence, powers, duties and liabilities of the plantation survive for the
12 purposes of prosecuting and defending all pending suits to which the plantation is, or may
13 be, a party and all needful process arising out of any suits, including provisions for the
14 payment of all or any judgments or debts that may be rendered against the plantation or
15 exist in favor of any creditor.

16 **Sec. A-2. Financial obligations and other liabilities.** Any financial
17 obligations or other liabilities that were incurred by Magalloway Plantation as a
18 municipality or that were incurred by Magalloway Plantation as a member of Regional
19 School Unit No. 78 are hereby excepted and reserved in accordance with the Maine
20 Revised Statutes, Title 30-A, section 7303 and remain liabilities for the inhabitants of
21 lawful age residing in the territory included in the deorganized Magalloway Township for
22 the duration of the liabilities. The State Tax Assessor shall assess taxes against the
23 property owners in the deorganized Magalloway Township to provide funds to satisfy any
24 municipal or educational obligations or other liabilities. These financial obligations or
25 other liabilities are not the responsibility of either the Department of Education or the
26 taxpayers in the Unorganized Territory Tax District as described in Title 36, chapter 115.

27 **Sec. A-3. Deorganization procedure.** The deorganization of Magalloway
28 Plantation must be conducted in accordance with the approved deorganization procedure
29 for the plantation dated October 23, 2018 that was developed in accordance with the
30 Maine Revised Statutes, Title 30-A, section 7205 and approved by a majority of the
31 plantation's voters as required in Title 30-A, section 7207, subsection 2.

32 **Sec. A-4. Unexpended school funds.** The treasurer of Magalloway Plantation or
33 any other person who has custody of the funds of the plantation shall pay the Treasurer of
34 State all unexpended school funds that, together with the credits due the plantation for
35 school purposes, are to be used by the State Tax Assessor to settle any school obligations
36 incurred by the plantation before deorganization. The State Tax Assessor shall approve
37 any written requests or invoices for payments and submit the approved documents to the
38 fiscal administrator of the unorganized territory within the Office of the State Auditor to
39 process through the Office of the State Controller. Any unexpended school funds
40 remaining with the Treasurer of State after all the obligations have been met must be
41 deposited to the Unorganized Territory Education and Services Fund, as established in
42 the Maine Revised Statutes, Title 36, chapter 115.

1 **Sec. A-5. Unexpended municipal funds and property.** The treasurer of
2 Magalloway Plantation or any other person who has custody of the funds of the plantation
3 shall pay the Treasurer of State all unexpended funds of the plantation that, together with
4 the credits due the plantation for its purposes, are to be used by the State Tax Assessor to
5 settle any obligations of the plantation incurred by the plantation before deorganization.
6 The State Tax Assessor shall approve any written requests or invoices for payments and
7 shall submit the approved documents to the fiscal administrator of the unorganized
8 territory within the Office of the State Auditor to process through the Office of the State
9 Controller. Pursuant to the Maine Revised Statutes, Title 30-A, section 7304, at the end
10 of the 5-year period during which the powers, duties and obligations relating to the affairs
11 of the plantation are vested in the State Tax Assessor or when in the judgment of the State
12 Tax Assessor final payment of all known obligations against the plantation has been
13 made, any funds that have not been expended must be deposited with the county
14 commissioners of Oxford County as undedicated revenue for the unorganized territory
15 fund of Oxford County.

16 Any property of the plantation that has not been sold must be held by the State in
17 trust for the unorganized territory or transferred to Oxford County to be held in trust for
18 the unorganized territory. Income from the use or sale of that property held by the State
19 must be credited to or deposited in the Unorganized Territory Education and Services
20 Fund under Title 36, chapter 115. Income from the use or sale of that property held by
21 Oxford County must be credited to the unorganized territory fund of the county pursuant
22 to Title 36, section 1604, subsection 4.

23 **Sec. A-6. Provision of education services.** Notwithstanding any other law,
24 education in the unorganized territory of Magalloway Township must be provided under
25 the direction of the Commissioner of Education as described in the Maine Revised
26 Statutes, Title 20-A, chapter 119 and must meet the general standards for elementary and
27 secondary schooling and special education established pursuant to Title 20-A. The
28 provisions of subsections 1 to 5 must be implemented at the time of deorganization.

29 1. Students in prekindergarten and kindergarten to grade 5 whose parents or legal
30 guardians are legal residents of the unorganized territory of Magalloway Township must
31 be provided educational services at schools located within Regional School Unit No. 78.
32 Transportation services to and from the designated schools must be provided under the
33 direction of the Department of Education's division of state schools, education in the
34 unorganized territory.

35 2. Students in grade 6 to grade 12 whose parents or legal guardians are legal
36 residents of the unorganized territory of Magalloway Township must be provided
37 educational services at schools located within Regional School Unit No. 78.
38 Transportation services to and from the designated schools must be provided under the
39 direction of the Department of Education's division of state schools, education in the
40 unorganized territory.

41 3. Tuition to approved secondary schools other than those identified in subsection 2
42 may be provided on behalf of resident pupils with the prior approval of the director of
43 state schools within the Department of Education. Tuition may not exceed limits set out

1 in Title 20-A, section 3304. The receiving school must be approved by the
2 Commissioner of Education for the purpose of tuition.

3 4. Special education services must be provided to eligible resident students as
4 required by federal and state laws, rules and regulations. Special education services are
5 administered by the director of special education for the division of state schools,
6 education in the unorganized territory within the Department of Education.

7 5. Career and technical education must be provided to eligible resident students
8 pursuant to Title 20-A, section 3253-A.

9 The provision of educational services is subject to future modification in response to
10 changes in educational conditions.

11 **Sec. A-7. Assessment of taxes.** The State Tax Assessor shall assess the real and
12 personal property taxes in Magalloway Plantation as of April 1, 2021 as provided in the
13 Maine Revised Statutes, Title 36, section 1602.

14 **Sec. A-8. Referendum; certificate to Secretary of State.** This Part takes
15 effect 90 days after its approval only for the purpose of permitting its submission by the
16 plantation officers of Magalloway Plantation to the legal voters of the plantation by ballot
17 at the next general election to be held in November. This election must be called,
18 advertised and conducted according to the Maine Revised Statutes, Title 30-A, sections
19 2528 and 2532. The plantation clerk shall prepare the required ballots on which the clerk
20 shall reduce the subject matter of this Part to the following question:

21 "Shall Magalloway Plantation be deorganized?"

22 The voters shall indicate their opinion on this question by a cross or check mark
23 placed against the word "Yes" or "No." Before becoming effective, this Part must be
24 approved by at least 2/3 of the legal voters casting ballots at the general election, and the
25 total number of votes cast for and against the acceptance of this Part at the election must
26 equal or exceed 50% of the total number of votes cast in the plantation for Governor at
27 the last gubernatorial election.

28 The plantation officers of Magalloway Plantation shall declare the result of the vote.
29 The plantation clerk shall file a certificate of the election result with the Secretary of State
30 within 10 days after the date of the election.

31 **Sec. A-9. Effective date.** Sections 1 to 7 of this Part take effect July 1, 2021 if the
32 legal voters of Magalloway Plantation approve the referendum under section 8 of this
33 Part.

34 PART B

35 **Sec. B-1. Register and transmit copy of approved deorganization**
36 **procedure.** Before the effective date of the deorganization of Magalloway Plantation
37 pursuant to Part A, the fiscal administrator of the unorganized territory within the Office
38 of the State Auditor shall transmit a copy of the approved deorganization procedure for
39 the plantation dated October 23, 2018 that was developed in accordance with the Maine

1 Revised Statutes, Title 30-A, section 7205 and approved by a majority of the plantation's
2 voters as required under section 7207, subsection 2 to the Oxford County Administrator
3 and register the approved deorganization procedure with the Oxford County Registry of
4 Deeds.

5 **Sec. B-2. Effective date.** This Part takes effect upon approval of the referendum
6 under Part A, section 8.

7 **SUMMARY**

8 This bill provides for the deorganization of Magalloway Plantation in Oxford County,
9 subject to approval at local referendum and execution of a withdrawal agreement from
10 Regional School Unit No. 78.