

**§15905. State board**

**1. Approval authority.** The state board must approve each school construction project, unless it is a small scale school construction project as defined in section 15901, subsection 4-A, a nonstate funded project as defined in section 15905-A or a permanent space lease-purchase project.

A. The state board may approve projects as long as no project approval will cause debt service costs, as defined in section 15672, subsection 2-A, paragraph A and pursuant to rules adopted in accordance with Resolve 2007, chapter 223, section 4, to exceed the maximum limits specified in Table 1 and Table 2 in subsequent fiscal years.

Table 1

Fiscal year	Major Capital	Integrated, Consolidated Secondary and Postsecondary Project	Maximum Debt Service Limit
1990			\$ 48,000,000
1991			\$ 57,000,000
1992			\$ 65,000,000
1993			\$ 67,000,000
1994			\$ 67,000,000
1995			\$ 67,000,000
1996			\$ 67,000,000
1997			\$ 67,000,000
1998			\$ 67,000,000
1999			\$ 69,000,000
2000			\$ 72,000,000
2001			\$ 74,000,000
2002			\$ 74,000,000
2003			\$ 80,000,000
2004			\$ 80,000,000
2005			\$ 84,000,000
2006			\$ 90,000,000
2007			\$ 96,000,000
2008			\$100,000,000
2009			\$104,000,000
2010			\$108,000,000
2011			\$126,000,000
2012			\$116,000,000
2013			\$116,000,000
2014			\$126,000,000
2015			\$10,000,000
2016			\$10,000,000
2017			\$10,000,000
2018			\$10,000,000
2019			\$10,000,000
2020			\$20,000,000
2021			\$20,000,000
2022			\$20,000,000
2023			\$20,000,000

Table 2

Fiscal year	Maximum Debt Service Limit
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2024	\$150,000,000
2025	\$150,000,000
2026	\$150,000,000
2027	\$150,000,000

[PL 2023, c. 462, §1 (AMD).]

A-1. Beginning with the second regular session of the Legislature in fiscal year 1990 and every other year thereafter, on or before March 1st, the commissioner shall recommend to the Legislature and the Legislature shall establish maximum debt service limits for the next 2 biennia for which debt service limits have not been set for capital projects, including major projects and integrated, consolidated secondary and postsecondary projects. [PL 2019, c. 616, Pt. C, §10 (AMD).]

B. Nonstate funded projects, such as school construction projects or portions of projects financed by proceeds from insured losses, money from federal sources, other noneducational funds or local funds that are not eligible for inclusion in an administrative unit's state-local allocation, are outside the total cost limitations set by the Legislature. [PL 1999, c. 81, §13 (AMD).]

[PL 2023, c. 462, §1 (AMD).]

**2. Secondary school construction project limitations.** The state board may approve a secondary school construction project designed to accommodate fewer than 300 pupils only if the state board has determined that the school will have an adequate educational program. The board may not approve a secondary school construction project if fewer than 10 full-time teachers will be employed at the school, unless the location of the school would be geographically isolated.

[PL 1981, c. 693, §§5, 8 (NEW).]

**3. Certificate of approval.** A certificate of approval must be issued by the commissioner for each project for which design and funding approval has been given by the state board. The certificate must bear the amount approved for subsidy and other stipulations or conditions. The certificate must be signed by the commissioner and is conclusive evidence of the facts stated on it.

[PL 2013, c. 167, Pt. B, §5 (AMD).]

**4. Rules.** The state board may adopt or amend rules relating to the approval of school construction projects. Rules adopted pursuant to this subsection relating to the approval of major capital school construction projects under this chapter are major substantive rules pursuant to Title 5, chapter 375, subchapter 2-A.

The state board is encouraged to review school construction rules regarding costs per square foot, consider other measures for containing building costs and report on these efforts to the joint standing committee of the Legislature having jurisdiction over education matters during the First Regular Session of the 115th Legislature. On or before February 1, 1994 the state board shall adopt rules for approving movable equipment costs for school construction.

[PL 2005, c. 683, Pt. J, §1 (AMD); PL 2005, c. 683, Pt. J, §2 (AFF).]

**5. Approval criteria.** In approving school construction projects, the state board shall ensure that school administrative units have made efficient use of existing school facilities within the unit and have explored and when feasible developed agreements for sharing facilities with neighboring school administrative units.

[PL 1993, c. 410, Pt. ZZZ, §1 (NEW).]

**6. Facility maintenance plan required.** The state board shall require a school administrative unit applying for state funds for a school construction project to establish a facility maintenance plan for the projected life cycle of the proposed school building.

[PL 2013, c. 506, §17 (AMD).]

**7. Interest-only interim local financing.** Notwithstanding any provision of law or rule to the contrary, the state board may accelerate the dates on which it grants concept approval and funding

approval for a school construction project that has been placed on the special priority list of the state board on the condition that the school administrative unit provide interest-only interim local financing for the project in accordance with this subsection. The period of interest-only interim local financing must be determined by the state board at the time concept approval is granted for a project and must be based on the time difference between the date that final funding approval is expected to be granted on an accelerated basis and the date that final funding approval would have been expected to be granted in the normal course. The period of interim local financing for a project may not exceed 5 years.

Notwithstanding any provision of law or rule to the contrary, a school administrative unit, including a school administrative unit established by private and special law, authorized to issue securities for school construction purposes may issue its securities for school construction purposes on an interest-only basis during a period of interest-only interim local financing approved by the state board in accordance with this subsection. The period of interest-only interim local financing must precede, and be in addition to, the periods for interest payments and principal payments otherwise established pursuant to the school construction rules of the state board. The length of the period of interest-only interim local financing and the length of the debt service schedule otherwise established must be clearly stated on the face of the securities.

The interest-only payments made by a school administrative unit during the period of interim financing must be paid from local funds without state participation and may not be included in the unit's debt service costs for state subsidy purposes under section 15672, subsection 2-A. Such interest-only payments during the period of interim local financing may not be considered debt service costs as defined in section 15672, subsection 2-A for purposes of calculating amounts subject to the debt service limit established by this section.

The referendum question that is submitted to the voters for a project subject to interest-only interim local financing under this subsection must include, in addition to the information required by section 15904, an informational statement that sets forth the length of the period of interest-only interim financing established by the state board, an estimate of the annual interest cost during the period of interest-only interim local financing and a statement that the interest-only payments during the period of interim local financing is not eligible for inclusion in the debt service allocation of the school administrative unit for purposes of calculating state school construction subsidy to the unit.

The maximum period that securities for a school construction project may be outstanding under any applicable statute or rule must be extended by the length of the period of interest-only interim local financing approved by the state board under this subsection.

If the voters of a school administrative unit do not vote to approve a school construction project subject to interest-only interim local financing under this subsection, the unit's school construction project remains eligible for concept and funding approval from the state board at the time that the project would be eligible for such approval without interest-only interim location funding.

[PL 2005, c. 683, Pt. B, §16 (AMD).]

## SECTION HISTORY

PL 1981, c. 693, §§5,8 (NEW). PL 1983, c. 426, §3 (AMD). PL 1983, c. 859, §§L1,L3 (AMD). PL 1985, c. 248, §6 (AMD). PL 1985, c. 469 (AMD). PL 1985, c. 737, §A47 (AMD). PL 1985, c. 780, §1 (AMD). PL 1987, c. 395, §B1 (AMD). PL 1987, c. 402, §A132 (AMD). PL 1987, c. 803, §§1,2,5 (AMD). PL 1989, c. 911, §§9,10 (AMD). PL 1991, c. 875 (AMD). PL 1993, c. 324, §3 (AMD). PL 1993, c. 410, §§F20,ZZZ1 (AMD). PL 1993, c. 693, §1 (AMD). PL 1995, c. 632, §§1,2 (AMD). PL 1997, c. 397, §1 (AMD). PL 1997, c. 469, §2 (AMD). PL 1999, c. 81, §13 (AMD). PL 1999, c. 731, §§YY3,4 (AMD). PL 2001, c. 439, §OOOO1 (AMD). PL 2003, c. 673, §N2 (AMD). PL 2005, c. 519, §J3 (AMD). PL 2005, c. 595, §1 (AMD). PL 2005, c. 595, §2 (AFF). PL 2005, c. 683, §§B16,J1 (AMD). PL 2005, c. 683, §J2 (AFF). PL 2007, c. 539, Pt. C, §16 (AMD). PL 2011, c. 1, Pt. E, §1 (AMD). PL 2011, c. 678, Pt. D, §1 (AMD). PL 2013, c. 44,

§1 (AMD). PL 2013, c. 167, Pt. B, §5 (AMD). PL 2013, c. 506, §17 (AMD). PL 2015, c. 267, Pt. C, §15 (AMD). PL 2015, c. 389, Pt. C, §10 (AMD). PL 2017, c. 284, Pt. C, §56 (AMD). PL 2019, c. 616, Pt. C, §§9, 10 (AMD). PL 2023, c. 462, §1 (AMD).

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