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Amend the amendment in Part A in section 32 on page 372 by striking out all of that part relating to "**FHM - Head Start 0959**" (page 372, lines 24 to 27 in amendment)

Amend the amendment in Part A by inserting after section 33 the following:

'Sec. A-34. Appropriations and allocations. The following appropriations and allocations are made.

HISTORICAL SOCIETY, MAINE

Historical Society 0037

Initiative: BASELINE BUDGET

GENERAL FUND	2007-08	2008-09
All Other	\$54,653	\$54,653
GENERAL FUND TOTAL	\$54,653	\$54,653

HISTORICAL SOCIETY 0037

PROGRAM SUMMARY

GENERAL FUND	2007-08	2008-09
All Other	\$54,653	\$54,653
GENERAL FUND TOTAL	\$54,653	\$54,653

Amend the amendment in Part A in section 34 in the first line (page 449, line 23 in amendment) by striking out the following: "**Sec. A-34.**" and inserting the following: '**Sec. A-35.**'

Amend the amendment in Part JJ in section 3 in the 2nd line (page 673, line 39 in amendment) by striking out the following: "deallocate" and inserting the following: 'reduce allotments'

Amend the amendment in Part NNNN in section 1 in subsection 3 in the 3rd line (page 743, line 20 in amendment) by striking out the following: "2 or more buildings" and inserting the following: 'building Number 2'

Amend the amendment in Part NNNN in section 1 in subsection 3 in the 9th line (page 743, line 26 in amendment) by striking out the following: "2007 but before January 1, 2012." and inserting the following: '2008 but before January 1, 2014.'

Amend the amendment in Part NNNN in section 1 in subsection 3 in the 12th line (page 743, line 29 in amendment) by striking out the following: "2011" and inserting the following: '2013'

Amend the amendment in Part XXXX in section 13 in §1478 in the indented paragraph in the 2nd line (page 769, line 33 in amendment) by striking out the following: "not in conflict with this Title"

Amend the amendment in Part XXXX in section 13 in §1481 in the first indented paragraph in the last line (page 771, line 24 in amendment) by striking out the following: "agreement is modified or eliminated:" and inserting the following: 'parties to the agreement modify or terminate the agreement:'

Amend the amendment in Part XXXX in section 13 in §1481 by inserting at the end (page 771, line 36 in amendment) a new indented paragraph to read:

'Notwithstanding any provisions of law to the contrary, a municipality within a regional school unit may raise money and direct the spending of the funds, to a school serving children from kindergarten to no higher than grade 8.'

Amend the amendment in Part XXXX in section 32 in §15696 by striking out all of subsection 1 (page 793, lines 23 to 38 and page 794, lines 1 and 2 in amendment) and inserting the following:

'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 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.'

Amend the amendment in Part XXXX by inserting after section 23 the following:

'Sec. XXXX-24. 20-A MRSA §15671-A, sub-§2, ¶B, as amended by PL 2005, c. 2, Pt. D, §35 and affected by §§72 and 74 and c. 12, Pt. WW, §18, 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) ~~For~~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.

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(6) For school administrative units that do not conform to the requirements of chapter 103-A for the 2009 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 and after.

Amend the amendment in Part XXXX in section 35 in the first paragraph in the 3rd line (page 794, line 10 in amendment) by inserting after the following: "them into" the following: '80'

Amend the amendment in Part XXXX in section 35 by striking out all of subsections 1 and 2 (page 794, lines 13 to 42 and page 795, lines 1 to 9 in amendment) and inserting the following:

‘1. Meetings to be convened in each career and technical education region. Not later than July 15, 2007, the Commissioner of Education, or the commissioner’s designee, shall convene one or more meetings in each of the career and technical education regions in the State to present information about the requirements of this Part regarding consolidation and collaboration among school administrative units.

A. The Commissioner of Education shall provide notice of the meeting or meetings to municipal officials and school officials from the municipalities and school administrative units within the region, as well as to the general public.

B. In addition to other information presented at the meeting, the Commissioner of Education shall provide one or more maps showing the suggested alignment of municipalities and other school administrative units designed to increase efficiency and improve educational quality and to meet the requirements of subsection 6.

C. Maps presented by the Commissioner of Education and alignment options considered by school administrative unit representatives must reflect:

- (1) The intent and goals set forth in Title 20-A, section 1451; and
- (2) The intent that sustainable, long-term administrative efficiencies be achieved by consolidating the current number of school units existing on the effective date of this Act into 80 regional units or into a number of units that meets the administrative efficiencies established by this Part. Regional units of at least 2,500 resident students must be created except where circumstances justify an exception to that size requirement. When circumstances justify an exception to the requirement of 2,500 students, the unit must serve as close to 2,500 students as possible and in no case, except for offshore islands and schools operated by tribal school committees, may it serve fewer than 1,200 students.

2. Notice of intent. By August 31, 2007, each school administrative unit shall file with the Commissioner of Education:

A. A notice of intent to engage in planning and negotiations with other school administrative units for the purpose of developing a reorganization plan to form a regional school unit under this Part and Title 20-A, chapter 103-A; or

B. A notice of intent to submit an alternative plan that meets the requirements of subsection 6, paragraph F. An alternative plan may be submitted only by a unit that is:

- (1) An offshore island;
- (2) A school operated by a tribal school committee pursuant to the Maine Revised Statutes, Title 30, section 6214;
- (3) A school administrative unit that serves more than 2,500 students, or 1,200 students where circumstances justify an exception to the requirement of 2,500 students under subsection 6, paragraph A, where expansion of the unit would be inconsistent with the policies set forth in Title 20-A, section 1451; or
- (4) A school administrative unit that is designated as an efficient, high-performing district. For purposes of this subparagraph, a school administrative unit is designated an "efficient, high-performing district" if:
 - (a) It contains at least 3 schools identified as "higher performing" in the May 2007 Maine Education Policy Research Institute report "The Identification of Higher and Lower Performing Maine Schools"; and
 - (b) Its reported 2005-2006 per-pupil expenditures for system administration represent less than 4% of its total per-pupil expenditures.

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Amend the amendment in Part XXXX in section 35 in subsection 4 in paragraph B (page 795, line 28 in amendment) by inserting at the end the following:

‘Each school administrative unit shall exercise due diligence and act in good faith in developing a plan that meets the requirements of this Part and furthers the intent of the Legislature to achieve sustainable, long-term administrative efficiencies.’

Amend the amendment in Part XXXX in section 35 by striking out all of subsections 6, 7 and 8 (page 796, lines 15 to 41 and page 797, lines 1 to 42 and page 798, lines 1 to 19 in amendment) and inserting the following:

‘6. Parameters. In developing a reorganization plan for school administrative units in existence on the effective date of this Part, the governing bodies of school administrative units shall work within the following parameters.

A. The proposed regional school unit must serve not fewer than 2,500 students, except where circumstances relating to the following factors justify an exception:

- (1) Geography, including physical proximity and the size of the current school administrative unit;
- (2) Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit;
- (3) Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized;
- (4) Transportation;
- (5) Population density, including the rural nature of our communities;
- (6) Other unique circumstances including the need to preserve existing or developing relationships, meet the needs of students, maximize educational opportunities for students and ensure equitable access to rigorous programs for all students; or
- (7) If, after performing due diligence to develop a regional plan that meets the 2,500 students enrollment requirement, a school administrative unit is unable to achieve the enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit.

When circumstances justify an exception to the requirement of 2,500 students, the unit must serve at least 1,200 students, except for offshore islands and schools operated by tribal school committees, which may serve fewer than 1,200 students.

B. The proposed unit, viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join a regional school unit.

C. The plan must provide comprehensive programming for all students from kindergarten to grade 12 and must include at least one publicly supported secondary school;

D. The plan must be consistent with the policies set forth in Title 20-A, section 1451;

E. The plan may not displace teachers or students or close any schools existing and operating during the school year immediately preceding reorganization, except as permitted under section 1512; and

F. The plan must address how the school administrative unit will reorganize administrative functions, duties and noninstructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2008-09 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program.

7. Review plans. If the Commissioner of Education finds that a plan for reorganization meets the requirements of this Part, the commissioner shall notify the municipalities and school administrative units and they shall proceed with referendum.

A. If the Commissioner of Education finds that a plan for reorganization is not consistent with subsection 6 and the purposes and goals of this Part, or that it has not adequately addressed the matters set forth in subsection 6, the commissioner shall return the plan to the governing bodies of those school administrative units by December 15, 2007 with specific suggestions for modification of the plan and written findings providing the specific reasons why the plan did not meet with the requirements in this Part.

B. Upon the return of a reorganization plan by the Commissioner of Education, the governing body of the school administrative unit shall revise the proposed plan for reorganization to address the commissioner's findings and submit a revised plan for reorganization not more than 30 days after the commissioner returns the plan for revision.

C. The Commissioner of Education shall make a determination whether the revised plan for reorganization meets the requirements of this Part not more than 14 days after it is refiled by the unit.

D. The Commissioner of Education may not find that a plan for reorganization does not meet the requirements of this Part solely on the ground that a finding that it meets the requirements would cause the number of regional school units in the State to exceed 80.

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 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.'

Amend the amendment in Part XXXX by inserting after section 46 the following:

‘Sec. XXXX-47. 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 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 no later than December 1, 2007.’

Amend the amendment by inserting after Part XXXX the following:

PART YYYY

Sec. YYYY-1. Appropriations and allocations. The following appropriations and allocations are made.

COMMUNITY COLLEGE SYSTEM, BOARD OF TRUSTEES OF THE MAINE

Maine Community College System - Board of Trustees 0556

Initiative: Adjusts the appropriations in Part A regarding the Maine Community College System.

GENERAL FUND	2007-08	2008-09
All Other	(\$1,000,000)	\$1,000,000
GENERAL FUND TOTAL	(\$1,000,000)	\$1,000,000

**COMMUNITY COLLEGE SYSTEM, BOARD OF
TRUSTEES OF THE MAINE
DEPARTMENT TOTALS**

	2007-08	2008-09
GENERAL FUND	(\$1,000,000)	\$1,000,000
DEPARTMENT TOTAL - ALL FUNDS	(\$1,000,000)	\$1,000,000

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)

Disproportionate Share - Riverview Psychiatric Center 0733

Initiative: Provides funding for a one-dollar-per-hour stipend for certain staff working in the Riverview Psychiatric Center's 2 admission units as a continuation of the proposal included in the fiscal year 2006-07 emergency budget request. This initiative will be self-funded by a reduction in the All Other line category.

GENERAL FUND	2007-08	2008-09
Personal Services	\$34,136	\$34,451
All Other	(\$34,136)	(\$34,451)
GENERAL FUND TOTAL	\$0	\$0

Riverview Psychiatric Center 0105

Initiative: Provides funding for a one-dollar-per-hour stipend for certain staff working in the Riverview Psychiatric Center's 2 admission units as a continuation of the proposal included in the fiscal year 2006-07 emergency budget request. This initiative will be self-funded by a reduction in the All Other line category.

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
Personal Services	\$58,575	\$59,090
All Other	(\$58,575)	(\$59,090)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
(FORMERLY BDS)
DEPARTMENT TOTALS**

	2007-08	2008-09
GENERAL FUND	\$0	\$0

OTHER SPECIAL REVENUE FUNDS	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0
SECTION TOTALS	2007-08	2008-09
GENERAL FUND	(\$1,000,000)	\$1,000,000
OTHER SPECIAL REVENUE FUNDS	\$0	\$0
SECTION TOTAL - ALL FUNDS	(\$1,000,000)	\$1,000,000

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

SUMMARY

This amendment strikes out duplicate language that is properly found on page 370, lines 11 to 14 in the committee amendment.

This amendment inserts the General Fund appropriation for the Maine Historical Society that was inadvertently omitted from the committee amendment.

This amendment also corrects language covering a reduction of allotments.

This amendment corrects a reference to the building in the Lockwood Mill Historic District in the City of Waterville for which a taxpayer is entitled to a historic rehabilitation tax credit. It also changes the tax years for which the credit is allowed.

This amendment makes the following changes to Part XXXX:

1. It amends the language authorizing regional school unit boards to create local school committees by removing unneeded language.
2. It clarifies that cost-sharing agreements pursuant to certain laws remain in effect unless the parties to the agreement modify or terminate the agreement.
3. It clarifies that a municipality that is part of a regional school unit may raise money and direct the spending of those funds to a school serving children from kindergarten to grade 8.
4. It amends the penalty provisions for nonconforming school administrative units by:
 - A. Providing a 50% reduction in the minimum state allocation, rather than the full amount;
 - B. Adjusting the cost component for system administration by half, rather than to zero;
 - C. Removing the ineligibility for the isolated small school adjustment; and

D. Removing the percentage increase of the unit's mill rate.

5. It adjusts the full-value education mill rate for nonconforming school administrative units.

6. It clarifies the intent of the Legislature to achieve sustainable, long-term administrative efficiencies by consolidating the current number of school units into 80 regional units or into a number of units that meets the administrative efficiencies established by Part XXXX.

7. It adds language that allows for an efficient, high-performing district to submit a notice of intent to submit an alternate plan.

8. It adds a requirement that school administrative units must exercise due diligence and act in good faith in developing a reorganization plan.

9. It allows an exception to the minimum student population parameter for a school administrative unit that has performed due diligence to develop a regional plan but is surrounded by other units that are included in other consolidation plans.

10. It removes the percentage reductions under the plan parameters and instead requires reorganizing administrative functions, duties and noninstructional personnel so that projected expenditures will not have an adverse impact on the instructional program.

11. It requires written findings by the Commissioner of Education providing specific reasons why a plan does not meet with the requirements of Part XXXX if the plan is returned to the governing body of the affected school administrative units.

12. It prohibits the Commissioner of Education from making a finding that a plan does not meet the requirements of Part XXXX solely on the ground that a finding that it meets the requirements would cause the number of school administrative units to exceed 80.

13. It also amends the referendum procedure to provide for a 2nd referendum date of June 10, 2008 for plans that did not meet the requirements of Part XXXX.

14. It adds a provision requiring the Commissioner of Education to establish criteria for high-performing and low-performing districts.

This amendment enacts a Part YYYY that adjusts the appropriation made in Part A relating to the Maine Community College System and makes an appropriation and an allocation to the Department of Health and Human Services that were inadvertently omitted from the committee amendment.

FISCAL NOTE REQUIRED
(See attached)