124th Legislature LD 285 HP0225
Education And Cultural Affairs

Original Title: An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years. **New Title:** An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year. **Presented by** Representative SCHATZ of Blue Hill. **Public Hearing** 04/01/09. Minority (OTP-AM) Accepted 06/04/09. **Amended by:** CA (Changed Title) H-352. **Final Disposition:** Emergency Enacted, Signed 06/22/09, PUBLIC LAWS, Chapter 455.

LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

FIRST REGULAR SESSION
December 3, 2008 to June 13, 2009

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 12, 2009

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2009

B. Notwithstanding paragraph A, if funding for the new bypass highway project is not available or if state or federal regulations preclude the department from acquiring real property, the department may extend the time period for acquisition of affected properties up to 2 years. Any extension under this paragraph must be submitted no later than 90 days before the expiration of the 2 years under paragraph A to the joint standing committee of the Legislature having jurisdiction over transportation matters for its review and comment.

3. Reservation of eminent domain powers. Nothing in this section affects or alters the rights of the Department of Transportation to exercise its rights of eminent domain under this Title.

See title page for effective date.

CHAPTER 455

H.P. 225 - L.D. 285

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the deadline for reorganization of school administrative units is approaching; and

Whereas, if a school administrative unit does not reorganize, penalties will be imposed against the school administrative unit; and

Whereas, this legislation will give school administrative units additional time to reorganize; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 20-A MRSA §15696, sub-§1, as amended by PL 2007, c. 668, §§39 to 41 and c. 695, Pt. A, §23, is further amended to read:

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~~ 2010 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 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;

D. The school administrative unit receives less favorable consideration for approval and funding for school construction pursuant to rules of the state board; and

E. The school administrative unit's full-value education mill rate pursuant to section 15671-A is increased by 2% for the purpose of calculating the school administrative unit's required contribution to meet the local share of education costs established pursuant to section 15688, subsection 3-A.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

Effective June 19, 2009.

CHAPTER 456

S.P. 401 - L.D. 1083

An Act Regarding the Payment of Medicare Part B Premiums for Employees Eligible for Medicare

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

Sec. 1. 5 MRSA §285, sub-§14 is enacted to read:

14. Employees eligible for Medicare. Notwithstanding subsection 7, if an active employee eligible for Medicare elects to enroll in Medicare, the State shall pay 100% of the employee's share of the premiums for Medicare Part B until such time as the employee enrolls as an eligible retiree pursuant to this section.

See title page for effective date.

Enacted with amendment H-352 as P.L. 2009, c. 455

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AUGUSTA, MAINE

124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document **No. 285**

H.P. 225 House of Representatives, February 2, 2009

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SCHATZ of Blue Hill.
Cosponsored by Senator SHERMAN of Aroostook and
Representatives: CLARK of Millinocket, GIFFORD of Lincoln.

Printed on recycled paper

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

Sec. 1. 20-A MRSA §15696, sub-§1, as amended by PL 2007, c. 668, §§39 to 41 and c. 695, Pt. A, §23, is further amended to read:

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~~ 2011 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 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;

D. The school administrative unit receives less favorable consideration for approval and funding for school construction pursuant to rules of the state board; and

E. The school administrative unit's full-value education mill rate pursuant to section 15671-A is increased by 2% for the purpose of calculating the school administrative unit's required contribution to meet the local share of education costs established pursuant to section 15688, subsection 3-A.

SUMMARY

This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.

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L.D. 285

Date: 5/22/9 (Filing No. H-352)

Minority

EDUCATION AND CULTURAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 225, L.D. 285, Bill, "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years"

Amend the bill by striking out the title and substituting the following:

'An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year'

Amend the bill by inserting after the title and before the enacting clause the following:

'**Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the deadline for reorganization of school administrative units is approaching; and

Whereas, if a school administrative unit does not reorganize, penalties will be imposed against the school administrative unit; and

Whereas, this legislation will give school administrative units additional time to reorganize; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill in section 1 in subsection 1 in the first paragraph in the 3rd line (page 1, line 6 in L.D.) by striking out the following: "2011" and inserting the following: '2010'

Amend the bill by adding at the end before the summary the following:

'**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.'

COMMITTEE AMENDMENT

SUMMARY

This amendment is the minority report of the Joint Standing Committee on Education and Cultural Affairs. The amendment delays any financial penalties imposed on a school administrative unit for nonconformance with the laws governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2010. The bill proposed to delay penalties for nonconforming school units for 2 years, or until the fiscal year beginning on July 1, 2011. The amendment also amends the title of the bill and adds an emergency preamble and an emergency clause to the bill.

FISCAL NOTE REQUIRED

(See attached)

Approved: 05/13/09 mac

124th MAINE LEGISLATURE

LD 285 **LR 233(02)**

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Education and Cultural Affairs
Fiscal Note Required: Yes

Fiscal Note

No State fiscal impact

Fiscal Detail and Notes

Delaying the date that penalties for nonconforming school administrative units becomes effective until July 1, 2010 will not impact the total state and local cost of funding K-12 public education or the State's share of that cost.

R. & B.

L.D. 285

Date: 6-5-09 (Filing No. H-548)

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE

HOUSE OF REPRESENTATIVES

124TH LEGISLATURE

FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to H.P. 225, L.D. 285, Bill, "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years"

Amend the bill by inserting after section 1 the following:

'**Sec. 2. State pay consolidation costs.** The State shall pay the cost of consolidation by July 1, 2012 for any town or community that has complied by June 2, 2009 with the laws governing the reorganization of school administrative units.'

SUMMARY

This amendment requires that the State pay the costs of consolidation by July 1, 2012 for any town or community that has complied with the laws governing the reorganization of school administrative units by June 2, 2009.

SPONSORED BY: _____

(Representative CONNOR)

TOWN: Kennebunk

FISCAL NOTE REQUIRED
(See attached)

HOUSE AMENDMENT

Approved: 06/05/09 mac

124th MAINE LEGISLATURE

LD 285 **LR 233(05)**

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

Fiscal Note for House Amendment "A"
Sponsor: Rep. Connor of Kennebunk
Fiscal Note Required: Yes

Fiscal Note

Undetermined current biennium cost increase - General Fund

Fiscal Detail and Notes

Requiring the State to reimburse those towns or communities that complied with the laws governing the reorganization of school administrative units as of June 2, 2009 for the costs incurred by those towns or communities to reorganize by July 1, 2012 will result in a General Fund cost to the State in the current biennium. The amount can not be determined at this time.

p. 1

TESTIMONY SIGN IN SHEET

Joint Standing Committee on Education & Cultural Affairs

LD: 95, 188, 285, 1226

Date: 4-1-09

Name	Town/Affiliation	Proponent	Opponent	Neither
Peter Edwards	Leg's Dist. 4	X		
Peter Fitzpatrick				
Paul Davis	Leg. 26	X		
Hamil McFadd				
JIM SCHATZ	285	X X		
Chris Galgay	MEA	✓		
Carol Poirier	Sad 4	✓		
Eric J. Thomas	SAD 4	✓		
Phil Richardson	UNION 57	✓		
Michael Kosowitz	Lincolnville	✓		
Dan Bachand	ST. Agatha	✓		
Paul Stern	SAD #4	✓		
Penny Elsworth	SAD 58	✓		
Roger Sigel	Marshall			
Ken E Clark		X		
CB McCrane				
Dick Good	NSSA			

TESTIMONY SIGN IN SHEET

Joint Standing Committee on Education & Cultural Affairs

LD: 95, 188, 285, 1226

Date: 4-1-09

Name	Town/Affiliation	Proponent	Opponent	Neither
Al Lostt	Alton Amherst ME Milford Greenbush Brady	X		
Brenda Kirby	Freeport School Board		X	
Nelson Larkin	Freeport / RSU 5		X	
Shannon Mulot	RSU 5		X	
Tom Perkins	RSU 14		X	

TESTIMONY SIGN IN SHEET

Joint Standing Committee on Education & Cultural Affairs

LD: 95, 188, 285, 1226

Date: 4-1-09

Name	Town/Affiliation	Proponent	Opponent	Neither
Rep. Edgecomb	Sponsor - LD95	X		
Rep. Crockett (Bethel)	co-sponsor 95	X		
Rep Johnson	co-sponsor 95	X		
Rep Davis	co-sponsor 95	X		
Rep. McFadden	Sponsor - LD 188	X		
Rep. Schatz	Sponsor - LD 285	X		
Chris Galgay	MEA	X		
		X		
		X		
Phil Richardson	Superintendent	X		
Dan Bechard	Selectman - St. Agatha	X		
Michael Kozowski	Lincolnville	X		
Rep. Clark	Sponsor - LD1226	X		
Roger Shaw	Superintendent - SAD42	X		
Barry McGlaughlin	Superintendent - Union 106	X		
	Freeport		X	
Nelson Larkin	Freeport - RSU 5 Board		X	
	Superintendent - RSU5		X	
Mike Duffy	RSU 14 board windham		X	
Mr. Pennels	RSU 14 Chairof		X	

That district has eight principals to our three, and twenty-one more teachers. That district receives $1,110,000 MORE state funding than SAD#4.

SAD #4 stretches every dollar to accommodate the needs of children.

*Our district transports students to Tri-county Technical High School, in Dexter, Maine.
*People can take college classes via television from our high school.
*For three years high school students have had beginning Chinese as an elective in the foreign language department, and middle school students have had classes in Chinese language and culture.
*SAD #4 leads the state, region and nation in technology.

I have learned that the educational funding formula designed to ensure equality is cheating the poorest children in the state.
*Our students are among the poorest children in the poorest county in Maine as measured by the number who qualify for free and reduced lunch. Of the last 45 new students in SAD4, three pay the full amount for lunch, four qualified for free or reduced lunch, and the remaining 38 children pre-qualified for free lunch. They didn't even have to fill out the paper work.
*Our school district fully funds breakfast for every child in the district upon arrival at school. This is done not because we can afford it. Rather, we know hungry children cannot begin to concentrate.
*Many do not have access to regular health or dental care.
*That same population begins school at a disadvantage in literacy.

I have learned that there really are two Maines, and I have lived and worked in both. I don't have to explain this clichee other than to drive home the point that the most populous Maine has the most representation in Augusta, and the least populous Maine has the opposite. At the national level, our President has repeatedly pushed for Wall Street to work with Maine Street to repair the economy. So Freeport and Camden need to work with Guilford and Millinocket.

I have learned that fair is not equal, and a mathematical formula created with fairness in mind while ignoring the human element is senseless, irresponsible, and cruel.

I work with students every day urging them to make the right choice even when it is not popular. You are the leaders of our state, and I urge you to put politics aside repeal the penalties for non-conforming schools at the very least and scrutinize the unjust consequences for rural Maine children and vote accordingly.

Respectfully Submitted,
Carol Poirier

L.D. 95 Eliminate Penalties for Nonconforming School Administrative Units

L.D. 188 Establish a Moratorium on School Administrative Regionalization

L.D. Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 years.

L. R. 977 Repeal School District Consoldation Laws

I stand before you today as a representative from School Administrative District #4 in Guilford, Maine. For 37 years of my adult life, I have been a student of education at the professional level and have worked from south Florida to rural and suburban New Hampshire and Maine in grades ranging from first grade through high school. While the vast majority of my contemporaries occupy positions that they have held comfortably for many years, in the last four years I have taught eighth, ninth, eleventh, fifth and sixth grade children.

My hope is that you will listen, learn and use your position in the legislature to act responsibility, for serious errors have been woven into laws that pose immeasurable consequences for the most needy children in Maine. Repeal of consolidation as a one size fits all is vital to rural education in Maine. Furthermore, repeal of penalties for districts whose voters rejected consolidation plans must pass.

I have learned that education is the only way out of poverty, whether in the form of trade apprenticeships, technical high school training, or college. Automation, outsourcing or both have replaced most manual labor, as more mills and factories cut back or shut down and logging operations modernized.

I have learned that there has been considerable foresight on the part of SAD 4's administrative unit for the past 20 years. Some of the changes were not born out of want but necessity while others have proven truly innovative.

I have learned SAD 4 has been an example of consolidation not because it wanted to but because it was necessary.

*SAD 4 consolidated six rural communities, each with its own elementary school, into four schools which service primary, elementary, middle and high school populations, yet each community maintains seats on the district school board.
*At present our four schools function with three principals, one assistant principal and one superintendent.
*Currently meetings are being held to transition our school district into two schools with two principals, one assistant principal and one superintendent within the next two years.

- *There is a school district in our state that has 15 more students than SAD#4.

Maine
Education
Association

Leading the Way to Great Public Schools for Every Maine Student

Christopher J. Galgay *President*
Lois Kilby-Chesley *Vice President*
Joyce A. Blakney *Treasurer*
Crystal D. Ward *NEA Director*
Grace E. Leavitt *NEA Director*

Mark L. Gray *Executive Director*

April 1, 2009

Senator Alfond, Representative Sutherland, members of the Education and Cultural Affairs Committee. My name is Chris Galgay and I am presently serving as President of the Maine Education Association. The MEA represents more than 25,000 Maine educators who work in every K-12 public school system in Maine, in our Community Colleges across the state, within the University of Maine System, and for the Maine Public Broadcast Corporation.

The MEA would like to offer it support for LD 95, "An Act to Eliminate Penalties for Nonconforming School Administrative Units." The discussion internally about our position to support this bill was quite interesting especially after looking at the GPA printouts last week. I am sure many of the districts who did conform to the law are asking themselves what benefit they received from the state for making the difficult decision to merge their school district with neighboring districts.

Over the past two years many votes have taken place in this state on school regionalization. Those votes began here in Augusta and then over time in Maine's cities and towns. This issue has clearly been a very divisive one. The voters have spoken. Many cities and towns have voted in the affirmative and are proceeding through the process of merging their districts. Many other cities and towns have rejected the idea and have decided that they would rather maintain their existing school district. We can all debate which group chose the correct path, but regardless of which side you are on, we need to ask ourselves who are we penalizing. Are we penalizing the taxpayers in the districts who rejected consolidation? I guess we are if we define the penalty as a loss of state aid and the possibility of a local tax increase on the voters in those districts. Although a property tax increase or any tax increase during these tough economic times would be difficult for any Maine citizen, I maintain that the penalties are really being imposed on a group of Maine citizens who were never afforded the opportunity to weigh in on this issue. They didn't get to vote at all and yet the penalties could have a lifelong affect on them. The real victims of any penalties imposed on our public schools are the students who enter our classrooms everyday.

We all have an obligation to ensure that every student in Maine regardless of what town they live in receives equal educational opportunities. I urge you to vote ought to pass on LD 95.

Respectfully,

Chris Galgay

Chris Galgay, MEA President

35 Community Drive ▪ Augusta, ME 04330-8005 ▪ 207-622-5866 ▪ 800-452-8709 ▪ 207-623-2129 fax ▪ www.maine.nea.org

Eric J. Sherman
23 Birch Point Road
Greenville, Maine
History Teacher PCHS Guilford

April 1, 2009

Honorable Senators and Representatives:

Last year there were several public hearings in towns across the state that attempted to inform the public about Consolidation. Even with these informative meetings, there were many unknowns and what ifs. Many people feared monetary loss for their town. It would be interesting to know how many towns actually voted to consolidate because they felt there was no alternative with the threat of having to pay a fine. If there had been no threat, would more towns have voted against Consolidation?

When has there been another public vote where the outcome wasn't what authorities desired, therefore the populace was punished? Where is the democracy in this? I know it happens all the time, but I didn't think it was in the United States.

Communities who voted against Consolidation must now pay fines. That money will be redistributed to communities who voted for Consolidation. Let's follow a scenario using the same logic in regards to last fall's election. If communities with a majority of votes for McCain were fined and the fine money were redistributed to the communities who voted for Obama, then Carmel & Dennysville would have to pay fines that would be then given to cities & towns like Falmouth, Portland, Penobscot, Waldo, Chapman, Hiram, Cumberland, Biddeford, Lewiston, Fairfield, and Greenville. All because their town didn't vote for the winner. It sounds ludicrous, but what's the difference between this scenario and the penalties for not voting to consolidate?

Consolidation looks different depending upon population density. What are the demographics of the vote for Consolidation, Rural vs. Urban? We have students who ride 1 to 1&1/2 hours as it is.

Rural Maine is suffering because of this Consolidation effort: it's costing the people and programs closest to children. Teachers and services are being eliminated, not administrators.

Ladies and Gentlemen my point is this: rural Maine towns all ready hurting financially. To impose an unfair, undemocratic fine will cripple services to our students even more. At the very least, I implore you to at least find another way, other than penalizing. At the very best, I beg you to repeal the fiasco of Consolidation.

Respectfully,

Eric J. Sherman

TESTIMONY OF MICHAEL KOSOWSKY
LD 95: An Act To Eliminate Penalties for Nonconforming School Administrative Units
LD 188: An Act To Establish a Moratorium on School Administrative Regionalization
LD 285: An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years
— All ought to pass —

Senator Alfond, Representative Sutherland, and members of the Education and Cultural Affairs Committee, I am Michael Kosowsky, a resident of Lincolnville and vice-chair of the Five Town CSD school board. I also served as the finance chair of the Five Towns Reorganization Planning Committee. I urge you to pass LD 95, LD 188, LD 285, or an alternate bill that would eliminate or delay the imposition of penalties on the towns of Appleton, Hope, and Lincolnville, Camden-Rockport's MSAD#28, and the Five Town CSD.

Our five towns face a tremendous financial barrier to reorganization. If we reorganize, our schools will lose a lot of subsidy. In fact, the total subsidy loss across our towns would exceed the total penalties that will be imposed for not reorganizing. Under last week's projected 6.37 mill rate and 50% minimum subsidy for special education, the penalties we face this coming year for not reorganizing will be roughly $610,000; if we had reorganized we'd see our subsidy drop by $720,000.

The subsidy loss we face is similar to the income tax "marriage penalty." In the high school subsidy computation for our un-reorganized Five Town CSD, all five towns receive the standard mill-rate based state subsidy. But under reorganization, Camden's 9-12 student population would be combined with its K-8 population, raising Camden's mill rate cap above its EPS allocation and reducing the subsidy accrued by its high school students to the much smaller minimum subsidy for special education. The same holds for Rockport, leading to a total loss of $720,000.

Voters were concerned that costs might further increase in order to make teacher contracts "consistent." And the RPC couldn't offer any significant savings to offset these increases, because our districts came together years ago improve the education of our children: MSAD28 and the Five Town CSD share a superintendent and services; Hope, Appleton and Lincolnville share a superintendent and services; and the districts share staff to coordinate curriculum and technology.

In our districts, then, it would cost more to reorganize than to remain separate. Until this substantial subsidy loss is remedied, voting for reorganization will increase our taxes, and there is little chance of passing a reorganization plan.

I don't know the financial details of any other districts, but given the complexity of school funding and the volatility of its parameters, it's likely that other districts that failed to reorganize are in the same situation: making the best financial choice for their schools, children and community, but being penalized for it by the state.

We should not be penalized for making the fiscally responsible choice. I urge the legislature to eliminate the penalties, or at the very least to delay them until remedies can be found for the financial obstacles to our reorganization.

April 1, 2009

Testimony on LD 95 – "An Act To Remove Penalties From Non-conforming SAD's"

April 1st, 2009

Chairperson Alfond, Chairperson Sutherland, Members of the Education and Cultural affairs Committee,

On behalf of the citizens, parents, staff and, most importantly, the children of SAD #4 I present to you the following points in support of the immediate removal of penalties for non-conformance to the school consolidation law. My comments this morning are limited to only the penalty component and do not extend to the consolidation law and process or the EPS formula.

Setting the Stage – Demographics of SAD #4

Our teachers and students live each day in the most impoverished region of Maine. Our county represents slightly over 1% of the population of the state. Our average household income is $27,000 (as opposed to some potential "receivers" of penalty money with household averages of over $65,000). Our free and reduced hot lunch rate is over 60%. Of 45 students that have registered to attend our schools since September: 3 have been able to pay for hot lunch, 4 qualify for free or reduced, and 38 are so impoverished that they pre-qualify for free lunch. Our manufacturing industries are struggling. The educational level of our adult population is low. The average home sale price has dropped 61%. All of these factors are identified barriers to academic success.

The above demographics put us in the unenviable position of relying on state dollars in order to provide adequate educational programming for our children. It would be easy to visualize a very marginal educational system. This is not the case. What we produce with those dollars is nothing short of amazing.

6 years ago we were in the bottom 9.6% in cost per pupil in the state. We have lost 25% of our enrollment in the past 6 years. We are now in the bottom 9.2%.

Our technology program is one of the most progressive in the United States. We have had one-one laptop computing at the high school level for seven years. We have had one- one laptops at the middle level for nearly a decade now. All of our teaches and support staff have laptops and cannot operate at the level we expect without them. None of our staff ever have a computer that is over three years old. We have certified Apple technicians on staff and we self-insure in order to save money. We offer five Advanced Placement courses at our High School, we provide a free breakfast to every student in the district, we have a very successful Alternative Education Program, we have an after school program where learning is the priority. Reviews of the SAD #4 special services department are exemplary. NCLB reviews have been excellent.

Testimony presented by Danny Bechard of St. Agatha, Maine in **support** of:

LD 95 – An Act to Eliminate Penalties for Nonconforming School Administrative Units

I offer testimony in support of repeal on the basis that:

- I preface my testimony by expressing hesitation in doing so based on the possibility that any amendments considered to the Consolidation Law might become a competing measure for the potential repeal referendum. Any repeal referendum should be presented solely on its merits, without competing measures.

- The penalty provision in the Consolidation Law is all inclusive of any SAU that rejected a reorganization plan, regardless of the merits for the reorganization plan's rejection. It is based on the assumption that the Consolidation Law is perfect and that a decision by voters to reject a proposed plan has no merits; that rejection is based solely on the SAU's desire to remain autonomous. A penalty provision in the Consolidation Law to provide a means for consequences to SAUs that did not exercise due diligence and good faith in considering a possible partnership would be reasonable, but the current provisions extend far beyond that basis and fail to recognize that the Consolidation Law, as it is, has some deficiencies which make consolidation for some SAUs unfeasible or very undesirable. SAUs should not be subject to a penalty because a consolidation plan can not be developed where all partners can consider the plan as a cost-efficient organizational structure for each member SAU. Why would an SAU join an organizational structure when such action increases its cost significantly? SAUs that exercised due diligence and good faith in developing a reorganization plan should not be subject to a penalty if the plan was rejected based on valid reasons other than the SAU's desire to remain autonomous.

TESTIMONY OF RICHARD A. GOULD
ON
LD 95; LD 285; LD1226; LD1287
APRIL 1, 2009

Good morning Senator Alfond and Representative Southerland and members of the Education and Cultural Affairs Committee. My name is Richard A. Gould. I am the Executive Director of the Maine Small Schools Coalition and the Chair of the Greenville School Committee.

The Maine Small Schools supports the concepts expressed in these four bills addressing the penalties being assessed against "non-conforming" SAUs. These bills would amend the consolidation law by eliminating, delaying, or modifying the penalties. While the Small Schools Coalition supports all four bills, we prefer LD 1287:

An Act To Amend the Laws Governing Consolidation of School Administrative Units To Eliminate Penalties, Establish Incentives and Allow Alternative Voting Procedures for Budgets

There are two reasons we prefer this LD:

1. The bill repeals Section 7. 20-A MRSA 15697 which is the penalty section of the consolidation law.

2. Just as important is the incentive section 15697 on page four of the bill. This is the way the Sinclair Act was set up and even then it took several years to complete. Incentives are usually more effective at modifying behavior than are penalties.

I would like to make a few comments explaining why we believe these penalties should be eliminated.

1. Those SAUs that voted against the consolidation law have been characterized as exhibiting bad behavior.

2. Approximate 100,000 Maine students attend schools that were not required to consolidate. Those schools were required to show how they would reorganize functions to provide savings without harming instruction.

3. In order for a voter to have free choice, the voter must be free from coercion.

Thank you for listening.

TESTIMONY REGARDING LEGISLATIVE PROPOSALS RELATIVE TO SCHOOL ADMINISTRATIVE UNIT CONSOLIDATION AND OTHER RELATED ISSUES

APRIL 1, 2009

SENATOR ALFOND, REPRESENTATIVE SUTHERLAND, AND MEMBERS OF THE JOINT STANDING COMMITTEES ON EDUCATION AND CULTURAL AFFAIRS.

MY NAME IS ROGER SHAW, SUPERINTENDENT OF SCHOOLS IN SAD #42 IN MARS HILL. AS A SMALL, RURAL SCHOOL, WE ARE PROUD OF THE HIGH QUALITY EDUCATION THAT WE HAVE PROVIDED OUR STUDENTS . THAT'S NOT JUST TALK, AS THE SAYING GOES, "THE PROOF IS IN THE PUDDING", OR IN THE CASE OF OUR SCHOOL, THE 94% OF STUDENTS THAT GRADUATE, THE, 93% WHO GO ON TO HIGHER EDUCATION AND THE RETENTION RATE OF THOSE STUDENTS WHOSUCCESSFULLY COMPLETE THEIR COURSE OF STUDIES.THE PENALTIES WHICH ARE BEING LEVIED AGAINST SCHOOL UNITS THAT WERE UNABLE TO CONSOLIDATE UNDER THE CURRENT LAW FOR VARIOUS LEGIMATE REASONS WILL MAKE IT MORE DIFFICULT TO MAINTAIN THAT LEVEL OF EXCELLENCE. WHILE THE FULL EXTENT OF THE ECONOMIC CRISIS HAS PROBABLY NOT YET BEEN FULLY FELT, IT IS ALREADY BAD AND WILL LIKELY GET WORSE. TO LOSE GENERAL PURPOSE AID DOLLARS, MONEY THAT IS BY THE EPS FUNDING FORMULA SUPPOSED TO GO TO SAD #42 TO PROVIDE AN ADEQUATE EDUCATION FOR THE STUDENTS OF MY DISTRICT, IS DEVASTATING, AND WILL DENY

THOSE STUDENTS EQUAL ACCESS. THE EPS FORMULA TAKES INTO CONSIDERATION VARIOUS FISCAL, DEMOGRAPHIC AND GEOGRAPHIC CRITERIA TO ENSURE THAT "ADEQUATE" EDUCATIONAL OPPORTUNITIES EXIST ACROSS MAINE. TO REDUCE GPA USING ANY METHOD WOULD BE CONTRARY TO THE ESSENTIAL PROGRAMS AND SERVICES FUNDING FORMULA THIS BODY SUPPORTED AND ENACTED INTO LAW. FOR EXAMPLE, THE PROPOSED LAPTOP INITIATIVE MAY BE A WONDERFUL EDUCATIONAL OPPORTUNITY, BUT ONE THAT MY SCHOOL CANNOT PARTICIPATE IN. SIMPLY PUT, IT CAN'T WORK BOTH WAYS. IF STATE FUNDS ARE WITHHELD AS A PENALTY, WE CANNOT SPEND MONEY WE DON'T HAVE FOR LAPTOPS. I COULD SHARE WITH YOU SAD #42'S PER PUPIL COST, PER PUPIL VALUATIONS AND OTHER DATA FROM THE DOE THAT WOULD SUBSTANTIATE OUR FRUGALITY AND EFFICIENCY. FOR THE SAKE OF EQUITY AND ADEQUACEY, I ASK YOU TO SUPPORT THE ELIMINATION OF PENALTIES, OR A DELAY THAT WILL ALLOW US, AND YOU, A WINDOW OF OPPORTUNITY TO MOVE TOWARD A WAY TO EFFECTIVELY REDUCE REAL COSTS WITHOUT JEOPRODIZING THE QUALITY OF EDUCATION FOR MY STUDENTS.

HOUSE OF REPRESENTATIVES
2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002
(207) 287-1400
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James M. Schatz
P. O. Box 437
Blue Hill, ME 04614
Residence: (207) 374-5204
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E-Mail: RepJim.Schatz@legislature.maine.gov

Testimony of State Rep. Jim Schatz
LD 285, An Act to Amend the Laws Governing the Consolidation of School Administrative Units to Delay All Penalties for 2 Years

Good Morning Senator Alfond, Representative Sutherland and esteemed members of the Committee on Education & Cultural Affairs: My name is Jim Schatz and I represent House District 37, which includes the rural and coastal peninsula communities of Blue Hill, Brooksville, Castine, Penobscot, Sedgwick and Surry.

As you know, the consolidation process created a variety of experiences and outcomes for Maine schools. Specifically, a number of schools were already configured to become a Regional School Unit as defined in statute. Other schools forming RSU's or AOS's were situated in areas where one community provided most of the critical mass and were surrounded by smaller communities which found joining advantageous to the delivery of educational services and practical in terms of the area's economy. Bucksport is an example of such an outcome. Another group of schools were considered too geographically confined to be required to consolidate.

I represent an area where the planning and implementation of consolidation is more complicated and labor intensive that it is in other parts of the state, a situation that is not unique to my district. The consolidation effort in my area involved 9 towns coming together with the objective of forming an AOS. Ultimately, the product of this effort was submitted to the voters in each town. Seven towns rejected the plan and 2 accepted it. The towns rejecting the plan did so not as a rejection of consolidation but rather as a determination that there were no savings and the move would not serve the educational needs of students. All of the towns continue to look for efficiencies and ways that the AOS plan might be revised to meet their needs.

I would hope that this bill could be a vehicle which retroactively recognizes that the task of moving toward a RSU or AOS requires a varied set of deadline expectations and hence the implementation of penalties need to be postponed. Such a postponement would not only create an incentive to move towards consolidation, it would permit those towns who voted to enter and AOS and are without a partner (such as the 2 towns in my district) to avoid the penalties while their other partners come together without special legislation.

Finally, I would point out that current economic conditions amplify the impacts of penalties creating unintended consequences which will involve layoffs and the diminishing of educational services to our students. Again, this is primarily a product of the difficulty of the task not resistance to change.

Thank you for your attention to this matter.

Printed on recycled paper

PretiFlaherty

DANIEL W. WALKER
dwalker@preti.com

May 4, 2009

Honorable Justin L. Alfond
Senate Chair, Joint Standing Committee
On Education
State House
Augusta, ME 04333

Honorable Patricia B. Sutherland
House Chair, Joint Standing Committee
On Education
State House
Augusta, ME 04333

Re: LD 285 - An Act To Amend the Laws Governing the Consolidation of School Administrative Units to Delay All Penalties for 2 Years

Dear Senator Alfond, Representative Sutherland and Members of the Joint Standing Committee on Education:

I write to you today in support of LD 285, "An Act To Amend the Laws Governing the Consolidation of School Administrative Units to Delay All Penalties for 2 Years," on behalf of a group of school districts and municipalities composed of many which have been labeled non-conforming as a part of the school reorganization process. This informal coalition has come together in an attempt to seek relief from penalties being imposed as a result of their communities voting results in referenda over the past few months.

At your work session today, with this bill, your committee will have the opportunity to relieve the pressure from districts that are already feeling the financial burden of these difficult economic and budgetary times. In supporting this bill, the committee could invite those districts to reconsider the process and pursue better options. This is an extension, not an exemption – way to maintain the intent of the law and mitigate its unfortunate and unexpected consequences.

I will not get into the stories that these districts have to tell – you heard their arguments at your lengthy public hearings on these matters last month. That being said, I will ask that you keep in mind that these districts have all followed the process outlined in statute. They all identified partners, negotiated reorganization with those partners and sent their plans to their residents for a vote. It was in the results of those votes that these schools became non-compliant. Citizens in these districts voted against reorganization because the plans simply did not work for their communities – we are simply asking that you give them a chance to negotiate a workable arrangement.

LD 285 provides the time needed for a better path to compliance to be found. We understand the constraints that the committee is under as a result of the citizens' initiative on this matter that will appear on the November ballot. For that reason, we would ask that the

committee amend this bill to include an emergency preamble, negating the concern of a competing measure. We would rather have the burden of a 2/3 majority than the threat of complicating the upcoming referendum. Furthermore, for many communities, this legislation could go a long way toward negating the difficulties and fears that have fueled the repeal effort.

We have attached a list of districts and municipalities affiliated with our effort and examples of resolutions that these communities have approved or are considering. Some have already approved this language, others will vote on it at municipal meetings in the coming weeks. Mark Robinson, Town Manager of Fayette, and Phil Richardson, Superintendent of School Union 37 in the Rangeley Region, have been leading this effort and Mark will be at your work session today to answer any questions you may have.

Sincerely,

Daniel W. Walker

DWW/ryp
cc: All Committee Members

Participants in the Initiative/
Communities Expressing Support for Attached Resolutions

All of the districts or communities below are currently in non-compliance and are supportive of LD 285 to varying degrees. Some have signed on for this legislative initiative, others have passed the resolutions of which you have examples attached and others have expressed support and will be considering it this week.

Appleton
CSD 9 (Dyer Brook)
East Millinocket
Fayette
Greenville
Hermon
Hope
Jay
Lowell
Medway
Millinocket
Rangeley
Robbinston
SAD 12 (Jackman)
SAD 19 (Lubec)
SAD 23 (Carmel)
SAD 25 (Stacyville)
SAD 31 (Howland)
SAD 36 (Livermore Falls)
SAD 42 (Mars Hill)
SAD 53 (Pittsfield)
SAD 58 (Kingfield)
SAD 59 (Madison)
SAD 74 (Anson)
Winthrop

Town of Fayette, Maine
Office of the Board of Selectmen

Joseph Young -Chairman
Mary Wright -Vice Chairman

Diane Polky
Berndt Graf
Gerald Mitchell

Mark Robinson, Town Manager

A
RESOLUTION
of the
BOARD OF SELECTMEN
Town of Fayette, Maine

WHEREAS, The Towns of Fayette, Manchester, Mount Vernon, Readfield, Wayne, and Winthrop, in the County of Kennebec and State of Maine appointed volunteer members of the public whom worked tirelessly over a two-year period, on a regional planning committee to produce the proposed consolidation plan voted on by referendum on January 27, 2009.

AND WHEREAS, The Town of Fayette on January 27, 2009 voted to reject said school consolidation plan.

AND WHEREAS, it was the intent of the school consolidation law and proposed plans to ensure that the future delivery of educational services would be more efficient and less costly. However, this plan failed to convincingly demonstrate these merits to the local Fayette tax payer.

AND WHEREAS, the school consolidation law mandates that towns that rejected consolidation pay a penalty for their rejection regardless of whether the cost to accept consolidation would be greater than the cost of the penalty for its rejection.

BE IT THEREFORE RESOLVED, that the Town of Fayette in an effort to support consolidation that makes sense financially and functionally support in earnest:

LD 285 "An act to amend the laws governing the consolidation of school administrative units to delay all penalties for 2 years".

This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws, governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.

BE IT FURTHER RESOLVED, The Town of Fayette supports any legislative effort that will postpone the effect of the rejection penalties and allow towns and school districts the necessary time to demonstrate their own optimum efficiencies convincingly, and/or develop new reorganization partnerships via a revision to the AOS law (alternate organizational structure) that will lower the minimum number of the students required to form an AOS.

IN WITNESS WHEREOF, We have here unto set our hands and caused the Seal of the Town of Fayette, Maine to be affixed at Fayette, Maine this 6th day of April 2009.

Fayette Board of Selectmen of the Town of Fayette, Maine:

Joseph Young, Chairman

Diane Polky

Gerald Mitchell

Berndt Graf

Mary Wright

2589 Main Street *Fayette, Maine 04349*
Phone (207) 685-4373 *Fax (207) 685-9391*
e-mail: markrobinson@fayettemaine.com *Website: www.fayettemaine.com*

A RESOLUTION of the Mars Hill Town Council
Town of Mars Hill, Maine

WHEREAS, The Town of Mars Hill, in the County of Aroostook and State of Maine appointed volunteer members of the public whom worked tirelessly over a two-year period, on a regional planning committee to produce the proposed consolidation plan voted on by referendum on January 20, 2009.

AND WHEREAS, The Town of Mars Hill on January 20, 2009 voted to reject said school consolidation plan.

AND WHEREAS, it was the intent of the school consolidation law and proposed plans to ensure that the future delivery of educational services would be more efficient and less costly. However, this plan failed to convincingly demonstrate these merits to the local Mars Hill taxpayer.

AND WHEREAS, the school consolidation law mandates that SAU's that rejected consolidation pay a penalty for their rejection regardless of whether the cost to accept consolidation would be greater than the cost of the penalty for its rejection.

BE IT THEREFORE RESOLVED, that the Town of Mars Hill in an effort to support consolidation that makes sense financially and functionally support in earnest:

LD 285 "An act to amend the laws governing the consolidation of school administrative units to delay all penalties for 2 years".

This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws, governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.

BE IT FURTHER RESOLVED, The Town of Mars Hill supports any legislative effort that will postpone the effect of the rejection penalties and allow towns and school districts the necessary time to demonstrate their own optimum efficiencies convincingly, and/or develop new reorganization partnerships via revisions to the current consolidation law that will lower the minimum number of the students required to form an RSU or AOS.

IN WITNESS WHEREOF, We have here unto set our hands and caused the Seal of the Town of Mars Hill, Maine to be affixed at Mars Hill, Maine this 20th day of April 2009.

Town Council of the Town of Mars Hill, Maine:

Frank Mahan Jr.

absent
Ward McLaughlin

Diane Libby

Calvin Miller

Todd Grass-Chairman

JAY SCHOOL DEPARTMENT
OFFICE OF THE SUPERINTENDENT

Dr. Robert E. Wall
Superintendent of Schools
jss@jayschools.org

Stacie Everett
Business Manager
stacie_everett@jayschools.org

April 21, 2009

Committee on Education and Cultural Affairs
100 State House Station
Augusta, ME 04333-0100

Dear Sir or Madam:

This letter is written on behalf of the Jay School Committee in support of LD 285, "An Act to Amend the Laws Governing the Consolidation of School Units to Delay all Penalties for 2 years."

The above referenced legislative document is responsive to the need for small schools to operate in Maine free of penalties that are not assessed to large school units.

Absent any clear relationship to the democratic process, the penalties punish Maine citizens for exercising their right to vote as they see fit. Using penalties to enforce obedience is a poor reflection of the legislature's attention to their duty to serve the public interest.

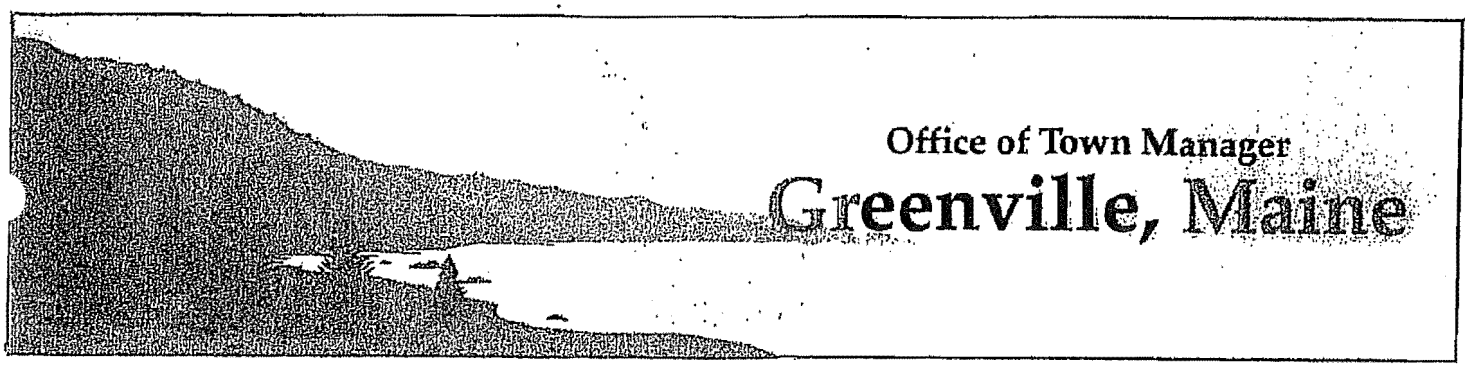
The tenet held by the supporters of punishment of citizens by its government as an acceptable means enforcing obedience is presumptive and abhorrent.

For these reasons, the Jay School Committee supports LD 285.

Sincerely,

Dr. Robert E. Wall
Superintendent of Schools

Phone: 207-897-3936 31 Community Drive — Jay, Maine 04239 Fax: 207-897-5431



GREENVILLE BOARD OF SELECTMEN RESOLUTION

"Support for Removal or Delay of Penalties for School Units Which "Opted Out" of School Consolidation Plans"

WHEREAS, The Towns of Greenville, Beaver Cove, Shirley and peer communities in the School Administrative Districts of 68 and 41 in the County of Piscataquis and State of Maine appointed volunteer members of the public whom worked tirelessly over a two-year period, on a regional planning committee to produce the proposed consolidation plan voted on by referendum on January 27, 2009.

AND WHEREAS, The registered voters for the Town of Greenville on January 27, 2009 overwhelmingly rejected said school consolidation plan.

AND WHEREAS, it was the intent of the school consolidation law and proposed plans to ensure that the future delivery of educational services would be more efficient and less costly. However, this plan – despite the earnest efforts of the volunteer planning committee members – was unable to demonstrate any savings to the local Greenville taxpayer.

AND WHEREAS, the school consolidation law mandates that towns that rejected consolidation pay a penalty for their rejection regardless of whether the cost to accept consolidation would be greater than the cost of the penalty for its rejection.

BE IT THEREFORE RESOLVED, that the Town of Greenville in an effort to support consolidation that makes sense financially and functionally support in earnest:

LD 467, "An Act To Exempt School Administrative District 12, School Union 37 and School Union 60 from the Laws Requiring School Administration Consolidation".

This bill exempts from the requirements of school consolidation three geographically isolated school units for the same reasons and in the same manner that island – based school units were exempted from the law; and also:

LD 285 "An act to amend the laws governing the consolidation of school administrative units to delay all penalties for 2 years".

This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws, governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.

Town of Greenville, P.O. Box 1109, 7 Minden St., Greenville, Maine 04441
Telephone (207) 695-2421 Fax (207) 695-4611
Visit our website at www.GreenvilleME.com or e-mail John@GreenvilleME.com
Gateway to Moosehead Lake

BE IT FURTHER RESOLVED, The Town of Greenville supports any legislative effort that will eliminate or postpone the effect of the rejection penalties and allow towns and school districts the necessary time to demonstrate their own optimum efficiencies convincingly, and to not be forced to increase the property tax burden or cut services to the public through the imposition of said penalties.

IN WITNESS WHEREOF, We have here unto set our hands and caused the Seal of the Town of Greenville, Maine to be affixed at Fayette, Maine this 15th day of April 2009.

Board of Selectmen of the Town of Greenville, Maine:

Bonita DuBien, Chair

Burton Whitman, Vice-Chair

Bruce Hanson, Selectman

Eugene F. Murray, Sr., Selectman

Attest:
Roxanne Lizotte, Town Clerk

TESTIMONY OF THE TOWN OF FAYETTE

IN SUPPORT OF

LD ~~188~~ 2445, *AN ACT TO POSTPONE SCHOOL CONSOLIDATION REJECTION PENALTY,*

SUBMITTED ON APRIL 1, 2009

SENATOR ALFOND, REPRESENTATIVE SUTHERLAND, AND MEMBERS OF THE EDUCATION COMMITTEE, MY NAME IS MARK ROBINSON I AM A RESIDENT OF THE TOWN OF FAYETTE MAINE AND FOR LAST 5 YEARS I HAVE HAD THE DISTINCT HONOR TO SERVE AS FAYETTE'S TOWN MANAGER.

I AM TESTIFYING IN SUPPORT OF LD 188 BECAUSE OF THE COST IMPACTS THAT THE SCHOOL CONSOLIDATION LAW AND OUR TOWNS REJECTION THE PROPOSED SCHOOL CONSOLIDATION PLAN HAS HAD AND WILL HAVE ON THE TOWN OF FAYETTE.

THE TOWN OF FAYETTE IS LOCATED IN THE NORTHWESTERN TIER OF KENNEBEC COUNTY. WE ARE A LAKES COMMUNITY. BASED ON THE 2000 CENSUS, OUR YEAR-ROUND POPULATION IS APPROXIMATELY 1200. DURING THE SUMMER OUR POPULATION IS ESTIMATED TO REACH 3000 TO 4000 PEOPLE.

ON JANUARY 27, 2009 OUR TOWN VOTED TO REJECT OUR REGIONAL PLANNING COMMITTEE'S (RPC) PROPOSED STATE APPROVED CONSOLIDATION PLAN.

THE MESSAGE I WANT TO CONVEY TODAY IS THAT THIS TOWN VOTED AGAINST THE PLAN BECAUSE IT FAILED TO CREDIBLY DEMONSTRATE THE BASIC MERITS OF CONSOLIDATION TO THE LOCAL FAYETTE TAXPAYER.

WE ALL CAN AGREE THAT THE INTENT AND END OUTCOME OF ANY CONSOLIDATION EFFORT SHOULD BE AN IMPROVED MORE EFFICIENT SERVICE DELIVERED AND DECREASED BURDEN

TO THE TAXPAYER. IN FAYETTE'S DEFENSE OUR PROPOSED PLAN COULD NOT DEMONSTRATE CONVINCINGLY ANY OF THE THREE. OUR COST BURDEN TO CONSOLIDATE FAR EXCEEDED THE COST REJECT. SO WHY SHOULD WE BE PENALIZED FOR BEING FISCALLY PROTECTIVE OF OUR LOCAL TAX BURDEN?

WE ARE NOT ALONE. FAYETTE IS PART OF A GROWING CONSORTIUM OF TOWNS AND SCHOOL DISTRICTS THAT REJECTED CONSOLIDATION AND NOW SUFFER THE SAME FATE. THIS EFFORT IS NOT ABOUT REPEAL. IT IS ABOUT CONSOLIDATION THAT MAKES SENSE.

OUR PENALTY IS SMALL BY COMPARISION TO THESE OTHER TOWNS. HOWEVER, THE BURDEN OF OUR PENALTY IS NONETHELESS DRAMATIC FOR LITTLE FAYETTE. WE WERE NOT DISOBEDIENT TO THE WHIMS OF STATE GOVERNMENT FOR DISOBEDIENCE SAKE. IT SIMPLY DID NOT MAKE SENSE TO APPROVE A PLAN THAT COULD NOT MEET THE BASIC REQUIREMENTS OF ANY CONSOLIDATION EFFORT.

I SUPPORT ANY LEGISLATIVE EFFORT THAT WILL POSTPONE THE EFFECT OF THIS PENALTY TO ALLOW TOWNS AND SCHOOL DISTRICTS TO DEMONSTRATE THEIR OWN OPTIMUM EFFECIENCY CONVINCINGLY AND SAVINGS OR DEVELOP NEW REORGANIZATION PARTNERSHIPS VIA A REVISION TO THE AOS LAW THAT WILL LOWER THE MINIMUM NUMBER OF THE STUDENTS REQUIRED TO FORM AND AOS. SUCH AN AMENDMENT COULD BE IMPLIMENTED WITHOUT THE DANGER OF PRESENTING A COMPETING MEASURE.

SUCH A REVISION WOULD ALLOW FOR THE OPPORTUNITY TO INCORPORATE THE MERITS OF A REGIONAL EDUCATIONAL SERVICE CENTER PROPOSAL AS PREVIOUSLY PROPOSED BY SUPERINTENDENT DR. JAMES MORSE IN OCTOBER OF 2008.

IN CLOSING, IT IS WRONGHEADED TO PENALIZE LOCAL PROPERTY TAXPAYERS THAT REJECTED A PLAN BECAUSE IT REQUIRED MORE LOCAL FUNDING TO ACCEPT THE PLAN THAN IT DID TO REJECT IT.

THANK YOU.

RESPECTFULLY SUBMITTED,

MARK ROBINSON, TOWN MANAGER, TOWN OF FAYETTE

SUMMARY of SCHOOL DISTRICT REORGANIZATION BILLS for EDU 4/3/09 WORK SESSION

LD # / Sponsor / Title	Bill Summary
Bills Proposing to Eliminate or Delay "Penalties"	
LD 635 (Fitts) An Act To Provide Additional Time to Certain School Administrative Units To Comply with School Administrative Unit Reorganization Laws	This bill provides additional time for a school administrative unit to comply with the reorganization law if it approved a reorganization plan at a referendum prior to January 30, 2009 but is unable to implement the plan because the plan was rejected by one or more of its proposed partners. The school administrative unit would be allowed to restart the process to form a regional school unit with the same or other school administrative units.
LD 95 (Edgecomb) An Act To Eliminate Penalties for Nonconforming School Administrative Units	This bill amends the laws governing school administrative unit reorganization to eliminate the penalties set forth for nonconforming school administrative units.
LD 188 (McFadden) An Act To Establish a Moratorium on School Administrative Regionalization	This bill allows school administrative units an additional year to come into compliance with the Maine Revised Statutes, Title 20-A, chapter 103-A, which contains the provisions for regional school units.
LD 285 (Schatz) An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years	This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.
LD 1226 (Clark H) An Act To Eliminate the Opt-out Penalty for Consolidation of Schools if a School Administrative Unit Forms an Alternative Organizational Structure	This bill authorizes school administrative units to submit alternative plans if they have formed alternative organizational structures but have not approved a school reorganization plan. This bill also eliminates penalties that would otherwise apply to such school administrative units.
LD 1287 (Damon) An Act To Amend the Laws Governing School Consolidation To Eliminate Penalties, Establish Incentives and Allow Alternative Voting Procedures	This bill makes several technical and substantive changes to the laws governing the consolidation of school administrative units enacted in 2007 and amended in 2008. The bill converts the penalty system in the current law, which establishes a financial penalty to be applied to those school systems that fail to consolidate if required to, into a financial incentive system that provides a reduced local effort requirement for those school systems that achieve the required consolidation during the first 3 years. The bill also authorizes regional school units to establish a school budget adoption system that is an alternative to the current budget validation referendum process. The alternative system, if approved by the voters of the regional school unit at referendum, would allow the budget to be approved by the voters directly at referendum rather than go through the multi-step approval process whereby the budget needs to be adopted by several local votes in succession.

SUMMARY of SCHOOL DISTRICT REORGANIZATION BILLS for EDU 4/3/09 WORK SESSION

LD # / Sponsor / Title	Bill Summary
Bills Proposing to Address Fiscal Agency & Administrative Structure Issues	
LD 158 (Schatz) An Act To Allow an Alternative Organizational Structure To Act as a Fiscal Agent for Each Member or Municipality in That Alternative Organizational Structure	This bill provides that a reorganization plan to form an alternative organizational structure must designate a fiscal agent or agents for each of the member entities and municipalities of the alternative organizational structure. The bill also provides that the reorganization plan may designate the alternative organizational structure as the fiscal agent for its member entities and municipalities.
LD 159 (Schatz) An Act To Provide an Administrative Structure for a School Administrative Unit That Does Not Join a Regional School Unit or an Alternative Organizational Structure	This bill provides an administrative structure for a school administrative unit that does not join a regional school unit or an alternative organizational structure by July 1, 2009 in accordance with the Maine Revised Statutes, Title 20-A, chapter 103-A and PL 2007, chapter 240, Part XXXX, section 36, as amended by PL 2007, chapter 668.
Bills Proposing to Address Opt Out, Collective Bargaining & All Other Issues	
LD 475 (Rosen R) An Act To Allow a Municipality To Opt Out of an Existing School Structure	This bill enacts into law provisions regarding the reorganization of regional school units. The new provisions are similar to the Maine Revised Statutes, Title 20-A, former sections 1405 and 1406 and allow the withdrawal from a regional school unit of a municipality and the transfer of a municipality out of one regional school unit into another. The bill also includes provisions that formerly applied in this area of law authorizing the State Board of Education to review decisions of the Commissioner of Education and to make rules concerning the reorganization of the regional school units.
LD 1319 (Cain) An Act To Provide Collective Bargaining Protection for Alternative Organization Structure Employees	This bill adds provisions to the school reorganization laws regarding employment and collective bargaining for school units that reorganize as alternative organizational structures and that decide to consolidate employment at the alternative organizational structure level to perform services, programs and functions in addition to administration of those services. These provisions are modeled on similar provisions in the laws that apply to regional school units, which were omitted from the portion of the laws that apply to alternative organizational structures. The bill also adds similar employment and collective bargaining provisions for employees of school unions who are now represented by a bargaining agent, which were also omitted from the school reorganization laws.
LD 570 (Finch) An Act To Improve the Laws Governing the Consolidation of School Administrative Units	This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to enact measures designed to improve the laws governing the consolidation of school administrative units.

SUMMARY of SCHOOL DISTRICT REORGANIZATION BILLS for EDU 4/3/09 WORK SESSION

LD # / Sponsor / Title	Bill Summary
Bills Proposing Exemptions for Isolated, Rural Communities	
LD 174 (Bryant B) An Act Regarding School Consolidation	This bill allows school administrative units to count students who reside in the unorganized territories and attend schools within those school administrative units when submitting a plan for a regional school unit.
LD 778 (MacDonald) An Act To Exempt Certain Isolated Rural Communities from the Minimum Student Enrollment Requirements in the Laws Governing the Reorganization of School Administrative Units	This bill amends the laws governing the reorganization of school administrative units to provide that school administrative units located in isolated rural communities may be eligible for an exception to the minimum student enrollment requirements by entering into a collaborative agreement for administrative, instructional and noninstructional functions with another school administrative unit prior to July 1, 2009.
LD 189 (Johnson) An Act to Exempt School Union No. 60 from the Laws Requiring School Administrative Unit Consolidation	This bill exempts Beaver Cove, Greenville, Kingsbury Plantation, Shirley and Willimantic from minimum student enrollments established in statute for regional school units. The Commissioner of Education is required to treat the communities in a manner similar to the treatment of coastal islands.
LD 467 (Mills) An Act To Exempt School Administration District 12 from the Laws Requiring School Administration Consolidation	This bill exempts the towns of Jackman and Moose River, Union 60 and Union 37 from minimum student enrollments established in statute for regional school units. The Commissioner of Education is required to treat the towns in a manner similar to the treatment of coastal islands.
Bills Proposing to "Repeal" the Reorganization Laws	
LD 977 (Initiated Bill) An Act to Repeal School District Consolidation	This initiated bill repeals the laws related to the consolidation of school administrative units that were enacted by the First Regular Session of the 123rd Legislature in Public Law 2007, chapter 240, Part XXXX. It restores the laws that were amended or repealed to accommodate the consolidation.
LD 115 (Edgecomb) An Act To Repeal the Laws Governing Consolidation of School Administrative Units	This bill repeals the laws related to the consolidation of school administrative units that were enacted by the First Regular Session of the 123rd Legislature in Public Law 2007, chapter 240, Part XXXX and repeals changes made by Public Law 2007, chapter 668. The bill also restores the laws that were amended or repealed to accommodate the consolidation.

STATUS OF SCHOOL DISTRICT REORGANIZATION BILLS and LEGISLATIVE INITIATIVES FOR "COMMITTEE BILL" (LD 570)

LD # / Sponsor / Title	Bill Summary	Status
Bills Proposing to Eliminate or Delay "Penalties"		
LD 635 (Fitts) An Act To Provide Additional Time to Certain School Administrative Units To Comply with School Administrative Unit Reorganization Laws (Emergency)	This bill provides additional time for a school administrative unit to comply with the reorganization law if it approved a reorganization plan at a referendum prior to January 30, 2009 but is unable to implement the plan because the plan was rejected by one or more of its proposed partners. The school administrative unit would be allowed to restart the process to form a regional school unit with the same or other school administrative units.	Tabled
LD 95 (Edgecomb) An Act To Eliminate Penalties for Nonconforming School Administrative Units (Emergency)	This bill amends the laws governing school administrative unit reorganization to eliminate the penalties set forth for nonconforming school administrative units.	ONTP (8)/OTP (3) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 188 (McFadden) An Act To Establish a Moratorium on School Administrative Regionalization (Emergency)	This bill allows school administrative units an additional year to come into compliance with the Maine Revised Statutes, Title 20-A, chapter 103-A, which contains the provisions for regional school units.	ONTP (10)/OTP (1) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 285 (Schatz) An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years	This bill delays any financial penalties imposed on a school administrative unit for nonconformance with the laws governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2011.	Tabled
LD 1226 (Clark H) An Act To Eliminate the Opt-out Penalty for Consolidation of Schools if a School Administrative Unit Forms an Alternative Organizational Structure	This bill authorizes school administrative units to submit alternative plans if they have formed alternative organizational structures but have not approved a school reorganization plan. This bill also eliminates penalties that would otherwise apply to such school administrative units.	ONTP (10)/OTP (1) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 1287 (Damon) An Act To Amend the Laws Governing School Consolidation To Eliminate Penalties, Establish Incentives and Allow Alternative Voting Procedures	This bill makes several technical and substantive changes to the laws governing the consolidation of school administrative units enacted in 2007 and amended in 2008. The bill converts the penalty system in the current law, which establishes a financial penalty to be applied to those school systems that fail to consolidate if required to, into a financial incentive system that provides a reduced local effort requirement for those school systems that achieve the required consolidation during the first 3 years. The bill also authorizes regional school units to establish a school budget adoption system that is an alternative to the current budget validation referendum process. The alternative system, if approved by the voters of the regional school unit at referendum, would allow the budget to be approved by the voters directly at referendum rather than go through the multi-step approval process whereby the budget needs to be adopted by several local votes in succession.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
Bills Proposing to Address Fiscal Agency & Administrative Structure Issues		
LD 158 (Schatz) An Act To Allow an Alternative Organizational Structure To Act as a Fiscal Agent for Each Member or Municipality in That Alternative Organizational Structure	This bill provides that a reorganization plan to form an alternative organizational structure must designate a fiscal agent or agents for each of the member entities and municipalities of the alternative organizational structure. The bill also provides that the reorganization plan may designate the alternative organizational structure as the fiscal agent for its member entities and municipalities.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)

STATUS OF SCHOOL DISTRICT REORGANIZATION BILLS and LEGISLATIVE INITIATIVES FOR "COMMITTEE BILL" (LD 570)

LD # / Sponsor / Title	Bill Summary	Status
LD 159 (Schatz) An Act To Provide an Administrative Structure for a School Administrative Unit That Does Not Join a Regional School Unit or an Alternative Organizational Structure	This bill provides an administrative structure for a school administrative unit that does not join a regional school unit or an alternative organizational structure by July 1, 2009 in accordance with the Maine Revised Statutes, Title 20-A, chapter 103-A and PL 2007, chapter 240, Part XXXX, section 36, as amended by PL 2007, chapter 668.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
Bills Proposing to Address Opt Out, Collective Bargaining & All Other Issues		
LD 475 (Rosen R) An Act To Allow a Municipality To Opt Out of an Existing School Structure	This bill enacts into law provisions regarding the reorganization of regional school units. The new provisions are similar to the Maine Revised Statutes, Title 20-A, former sections 1405 and 1406 and allow the withdrawal from a regional school unit of a municipality and the transfer of a municipality out of one regional school unit into another. The bill also includes provisions that formerly applied in this area of law authorizing the State Board of Education to review decisions of the Commissioner of Education and to make rules concerning the reorganization of the regional school units.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 1319 (Cain) An Act To Provide Collective Bargaining Protection for Alternative Organization Structure Employees	This bill adds provisions to the school reorganization laws regarding employment and collective bargaining for school units that reorganize as alternative organizational structures and that decide to consolidate employment at the alternative organizational structure level to perform services, programs and functions in addition to administration of those services. These provisions are modeled on similar provisions in the laws that apply to regional school units, which were omitted from the portion of the laws that apply to alternative organizational structures. The bill also adds similar employment and collective bargaining provisions for employees of school unions who are now represented by a bargaining agent, which were also omitted from the school reorganization laws.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 570 (Finch) An Act To Improve the Laws Governing the Consolidation of School Administrative Units (Concept Draft)	This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to enact measures designed to improve the laws governing the consolidation of school administrative units.	Tabled
LD 1336 (Weston) An Act To Preserve School Choice Rights (Emergency)	This bill clarifies the obligation and financial responsibility of regional school unit boards of directors for preserving the opportunities for choice of schools for students who reside in a municipality in a regional school unit that was a previous education unit that sent students to	Tabled
Bills Proposing Exemptions for Isolated, Rural Communities or Efficient School Districts		
LD 174 (Bryant B) An Act Regarding School Consolidation. (Emergency)	This bill allows school administrative units to count students who reside in the unorganized territories and attend schools within those school administrative units when submitting a plan for a regional school unit.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 778 (MacDonald) An Act To Exempt Certain Isolated Rural Communities from the Minimum Student Enrollment Requirements in the Laws Governing the Reorganization of School Administrative Units (Emergency)	This bill amends the laws governing the reorganization of school administrative units to provide that school administrative units located in isolated rural communities may be eligible for an exception to the minimum student enrollment requirements by entering into a collaborative agreement for administrative, instructional and noninstructional functions with another school administrative unit prior to July 1, 2009.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)

STATUS OF SCHOOL DISTRICT REORGANIZATION BILLS and LEGISLATIVE INITIATIVES FOR "COMMITTEE BILL" (LD 570)

LD # / Sponsor / Title	Bill Summary	Status
LD 189 (Johnson) An Act to Exempt School Union No. 60 from the Laws Requiring School Administrative Unit Consolidation (Emergency)	This bill exempts Beaver Cove, Greenville, Kingsbury Plantation, Shirley and Willimantic from minimum student enrollments established in statute for regional school units. The Commissioner of Education is required to treat the communities in a manner similar to the treatment of coastal islands.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
LD 467 (Mills) An Act To Exempt School Administration District 12 from the Laws Requiring School Administration Consolidation (Emergency)	This bill exempts the towns of Jackman and Moose River, Union 60 and Union 37 from minimum student enrollments established in statute for regional school units. The Commissioner of Education is required to treat the towns in a manner similar to the treatment of coastal islands.	Tabled
LD 1129 (Courtney) An Act To Permit Efficient School Districts To Opt Out of Consolidation (Emergency)	This bill authorizes a school administrative unit to submit an alternative plan when the school unit spends less on kindergarten to grade 12 education than its total operating allocation under the Essential Programs and Services Funding Act for fiscal year 2008-09. This bill also eliminates penalties that would otherwise apply to such school administrative units.	5-04-09 WS
LD 1203 (Sutherland) Act To Allow Certain School Units To Reorganize without Meeting Minimum Student Population Requirements without Being Penalized (Emergency)	This bill authorizes school administrative units to submit alternative plans in situations when they have been unsuccessful in reorganizing into a regional school unit that meets minimum student population requirements. This bill also eliminates penalties that would otherwise apply to such school administrative units.	5-04-09 WS
Bills Proposing to "Repeal" the Reorganization Laws		
LD 977 (Initiated Bill) An Act to Repeal School District Consolidation	This initiated bill repeals the laws related to the consolidation of school administrative units that were enacted by the First Regular Session of the 123rd Legislature in Public Law 2007, chapter 240, Part XXXX. It restores the laws that were amended or repealed to accommodate the consolidation.	Tabled
LD 115 (Edgecomb) An Act To Repeal the Laws Governing Consolidation of School Administrative Units (Emergency)	This bill repeals the laws related to the consolidation of school administrative units that were enacted by the First Regular Session of the 123rd Legislature in Public Law 2007, chapter 240, Part XXXX and repeals changes made by Public Law 2007, chapter 668. The bill also restores the laws that were amended or repealed to accommodate the consolidation. In addition to what the IB repeals and reenacts, this bill repeals or amends the following: 20-A MRSA sections 2303, 5203(4), 5204(4), 6051(1)(4)(6), 15672(25-A), 15689(1-B), and PL 2007 c. 668 54 and 55. The initiated bill further amends 20-A MRSA 15671-A(2)(B).	ONTP (10)/OTP (1) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)
Bills Proposing to Provide State Subsidy Printouts or Payments to Members of RSU or AOS		
LD 160 (Schatz) An Act To Require the Department of Education To Provide an Accounting of School Subsidy Based on Individual Members in a Regional School Unit or Alternative Organizational Structure	Current law requires the Commissioner of Education to notify school boards of the amount of school subsidy to be allocated to school administrative units. This bill requires the Commissioner of Education to also provide the governing bodies of regional school units and alternative organizational structures with the computation and the amount of the allocation of school subsidy that the commissioner has estimated for the regional school units and each member municipality in the regional school unit or for the alternative organizational structure and each member entity in the alternative organizational structure.	Carry Over Request

LD # / Sponsor / Title	Bill Summary	Status
LD 816 (Clark H) An Act To Authorize the Commissioner of Education To Issue Separate Subsidy Checks to Each Municipality in an Alternative Organizational Structure	Current law requires the Commissioner of Education to notify school boards of the estimated amount of state subsidy to be allocated to school administrative units. This bill requires the Commissioner of Education to also provide the governing bodies and the superintendent of each alternative organizational structure with the computation and the amount of the allocation of state subsidy that the commissioner has calculated for the alternative organizational structure and each member entity in the alternative organizational structure and requires that the commissioner issue separate subsidy checks to each of the member entities within the alternative organizational structure.	ONTP (Unanimous)
LD 818 (Trinward) An Act To Improve Transparency in the School Funding Formula	Current law requires the Commissioner of Education to notify school boards of the estimated amount of state subsidy to be allocated to school administrative units. This bill requires the Commissioner of Education to also provide the governing bodies and the superintendent of each alternative organizational structure with the computation and the amount of the allocation of state subsidy that the commissioner has calculated for the alternative organizational structure and each member entity in the alternative organizational structure.	ONTP (Unanimous)
LD 1037 (Johnson) An Act To Require the Department of Education To Provide Certain Information to Individual Communities of Alternative Organizational Structures	This bill requires the Department of Education to provide a detailed accounting of the amount of subsidy that a municipality in an alternative organizational structure qualifies for under the Essential Programs and Services Funding Act to each municipality in the alternative organizational structure.	ONTP (Unanimous)
LD 1097 (Raye) An Act To Improve Alternative Organizational Structures by Requiring the Department of Education To Provide Them with Estimated Allocations	Current law requires the Commissioner of Education to notify a school board of the amount of school subsidy to be allocated to the school administrative unit. This bill requires the Commissioner of Education to also provide the governing body of alternative organizational structures with the computation and the amount of the allocation of school subsidy that the commissioner has estimated for the alternative organizational structure and each member entity in the alternative organizational structure.	5-04-09 WS
Bills Proposing to Address Budget Validation Referendum Vote Requirements		
LD 698 Weaver) An Act To Allow School Budget Validation Referenda To Be Held on a Saturday" (Emergency)	This bill allows school budget validation referendum votes for regional school units to be held on Saturday.	OTP (Unanimous)
LD 750 (Eberle) An Act To Exempt Certain Municipalities from the Requirement To Hold Referenda on School Budgets	This bill provides an exemption from the budget validation referendum voting requirements for municipal school units where the municipal charter provides that the municipal legislative body and the school committee are elected bodies and where the municipal charter requires that a public hearing and one or more budget meetings are held on the proposed school budget before the municipal legislative body votes to adopt the school budget.	ONTP (Unanimous)
LD 1283 (Weston) An Act To Reform the School Budget Validation Process	This bill amends the school budget approval process by allowing a budget to be approved at a school board meeting rather than a district-wide meeting, and then go directly to referendum vote. The bill also changes slightly the wording on the required referendum if a school budget exceeds the maximum state and local spending target.	ONTP (11) Note: Carry concepts forward for consideration in EDU Cmte Bill (LD 570)

R. & S.
Adopted
Copy

L.D. 285

Date: (Filing No. H-)

EDUCATION AND CULTURAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " " to H.P. 225, L.D. 285, Bill, "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years"

Amend the bill by striking out the title and substituting the following:

'An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year'

Amend the bill by inserting after the title and before the enacting clause the following:

'**Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the deadline for reorganization of school administrative units is approaching; and

Whereas, if a school administrative unit does not reorganize, penalties will be imposed against the school administrative unit; and

Whereas, this legislation will give school administrative units additional time to reorganize; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill in section 1 in subsection 1 in the first paragraph in the 3rd line (page 1, line 6 in L.D.) by striking out the following: "2011" and inserting the following: '2010'

Amend the bill by adding at the end before the summary the following:

'**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.'

COMMITTEE AMENDMENT

SUMMARY

This amendment is the minority report of the Joint Standing Committee on Education and Cultural Affairs. The amendment delays any financial penalties imposed on a school administrative unit for nonconformance with the laws governing the reorganization of school administrative units until the fiscal year that begins on July 1, 2010. The bill proposed to delay penalties for nonconforming school units for 2 years, or until the fiscal year beginning on July 1, 2011. The amendment also amends the title of the bill and adds an emergency preamble and an emergency clause to the bill.

FISCAL NOTE REQUIRED

(See attached)

Approved: 02/17/09 mac

124th MAINE LEGISLATURE

LD 285 **LR 233(01)**

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

Preliminary Fiscal Impact Statement for Original Bill
Sponsor: Rep. Schatz of Blue Hill
Committee: Education and Cultural Affairs
Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

No State fiscal impact

Fiscal Detail and Notes

Delaying the date that penalties for nonconforming school administrative units becomes effective until July 1, 2011 will not impact the total state and local cost of funding K-12 public education or the State's share of that cost. However, the delay will impact the distribution of State subsidy among school administrative units through fiscal year 2010-11 with those nonconforming units receiving more State subsidy than they would have received had the penalty provision been in effect and those conforming school administrative units receiving less. The impact to individual school administrative units can not be determined at this time.

Approved: 05/13/09 mac

124th MAINE LEGISLATURE

LD 285 **LR 233(02)**

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Education and Cultural Affairs
Fiscal Note Required: Yes

Fiscal Note

No State fiscal impact

Fiscal Detail and Notes

Delaying the date that penalties for nonconforming school administrative units becomes effective until July 1, 2010 will not impact the total state and local cost of funding K-12 public education or the State's share of that cost.

COMMITTEE VOTING TALLY SHEET

LD OR CONFIRMATION: 285

COMMITTEE: EDUCATION AND CULTURAL AFFAIRS

DATE:

MOTION: OTP Table BY: Sutherland SECOND Finch

	OTP	ONTP	OTP-A	TABLE	OTHER
Rep. McFadden					
Rep. Nelson	X				
Rep. Wagner	X				
Sen. Weston	X				
Sen. Schneider					
Sen. Alfond	X				
Rep. Sutherland	X				
Rep. Finch	X				
Rep. Rankin	X				
Rep. Johnson	X				
Rep. Lovejoy	X				
Rep. Richardson	X				
Rep. Casavant	X				
TOTALS					

NOTES:

VOTING TALLY SHEET

For LD's

LD # : 285

Committee: Joint Standing Committee on Education and Cultural Affairs

Date: 5-4-09

Motion: Ought Not to Pass

Motion by: Rep Sutherland

Seconded by: Rep Lovejoy

	Those Voting in Favor of the Motion	Recommendation of those opposed to the Motion					Absent	Abstain
		ONTP	OTP	OTP-AM	New Draft	Re-Refer		
Senators								
1. Justin L Alfond (Ch)	X							
2. Elizabeth M. Schneider	X							
3. Carol Weston				X				
Representatives								
1. Patricia B. Sutherland (Ch)	X							
2. Alan M. Casavant	X							
3. Edward D. Finch				X				
4. Peter B. Johnson				X				
5. Stephen D. Lovejoy	X							
6. Howard E. McFadden				X				
7. Mary Pennell Nelson	X							
8. Helen Rankin	X							
9. David E. Richardson				X				
10. Richard V. Wagner	X							
TOTALS	8			5				

Majority

HOUSE REPORT

THE COMMITTEE ON Education and Cultural Affairs

to which was referred the following:

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

H.P. 225 L.D. 285

has had the same under consideration, and asks leave to report that the same
OUGHT NOT TO PASS

of

(Signature) For the Committee

SEN. ALFOND of Cumberland
SEN. SCHNEIDER of Penobscot
REP. SUTHERLAND of Chapman
REP. CASAVANT of Biddeford
REP. LOVEJOY of Portland
REP. NELSON of Falmouth
REP. RANKIN of Hiram
REP. WAGNER of Lewiston

(Type)
Rep. of (Town) and/or Sen. of (County)

(Signatures)

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Minority

HOUSE REPORT

THE COMMITTEE ON Education and Cultural Affairs

to which was referred the following:

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years

H.P. 225 L.D. 285

has had the same under consideration, and asks leave to report that the same OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (H-352)

of

(Signature)	For the Committee
SEN. WESTON of Waldo	
REP. FINCH of Fairfield	
REP. JOHNSON of Greenville	
REP. MCFADDEN of Dennysville	
REP. RICHARDSON of Carmel	David E Richardson

(Type)
Rep. of (Town) and/or Sen. of (County)

(Signatures)

HOUSE REPORT

Printed on recycled paper

The following items were taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matters, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

SENATE DIVIDED REPORT - Report "A" (9) **Ought to Pass as Amended by Committee Amendment "A" (S-252)** - Report "B" (3) **Ought Not to Pass** - Report "C" (1) **Ought to Pass as Amended by Committee Amendment "B" (S-253)** - Committee on **STATE AND LOCAL GOVERNMENT** on Bill "An Act To Authorize the Annexation of a Portion of Redington Township in Franklin County to the Town of Carrabassett Valley" (EMERGENCY)

(S.P. 288) (L.D. 741)

- In Senate, Report "B" **OUGHT NOT TO PASS READ** and **ACCEPTED**.

TABLED - June 2, 2009 (Till Later Today) by Representative BEAUDETTE of Biddeford.

PENDING - Motion of same Representative to **ACCEPT** Report "B" **OUGHT NOT TO PASS**. (Roll Call Ordered)

Subsequently, Representative EATON of Sullivan **WITHDREW** his **REQUEST** for a roll call.

Subsequently, Report "B" **Ought Not to Pass** was **ACCEPTED** in concurrence. **ORDERED SENT FORTHWITH.**

HOUSE DIVIDED REPORT - Majority (8) **Ought Not to Pass** - Minority (5) **Ought to Pass as Amended by Committee Amendment "A" (H-352)** - Committee on **EDUCATION AND CULTURAL AFFAIRS** on Bill "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years"

(H.P. 225) (L.D. 285)

TABLED - May 27, 2009 (Till Later Today) by Representative SUTHERLAND of Chapman.

PENDING - Motion of same Representative to **ACCEPT** the Minority **OUGHT TO PASS AS AMENDED** Report.

Representative TARDY of Newport **REQUESTED** a roll call on the motion to **ACCEPT** the Minority **Ought to Pass as Amended** Report.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from Chapman, Representative Sutherland.

Representative **SUTHERLAND**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. LD 285 is one of about 40 pieces of legislation that were placed before the Education and Cultural Affairs Committee this session attempting to fix something that various parts of the states had issues with regarding the school reorganization. Most of those were carried over in one or two bills and killed. This particular piece of legislation was also amended so that it would delay so-called penalties per one year for nonconforming units. There were choices that were given to communities in dealing with reorganization. And I want to say up front that, in my particular district, I have four school units, two of which have submitted alternative plans and have reorganized and pretty much the way they were, two others are in the nonconforming category, so I understand the issues from both sides. I just want to put it out to you today exactly what we are looking at and there are different ways of looking. All the school districts were provided with numbers that would indicate what the penalty amount would be should they choose not to attempt to plan and not move forward with reorganization. Some communities voted no, knowing full well what the cost would be, but they had various reasons. Some tried and it didn't work, some chose not to do it. Other communities chose to reorganize because of the penalties; they didn't want to have to pay them, and others had enough student population so they didn't have to really restructure. After the penalty dollars were identified, there are those reorganized units, about 98 or 99, who reconfigured into 26 school units that were told they could have some of this so-called penalty money to help with their transition costs, whether they were legal costs, costs in looking at contractual agreements, maybe it was an mundane and important as painting the new name on school buses, all of which cost money. The committee, when we got together in January and February and began addressing the problem, was concerned that dollars might be expended throughout those reconfigured and not so reconfigured units and maybe not always in the best interest of what was going forward, knowing that there was a repeal initiative coming. So we chose to put that money away until January. It is parked in what the Appropriations Committee refers to as "the penalty box" so that none of the money has been expended. However, we did feel it was appropriate to give this school communities, who were facing the penalty issue, and opportunity to bring forward a piece of legislation. I won't go into competing measures because you've heard me talk about that before. Since there is a repeal initiative moving forward, it is important that we have, if any measure is going to pass, it not be passed as a competing measure to go on the ballot. So we chose from the committee to put LD 285 before you, and we amended it so that it would provide for a one year delay in the penalty piece, and that's what we're putting before you today. There are about 107 school units that are faced with a penalty. You have seen a list of them, and I think one just floated by here just very recently. There were a number of other school units that were faced with a penalty and we passed some legislation to correct that, because they had voted yes, and that was addressed. So we're talking about a little bit over $5 million in penalty money that has been put away for this Legislature's use down the road, hasn't been expended. Your choice is to, with this bill, extend, push back that penalty period for a year. There are a number of school units that are currently trying to work together to come up with an alternative plan. They simply will not have it in place by July 1, which is the critical date. That's where we are with this bill, and I thank you very much for your time.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Lovejoy.

Representative **LOVEJOY**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise for the first time as a freshman legislator because of this bill, and I have to say that my district does not have any stake in this. We weren't subject to penalties; we weren't expecting to get any penalties. However, I think it's important to realize that each community that is subject to a penalty voted no on consolidation. This is not a case of having voted for it and been abandoned.

Our committee, I was on the Majority Ought Not to Pass, and our committee looked at this very closely. It was not an easy decision. I truly believe small schools are better for students, but they're also more expensive. What these communities have voted, to keep their schools, keep their administration as it was, they made a choice knowing there were penalties out there. Do I think consolidation is perfect? Absolutely not; however, the rules were set, I don't think we should change them in the middle of the game, so I will be voting against this measure. Thank you.

The SPEAKER: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative **MILLETT**: Thank you, Madam Speaker. May I pose a question through the Chair to the chair of the Education and Cultural Affairs Committee?

The SPEAKER: The Representative may pose his question.

Representative **MILLETT**: Thank you, Madam Speaker. I appreciate the clarity, and I think the Representative from Portland has followed up on the characterization of the multiple groups that are impacted by that parking lot $5.3 million that sits in GPA, pending distribution next January. I wonder if you might tell us, in very direct terms, of the four groups that I heard you talk about—namely the 107 units that voted no, the 17 units that voted yes but their partners voted no, and the 96 units that conformed one way or another, and potentially the fourth group of entities or units that might, between now and January, achieve some AOS or other form of consolidation—under current law, to which of the four groups would the penalty box moneys go to, and under the assumption that this Minority report were to be enacted, to which units would the money flow under that circumstance? So we can get a clear picture of who are the intended beneficiaries today, and who would be the intended recipients of the money were this Minority Report to be accepted.

The SPEAKER: The Representative from Waterford, Representative Millett has posed a question through the Chair to the chair of the Education and Cultural Affairs Committee, the Representative from Chapman, Representative Sutherland. The Chair recognizes that Representative.

Representative **SUTHERLAND**: Thank you, Madam Speaker. In the absence of the good chair from Orono, from the Appropriations Committee, I will give it my best shot. The Education and Cultural Affairs Committee will have to deal with this in January. If the penalty is delayed until July 1, 2010, there would be no penalty dollars in the penalty box. Again, that money has been set aside until January. The committee would have to, and somebody may correct me and feel free to do so, my understanding is that the penalty money that has been identified would have to be redistributed to those 107 school units from whom it came. There would be no penalties if this bill were to move forward, if it is passed. If it does not pass, the committee would have to address, in January, for distribution of the those penalty funds. There were various options presented, which is why we asked that they be placed and parked in a fund, because, bottom line, the intent of the committee was and their goal was that these were very critical dollars to educate the children of the State of Maine and our public schools, and they needed to be used in the best possible manner. Sitting in a penalty box probably is not in the best possible manner, but we have issues that we have to deal with before that. I would not expect that those schools, those school units that have already, that were reconfigured because they've met the guidelines and the enrollment minimums, I would not expect that those units would be in line to get some of the dollars. I would expect that the money would be distributed, would be available to help with legal and transition costs for those units who have already been able to reconfigure into those 26 groups, as well as being available to help others moving forward. There was no intent that this process would stop. School units are being encouraged to keep on working towards a consolidation model; however, there was that deadline date of July 1, 2009. They would still be moving forward, and I think it would be up to this Legislature to fully decide how far those dollars could be distributed to help all of those school groups in transition. It is an expensive proposition. I hope that answers at least partially the question that was placed before me, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Greenville, Representative Johnson.

Representative **JOHNSON**: Thank you, Madam Speaker. I'd like to thank my esteemed colleague from the Education Committee for putting forward the Minority Report. This consolidation effort has been difficult from the beginning. It was poorly conceived, hastily implemented, little thought for the untold, the unintended consequences. So the question becomes what do we do now, and we've heard the argument from one that the participants in this knew what the penalties would be and knew approximately what the penalties would be, and they voted in their best interest. I guess my point of view is that if you hold a gun to somebody's head and tell them they have to do something, then they'll do it, sometimes. It's inconceivable to me that we're going to tell people to go through an excruciating process and make a decision on what's best for the education of their students and then penalize them for doing that, so I very much favor the Minority Report.

Right now, we have at least over 100 communities that are affected, somewhere in the neighborhood of 30,000 students that will be affected. As the chair of the Education and Cultural Affairs Committee pointed out, there was no provision in the law for what would happen to those penalties, so that is an open ballgame. That will have to be decided in January. We have towns from Guilford to Machias, Eastport to Pownal, Fayetteville to Vassalboro, and Brownville to Bethel that are suffering under this penalty, and I think we should vote the Minority Report on this issue. Thank you.

The SPEAKER: The Chair recognizes the Representative from Dennysville, Representative McFadden.

Representative **McFADDEN**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. According to Webster, a penalty is a sum of money assessed for an offense. Why is there an offense when the Democratic vote favors the best education for students and a necessity for the welfare of the town? Now there are 143 nonconforming units subject to be penalized for noncompliance with a flawed law. According to the DOE website, there are 23 units in one CSD with penalties greater than the state adjusted share of GPA, according to line sixty on the 2009-2010 279s. The 279s are the sheets that go out to the superintendents that tell them what they get in an ESP. When the penalty is greater than the state GPA to a local unit, will it make sense to reorganize when the penalty is the lesser of the two evils?

I want to give you a few examples: For example, the GPA for Jonesport, which is a minimum receiver—and these are minimum receivers I'm talking about mainly—the GPA from the state, the amount they receive is $15,000; the penalty is $18,000. The Town of Northfield, in my district, the GPA is $2,700; the penalty is $3,000. The Town of Acton, down in the southern end of the state, the GPA is $168,000 and their penalty is $185,000. The Town of Blue Hill, GPA is $66,000; the penalty is $73,000. Boothbay, CSD, GPA is $195,000; the penalty is $217,000. In other towns, Jay has a penalty of $210,000; Baileyville, $67,000; Machias, $47,000; East Machias, $37,000; in Calais, $78,000.

Now we're all aware of the cost shifting and the loss of over one half million dollars in GPA in RSU 5. RSU 5 isn't the only cost shift in GPA loser under the new law. Major problems have surfaced in Steuben, Frankfort, Etna, Dixmont and other units around the state, probably too numerous to mention. The local share mill rate for the '09-'10 year is 6.73 mills; it's reduced to 6.37 mills, when the federal ARRA Stabilization Funds are included in the state share of GPA. Now the 6.37 mills, which include the stimulus funds, are increased locally for nonconforming units, which might possibly be an unlawful maneuver by DOE. Can penalties be assessed on stimulus funds? That's what's happening, according to the printouts. We,

the Legislature, can correct this mess by delaying all penalties for one year to permit units to have ample time to do the right thing for the students. Now over 70 percent of the House members represent either a penalized or a cost shifting unit, and there are 185 towns in depressed areas of the state where these penalties are taking effect. We certainly need to vote Ought to Pass as Amended on LD 285. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Whiting, Representative Burns.

Representative **BURNS**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I, too, just want to rise to give my support to this amendment. This is a very or this was a very convoluted and a very complicated process that was hoisted onto all the towns of this state, and, as many of you do, I have a list here of 185 small towns that have voted or passed resolves to support this amendment, and there's a reason for that. When you are left with absolutely no choices but to lose, no matter which option you accept, it's a very difficult process for our small towns, and that's what happened in our small towns. If you went with consolidation, it was going to cost money; if you chose not to go with consolidation, it was going to cost money; and if you tried to find a compromise and could not, then you still fell into that same category.

In my communities that I represent, there are 11 small schools that have banned together under one superintendent, and it saved us $165,000 this year. The penalty was going to $200,000 for those 11 communities. So you see, you can't win no matter what you do. I heard the statement made by the good representative from Portland, Representative Lovejoy, that a lot of us feel that small schools are better for our kids, but they cost more money. Well someplace in the middle there needs to be some middle ground here where we can get what is best for our children and still not be penalized. It is my understanding that all of the school districts are in the process of doing their budgeting at this point right now, so the penalties would not go into their budget, so they wouldn't expect to get any of these penalties anyway, nor should they, nor should anybody expect to profit from somebody else's misfortune, and that's exactly what this will be if you don't support this, there'll be a misfortune to 185 communities. I'd ask you to support the amendment. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Blue Hill, Representative Schatz.

Representative **SCHATZ**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise in support of the pending motion. First of all, I would apologize for some of the paper that I've been responsible for sending across your desk, but I felt it was important to see over 185 units of local government that have taken the time to pass resolutions supporting the postponement of penalties. They asked us to postpone it, not because they feel they made a mistake, but they all worked very hard, for the most part, all worked hard to try to comply with the school consolidation law. As you've probably learned over the months, to comply with that law, if you're a small group of schools, nine, ten, eleven schools, trying to come together to create a business if you will, this is a very daunting task. As you've heard also in the past months, some schools, some RSUs had nothing to do but just change the lettering on their school bus. Others had an almost turnkey operation read to go. But the small schools did not. It is true that there were some that opted to avoid penalties and come together and therefore comply, and as we've found out, some of those schools as experiencing problems and finding that their costs are much higher than they anticipated, and they are experiencing a form of buyers remorse, and I would hope that we take the issue that they're facing up at a later date, and as quickly as possible, as a matter of fact, and find a remedy for those problems, because schools are just as much a victim as the schools that are not subject to penalties. So I would hope that if you are in that fix yourselves, that you would be a kindred spirit, if you will, and vote to support the pending motion. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Jay, Representative Gilbert.

Representative **GILBERT**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I am voting yes on the motion Ought to Pass as Amended by Committee Amendment "A". As a member of the regional planning committee formed to develop an RSU between the Jay School Department and SAD 36, I could say that we worked hard for more than 18 months to form an RSU. We came to consensus on many difficult items such as debt. Jay was going into the RSU with no debt and SAD 36 was coming in with a debt of $1.5 million, and Jay, because of its evaluation, was going to be paying 72 percent of that debt that was incurred by that district. We came to an agreement on that. Also, Jay is over EPS, I think it's on 11 items, and that would cost SAD 36 taxpayers quite a bit of money, but we came to consensus on that. Then we looked at how local funding would be paid. Would it be paid by evaluation or by population? If it was by evaluation, Jay would be paying a hefty amount, if it was by population, SAD 36 would be paying a hefty amount. We worked out a combination. After months of discussion, we decided to go by evaluation. In the end, an artificial date was established as a deadline, and that became more important than developing a plan that would work for both school systems. In the end, we lost an opportunity to work out a good solution. The proposed RSU was voted down in Jay by 17 votes. The penalty for Jay will be $216,000 a year. Now, Ladies and Gentlemen of the House, this could have been avoided if we had been given ample time to work out a palatable plan to present to the voters. This amendment will give us that time. I will be voting yes on the motion and I ask you to do the same.

The SPEAKER: The Chair recognizes the Representative from New Gloucester, Representative Van Wie.

Representative **VAN WIE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. Like tens of thousands of other people in the state, I don't like to be in this situation. I'm in favor of consolidation. I think it's a good idea, I think it's necessary, but there is a big difference between a good idea and implementing a good idea. In general, I keep coming back to a strategy of what I call repeal and repair. I'd like a do over. But that's not what this proposal is about. I'm also not in favor of the penalties, so I'm against penalties. But I'm in a tough situation with my district. I represent citizens of RSU 5, where they did everything that they were asked to do and they are finding that their costs are going up significantly, nonetheless. Yes, they have a number of issues to resolve, and many of them would like a one year delay in implementation to give them time to work those out. I actually drafted an amendment, but had not presented it, with the idea of providing that delay to give them time to work it out, but I fear that that itself would be too divisive within the communities and that the legal gymnastics to make that happen, given the situation of the RSU coming on board and the towns having individual districts that are going to go away and all of those issues, make it prohibitive. I think, as their wonderful RSU chair does, many of them are just trying to be hopeful, put their head down and keep working.

It's interesting, because they are in a situation which is entirely predictable. I did a little research and you look at corporate mergers, and there is literature out there that says

about one-third of corporate mergers succeed in achieving their objectives of lowered costs and increased profitability, other things like that, and about two-thirds fail to meet their objectives. So it's not surprising that in a situation of school consolidation, or reorganizations or mergers, that we'd have one-third where their costs might go down, a third where their costs might stay the same, and a third where their costs might actually go up, even though they might achieve their educational objectives, the cost situations are different. In the corporate world, they take a one time charge against earnings, and they put aside the money to cover the extraordinary costs of reworking deeds and contracts and computer systems and moving and severance, and not to mention the time and energy and lost productivity taken away from the business of educating our children.

So here we are, we have a district that's done everything right, and one of the few things that might be available to them, and I say might, would be some help from some of the penalty dollars, because there was no other fund set aside to help them out. With regret, I feel I have to oppose the current amendment, because my district did what they were asked to do and potentially some of those dollars, although I recognize how divisive this is within the state, could or should go to help them out unless we come up with another mechanism. So I'm going to be not supporting the motion. The only way I could support it was if we could give them another year to try to work things out, and I don't really believe we have a mechanism to do that, so I will not be supporting the motion. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Wilton, Representative Saviello.

Representative **SAVIELLO**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. First, my good friend Representative Schatz, please don't apologize for using paper. For my friend from Portland, I want to just point out to you that this bill that we're dealing with, as many of you know, was a very strongly negotiated hardly worked, very difficult bill for us to all pass as a budget a couple of years ago. Some of us spent some long hours and a long time trying to fix this. Penalties were put in there, but I don't think with the purpose that we're now dealing with them.

I have two school districts, SAD 9 and SAD 58, and they worked diligently for hours, days, weeks, months to try to come to a plan to consolidate. They, at the end, came out with a vote and both school districts voted against it. Interestingly enough, SAD 9 is not going to be penalized, because they are big enough, they have more than 2,500 students, so they're going to be able to be their own RSU and drive on in forward. SAD 58 will be penalized. Now they met their goal, because as we all talk about, we wanted to reduce administration costs. Well, at the time, their administrative cost was 4.01 percent. They are one hundredth of one percent from being considered a high performing school district, because they did meet all the other requirements as far as test grades, but that .01 percent, one field trip, kept them being there. This year's budget, they are 2.5 percent for administrative costs. They've more than met the goals that we've established as far as this consolidation is concerned. They have some other ideas that they'd like to pursue, but they need some time to do that, because SAD 9 is no longer in the picture. So I don't think we need to penalize them while they try to work through this effort and find out what they need to do. I think they have worked to minimize costs, they've met that requirement, and we need to give them a little bit more time before we penalize them to come up with a new plan. Thank you very much, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Calais, Representative Perry.

Representative **PERRY**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I really want to describe some of the work that has been done in my area. I have three unions who have been talking for at least the last nine years about the possibility of consolidation and how to do that. They have, from the beginning, been working very hard to find ways to do this. The original bill that went out actually made it very difficult for rural schools to solve some of the issues of getting together. There was an amendment that was done last year that did a little bit, but not quite enough. They were not able to completely take care of the issues that had kept the people from really looking at voting at this. All of the towns in those districts voted against the consolidation, not because they haven't been working, not because this discussion has not been going on for awhile, but unfortunately, some of this was so prescriptive it made it very, very difficult for rural schools to solve some of the issues that needed to be solved. So we punish them? We're not asking that this punishment that is set forth be taken away, but that it be delayed, that we allow the work to continue and come up with a resolution.

The other reason I ask this is we are in a recession, and whatever happens, we're going to be hit hard. But I've got a school district in my area that has lost of 350 employees, which is a large portion of their population. They have lost their major property tax donor, because they have been laid off, what might look like permanently. They are dealing with more than just whether they are consolidating or not. This is a town that is looking at a very different property tax base, that is looking at a very different student population. We've got problems that need to be taken care of; it does not mean we shouldn't be working towards it. But I'm asking that we look at this delay, as we are dealing with a recession and a lot of job losses that are affecting a lot of the things that are around the subsidies that we get for schools, and I think we need time to be able to work on it. So I would ask that you vote for this.

The SPEAKER: The Chair recognizes the Representative from Gray, Representative Austin.

Representative **AUSTIN**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise to thank the good sponsor of this bill for his vigilance and perseverance. Many of us, over the last few weeks, have turned to him in this bill as a vehicle that perhaps could help some of our challenges. I represent RSU 5, in the form of three quarters of the Town of Pownal, and had hoped that we could work to bring forth a pause for them in their incredible challenge, as what has been quoted as one of the unique situations in Maine's educational situation. Many, many hardworking citizens in our towns and our school districts have spent countless time and talent to meet this law. For some along the way, this work just has not panned out; it has not gone well for them. I feel that some of them are very discouraged with the hours that they put in, the lack of savings that they found, and always that penalty that is hung over their head. As a body of leadership, we put this law into action, and I feel that these folks are looking to this body of leadership, whether you were with us at the time that this was put into the budget or not, they're looking to us for help. They want to do the people's business for the children; they want to find savings; they want to go forth. They do not want ruined relationships that have been started. In other words, they don't want the divorce that isn't even available to them by the law. I would ask you to please consider supporting this Ought to Pass as Amended and let these folks have some more time to do the good, creative work that I know they're capable of, actually find some savings, and again, go on with the quality product of education for our future. Thank you.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Harlow.

Representative **HARLOW**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I will not be a member of the on and on club. I was on the Education Committee for two years while the consolidation was occurring. We weakened the consolidation that was going to come forward. The Chief Executive wanted to create 26 school districts. The idea was to try to balance the budget and that's what we're trying to do now. It was $135 million in savings if we went to just 26 school districts. As the good Representative from Portland, Representative Lovejoy said, these folks voted for the penalty by voting against consolidation. The thing that I saw that hurt consolidation the utmost was people yelling local control, local control, but they don't want to pay for local control. Efficiencies, schools of 7,000 are supposed to be ideal as far as efficiencies. Under 5,000, efficiency goes down slowly. Under 2,500, it goes down rapidly. From 2,500 to 4,000, it would be 60 school districts in Maine. I didn't think we'd be closing schools, I know we're not going to close schools unless the town wants to do it. Thank you very much for your patience and time.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Celli.

Representative **CELLI**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I don't want to hurt any feelings. I could get up here and say this is the worst legislation I've ever seen in my life, but I won't say that, because I don't want to hurt anyone's feelings, so disregard that. What you have to remember is what I said earlier when this first came up. This is Tammany Hall. This is probably still currently is going on in Chicago. But you're telling the people their vote doesn't count. You know, I used to live in another state, I've been here 16 years, and out of the state, we call this blackmail. You vote the way we want you to or we're going to give you a penalty. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Lincolnville, Representative O'Brien.

Representative **O'BRIEN**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I stand before you in strong support of the motion on the floor. My school district, like many of the school districts who were described by my colleagues here, faces really a lose-lose situation. The members of the school board that I've talked to are really bright people and they really want to make this work, but we need more time to do it.

My three towns in the Five Town CSD face a tremendous financial barrier to reorganization. If we reorganize, our schools will lose a great part of our subsidy. In fact, the total subsidy loss across our towns would exceed the total penalties that will be imposed for not reorganizing. In my district, under our recent projected 6.37 mill rate and 50 percent minimum subsidy for special education, the penalties we face this coming year for not reorganizing will be roughly $610,000; if we had reorganized we'd see our subsidy drop by $720,000.

Mike, the numbers guy on our school board, describes the subsidy loss we face as similar to the income tax "marriage penalty." In the high school subsidy computation for our "un-reorganized" Five Town CSD, all five towns receive the standard mill-rate based state subsidy. But under reorganization, Camden's 9-12 student population would be combined with its K-8 population, raising Camden's mill rate cap above its EPS allocation and reducing the subsidy accrued by its high school students to the much smaller minimum subsidy for special education. The same holds for Rockport, leading to a total loss of $720,000.

Our other concern is that costs might further increase in order to make teacher contracts "consistent." The RPC couldn't offer any significant savings to offset these increases, because our districts came together years ago: MSAD28 and the Five Town CSD share a superintendent and services; Hope, Appleton and Lincolnville share a superintendent and services; and the districts share staff to coordinate curriculum and technology.

In our districts, then, it would cost more to reorganize than to remain separate. Until this substantial subsidy loss is remedied, voting for reorganization will increase our taxes, and there is little chance of passing a reorganization plan.

Furthermore, I would just like to say that I have spoken to some of the other members of this body about my district's predicament and I've heard them say things like, "Oh, well those penalties don't affect my district. Why would I vote to allow districts more time?" I've also spoken to members of this body who struggled to consolidate and are still paying the high costs of managing their newly reorganized districts who have said, "It's the law. Those who don't comply with the law must face the consequences."

Well, I urge you as legislators to think in terms of justice, fairness and the democratic process. This law was shoved down the throats of the good people of rural Maine, and I urge you to think about the concepts of justice and fairness when you vote on this bill, and vote for the pending motion and vote to allow our struggling rural districts more time to comply. Thank you.

The SPEAKER: The Chair recognizes the Representative from Livermore Falls, Representative Knight.

Representative **KNIGHT**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise also in support of the pending motion. The good Representative from Jay pretty well explained our situation. I just want to add a little bit to that. One size, we all know, does not fit all. I am a proponent of consolidation, when the right size is there, and in the case of SAD 36 in Jay, it makes eminent sense. We would be and should be the poster child. As we worked through this process, as my good friend from Jay pointed out, over 18 months, lots of things have happened in the areas of Livermore Falls and Jay, not the least of which you're all familiar, the Wausau Paper Company closing. So we now have loss our economic base, or a good chunk of it. We were without a town manager during this process. We now have one; he came on board three weeks ago. We actually lost our superintendent of schools during the process for personal reasons. We have worked diligently, very hard on this project. I personally voted for it. But again, by a very, very few votes, we lost this vote in Jay and Livermore Falls. We need desperately, the additional time, and I guess the word would be plead and beg those of you who feel that this is not an issue, to give those communities like ours the additional time to make this work. This will work in Jay and Livermore Falls, but we do need the one additional year, please give it to us. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. In some ways, I'm of the least likely candidate to stand here before you today in support of this measure, and yet I do so out of a sense of obligation to the state as a whole. The two districts that I represent, one of them was essentially "held harmless" by the school consolidation law that we passed a couple of years ago. It was already big enough; it had its budget cut somewhat, relative to what it might have been. The other needed to do some work and did in fact successfully consolidate. They might be a candidate for some of this transition money, if that money were to

materialize, but Madam Speaker, Men and Women of the House, the earliest that this money could be awarded to that community would be in January, and we have no assurance, at present, that it would be awarded at that time. Even if it were, by then, the budget is in motion, there are only a few months left until next year at this time, and so the delay would only serve to be buy a few months of marginal, at best, transition funding. That $5 million in the meantime sits there, does nothing for our schools, it does nothing for our children. All it does is increase pressure on the mill rates. You know, a Republican hero of mine, Teddy Roosevelt, once said that 90 percent of wisdom is wisdom in time. I think it is time for us to give time to the schools. I'm a teacher by trade, I've been in education for 20 years, and when I give an assignment that is unclear or it has unrealistic deadlines, and that does happen, I admit, from time to time, usually I can give an extension and the children who have done the work appropriately and handed it in on time have absolutely no resentment for those who needed a little extra time to make sense of the assignment. I think that's what we're talking about, Madam Speaker. I think we should give that extension on the assignment and allow a few months to go by, that might very well go by anyway if we were not to pass this bill. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Chapman, Representative Sutherland.

Representative **SUTHERLAND**: Thank you, Madam Speaker. I'd like to point out a correction for the members of this body. The Minority Report, Ought to Pass as Amended, the amendment was an emergency preamble and that was passed, it was attached to the bill and whether it was a clerical issue, I just want to point out that we are talking, discussing a bill with an emergency preamble. That is the only way we can move a bill, this piece of legislation forward, if you choose that way, otherwise it would not meet the competing measure guidelines which require a minimum of a two-thirds vote, so my apologies. I appreciate one of my colleges pointing it out to me. It was an oversight on my part to not point that out to your sooner.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Minority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 185

YEA - Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Blodgett, Boland, Bolduc, Browne W, Burns, Butterfield, Campbell, Carey, Casavant, Cebra, Celli, Chase, Clark H, Clark T, Cleary, Cornell du Houx, Cotta, Crafts, Crockett J, Crockett P, Curtis, Davis, Dill, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Greeley, Hamper, Hanley, Harvell, Hill, Hogan, Hunt, Innes Walsh, Johnson, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, MacDonald, Magnan, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Morrison, Nass, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Pieh, Pinkham, Pratt, Rankin, Richardson D, Richardson W, Rosen, Russell, Sarty, Saviello, Schatz, Shaw, Sirois, Stevens, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Trinward, Tuttle, Wagner J, Wagner R, Watson, Weaver, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - Adams, Briggs, Bryant, Cain, Cohen, Connor, Dostie, Flaherty, Goode, Harlow, Haskell, Hayes, Hinck, Legg, Lovejoy, Martin JR, Miller, Millett, Nelson, Peterson, Pilon, Plummer, Priest, Robinson, Rotundo, Sanborn, Smith, Strang Burgess, Treat, Valentino, Van Wie, Webster.

ABSENT - Bickford, Blanchard, Cray, Cushing, Jones, Lewin, Piotti, Prescott.

Yes, 111; No, 32; Absent, 8; Excused, 0.

111 having voted in the affirmative and 32 voted in the negative, with 8 being absent, and accordingly the Minority **Ought to Pass as Amended** Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (H-352)** was **READ** by the Clerk and **ADOPTED**.

Under suspension of the rules the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading**.

Under further suspension of the rules the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-352)** and sent for concurrence. **ORDERED SENT FORTHWITH**.

HOUSE DIVIDED REPORT - Majority (8) **Ought Not to Pass** - Minority (5) **Ought to Pass as Amended by Committee Amendment "A" (H-257)** - Committee on **EDUCATION AND CULTURAL AFFAIRS** on Bill "An Act To Repeal the School District Consolidation Laws"

(I.B. 4) (L.D. 977)

TABLED - May 13, 2009 (Till Later Today) by Representative SUTHERLAND of Chapman.

PENDING - Motion of same Representative to **ACCEP**T the Majority **OUGHT NOT TO PASS** Report.

The SPEAKER: The Chair recognizes the Representative from Chapman, Representative Sutherland.

Representative **SUTHERLAND**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. We have before us a piece of legislation that is a citizen's initiative, and I previously moved the Majority Ought Not to Pass Report and I like to speak to that a little bit.

One of my first reasons for doing that is you've seen the list of the small towns we just addressed previously. Not a whole lot of people, lots of towns. Those people worked very, very hard to collect over 55,000 signatures in order to put their citizen's initiative forward. I suspect that there were very few, if any, paid signature gathers, maybe there were, but they worked very hard in order to gather that number of signatures. Personally, I think they deserve to have this put before the people of the state, which is what they wish to do.

Secondly, I have concerns about the legal ramifications if we repeal this piece of legislation. There would be a whole host of currently legally existing school units that would disappear, because the entire law, this eliminates, repeals all of the law, not just provisions of it. If I use MSAD 43, Rumford, as an example, and they are part of RSU 10 now that includes MSAD 21, Dixfield; MSAD 39, which is Buckfield, Hanover and the Rumford SAD. They have formed an RSU tent. Let's just talk about one community. MSAD 43 in Rumford would have no legal identity, not a new identity, not an old identity, because the old identity was put away when the new one was begun. There would be no elected school board, no superintendent under contract, no school unit budget, no line of credit established, whole lots of other things I don't need to go into. You know, you've all heard all of this. It would create a legal quagmire for our school units around the state. Certainly could work their way out of it, certainly this Legislature could help, or not, in moving some things forward, but it really would create a situation of a morass, if you will, of what do we do now, and it can be done but there would be those months when it would be very difficult, very challenging, and again, whatever issues we adults in this state have around how we're going to run our schools, we must put

Representative **KRUGER**: Thank you, Madam Speaker. I got to know Harry in 1974 when I was a minstrel on the steak and salad circuit in southern Maine and Harry was a frequent visitor to my places of employment. I wound up working on Harry's campaign in '74, occasionally as a driver, but mostly as a diversion. I was his respite from the intensity of campaigning. One of Harry's answers to the question "How are you doing?" was first rate, and that touched me, always touched me, and this is the first time I'm telling anybody this, but I wrote a song which Harry was a big fan of, and some of you may know, called "Back to Maine". In the first verse of that song, the line is "rolling home is a first rate thing to do" and Harry knew that I snatched that from him and sang it as a salute to him, but nobody else ever knew that, and I just want to say that one of my big regrets in life is that I didn't take him up on his invitations more often than I did. I enjoyed him very much, I think he enjoyed me. We had a great sail one time that we went up to Christmas Cove. I'll stop now, but Harry was in fact a first rate mind and a first rate man, and I will miss him.

Subsequently, the Sentiment was **ADOPTED** and sent for concurrence.

REPORTS OF COMMITTEE
Divided Report

Majority Report of the Committee on **TRANSPORTATION** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-539)** on Bill "An Act Making Unified Highway Fund and Other Funds Allocations for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011" (EMERGENCY)

(H.P. 269) (L.D. 333)

Signed:
Senators:
DAMON of Hancock
PERRY of Penobscot
GOOLEY of Franklin

Representatives:
MAZUREK of Rockland
HARLOW of Portland
THERIAULT of Madawaska
ROSEN of Bucksport
HOGAN of Old Orchard Beach
BROWNE of Vassalboro
CEBRA of Naples
PEOPLES of Westbrook
CAREY of Lewiston

Minority Report of the same Committee reporting **Ought Not to Pass** on same Bill.

Signed:
Representative:
THOMAS of Ripley

READ.

Representative MAZUREK of Rockland moved that the House **ACCEPT** the Majority **Ought to Pass as Amended** Report.

On further motion of the same Representative, **TABLED** pending his motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report and later today assigned.

CONSENT CALENDAR
First Day

In accordance with House Rule 519, the following items appeared on the Consent Calendar for the First Day:

(H.P. 666) (L.D. 964) Bill "An Act Pertaining to the Breeding and Selling of Dogs and Cats" Committee on **AGRICULTURE, CONSERVATION AND FORESTRY** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-553)**

(H.P. 1005) (L.D. 1449) Bill "An Act To Expand Tax Incentives for Visual Media Productions" Committee on **TAXATION** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-554)**

Under suspension of the rules, Second Day Consent Calendar notification was given.

There being no objection, the House Papers were **PASSED TO BE ENGROSSED as Amended** and sent for concurrence.

ENACTORS
Emergency Measure

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year

(H.P. 225) (L.D. 285)
(C. "A" H-352)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed.

On motion of Representative CONNOR of Kennebunk, the rules were **SUSPENDED** for the purpose of **RECONSIDERATION.**

On further motion of the same Representative, the House **RECONSIDERED** its action whereby the Bill was **PASSED TO BE ENGROSSED.**

The same Representative **PRESENTED House Amendment "A" (H-548)** which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Kennebunk, Representative Connor.

Representative **CONNOR**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise briefly to inform you about the amendment that I have just proposed. Again, as the good Clerk just began to read, the state shall pay the cost of consolidation by July 1, 2012 for any town or community that has complied by June 2, 2009 with the laws governing the reorganization of school administrative units. As we just acted last week, we delayed the penalties for the communities that did not comply with the law, but as of June 2, 2009, we had 98 prior SAUs that were approved to reorganize, coming together and forming 26 reorganized units. When I look at that, we talked about the penalties of noncompliance a lot in the prior debate. We didn't talk at all, or at least, and I apologize I didn't stand up and I didn't talk about the penalties of compliance, because when you come together and you form a new unit, there are costs that are associated with consolidation. You redo your insurance policies; you redo your titles to your buses. On and on, there are a number of items that are required to be paid for because you complied with this law, and this amendment, as brief as it is, will merely say that for those communities that did comply with the law, we appreciate the sincerity and work that you did and we will cover those costs for you by the year 2012. Thank you, Madam Speaker.

Representative SUTHERLAND of Chapman moved that **House Amendment "A" (H-548)** be **INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Kennebunk, Representative Connor.

Representative **CONNOR**: Thank you, Madam Speaker. Again, I wish to just briefly speak to this. This is about fairness. At the end of the day, we heard folks, I believe somebody said we created this mess, we need to fix it. Well, folks, we had people that looked at what some may characterize as a mess and say it is the law of the land, I will follow it, I will do this, they went forward, they complied with the law and they are the only ones right now being penalized. I wasn't going to get into kind of jokes, but I always do, so if I'm driving down Route 95, the Turnpike, and I'm going 90 and I get a ticket, I don't say well I really don't want to pay it because I think the speed limit should be 90. I don't do that, I pay my ticket. In fact, if you look at the records, I have. I wasn't going 90. But more importantly, we don't say to folks, well, you're right, the law wasn't that good so no penalty for you. Now this body did choose to do that a week ago and I think we did that for good reason. We thought we wanted to look at fairness, we wanted to give folks time to comply. But to say to the folks that did follow the law, hah, you got nothing, nice job, thanks but go ahead and pay your fees, pay your titles, pay all of those things. Well, the other communities that failed for whatever reason to comply with the law, that's just not fair and I know that this body is all about fairness, and I hope you will follow my red light to defeat the Indefinite Postponement of this amendment and we'll move forward from there. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Monmouth, Representative Smith.

Representative **SMITH**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise briefly to speak against the pending motion with great respect for the Chair of the Education Committee, but I do agree with my seatmate, this is an appropriate motion. Good faith efforts were made, they were to be rewarded; however, prior action by this body and the other, last week as a matter of fact, has undone that option. I think this is an appropriate mechanism, and I request a roll call. Thank you.

Representative SMITH of Monmouth **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "A" (H-548)**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Celli.

Representative **CELLI**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This bill, every school district tried to comply. They worked hard, they met in committees. A lot of money was spent over the last couple of years trying to come up with a consolidation. If the voters voted it down, there was still a lot of money spent and a lot of time spent. The state education office has spent over $5 million on this issue in the last two years—$5 million. So how far do we go to repay everybody because of a really bad piece of legislation that was put out? It could go on forever and we don't have the money for that. I say, I vote against this.

The SPEAKER: The Chair recognizes the Representative from Freeport, Representative Webster.

Representative **WEBSTER**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I think more than any other comment that I have heard about consolidation and about the RSU that has formed in my community has been comments regarding the sense that Augusta, whoever that is, doesn't get it. He or she doesn't get it. People say to me, I want you to tell Augusta, I keep trying to find that office in the State House, but they want me to tell Augusta that the people back home are losing faith in the legislative and executive process. They don't understand that it's a legislative and executive process. We made a commitment to people. We were unhappy, some of us, with the deal that got made, but we created a law, and law abiding citizens sat down together and worked day after day for weeks and months to put together something to comply with the law. It concerns me greatly that now because people are not happy with the law that we made, that we do not feel responsible for the consequences of our actions. Men and Women of the House, many RSUs, and I know I can speak for the one that I represent, part of their motivation for complying was that it was the law. Part of it was the threat of penalty and part of it was the help that was going to be offered, and they took those three factors into account, two of which were financial in nature, and we are now pulling that back out, two of those back out from under their calculations. The damage is being done in terms of our credibility, and I would appreciate the fact that we will have a roll call, and I support Representative Connor's amendment and I hope that you will follow his light. Thank you.

The SPEAKER: The Chair recognizes the Representative from Stockton Springs, Representative Magnan.

Representative **MAGNAN**: Thank you, Madam Speaker. Madam Speaker, Honorable Members of the House. I will build on what has been said. I have two RSUs which contain all of my towns, and we complied because it was the law. I was on one of the RSU teams myself. I can tell you that Orland, one of my little towns, is going to be penalized, not because they didn't join an RSU, but because of a rearranging of finances for $366,000. Two of my other little towns are going to be around $33,000 and they have fewer than 600 people in them. These are towns that complied. Now I can tell you if we don't get some help for these RSU teams that did the job, wait until you see what happens with the people in those towns if this goes to a referendum. Do you think they're going to want to stay there? I think we need some incentives to keep our RSUs together. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Saco, Representative Valentino.

Representative **VALENTINO**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise today to also support the amendment. One of the reasons I support this is that we have an election tomorrow in Saco. I was fortunate enough to vote by absentee ballot on Friday because we were let out early, and that was the first question that the clerks and all of the people in city hall asked me: What about the penalties Linda? What's going on with the penalties? This isn't fair. We voted to consolidate because we thought there were going to be penalties involved. I understand that some districts were not able to do this in a timely fashion; I understand that we've given a delay on this. What I don't understand and what I cannot answer are the questions to my citizens saying we went ahead and we went and did this, we went to meetings after meetings, we rushed it and we have a vote tomorrow. Should we vote for this budget or should we not vote? Are you going to change this again in Augusta? Are you going to eliminate the school consolidation? Are you going to delay the penalties? How should we vote tomorrow? I feel that we should go with this amendment, Members of the House, because I feel this is what we voted for originally when we passed school consolidation, and I know I want the election in Saco to be held tomorrow, I want people to come out, and I want them to vote of the budget for the new RSU. Thank you.

The SPEAKER: The Chair recognizes the Representative from Greenville, Representative Johnson.

Representative **JOHNSON**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I have great empathy for the towns that are involved in this law, that are

now facing the problem of penalties. This was a poor law. It was premised on saving money and improving education, and the further we get down the line, the less we see of certainly the cost implications and there has been no discussion of improving education. The law is seeing cost shifts in many of the RSUs that are formed and we see that, due to the lack of time for implementation, a lot of these plans are not well thought out. So what do we do about it? We are now presented with an amendment that would help some of these communities. I am in favor of helping those communities, but it's an undefined cost so I'd like to ask anyone who is capable of answering, Madam Speaker, with your permission, what is the cost of this amendment?

The SPEAKER: The Representative from Greenville, Representative Johnson has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Kennebunk, Representative Connor.

Representative **CONNOR**: Thank you, Madam Speaker. I will attempt to answer that question. As you know, the fiscal note on this is an undetermined fiscal note, and what I do know is that a portion of the penalty dollars which were collected, which was roughly $5.2 million, was going to go to help offset the cost of consolidation for some of those communities. Now I will admit that the good Committee on Education looked at that issue by some of the statements made by the commissioner in regard to where those dollars would go, but I do think that we have a full understanding that it is less than that $5.2 million. As a member of the Appropriations Committee, I am always worried about fiscal notes, but I think this is a situation when we look at fairness, when we look at folks that did comply with the law, this may be one of the issues that we go out and we find the dollars as we go forward. It's one of the reasons that I wrote this to be 2012. Thank you, Madam Speaker.

Under suspension of the rules, members were allowed to remove their jackets.

The SPEAKER: The Chair recognizes the Representative from Blue Hill, Representative Schatz.

Representative **SCHATZ**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I'm in favor of the amendment and here's why. I think that, first of all, 285 is really a delay of penalties and there is probably an assumption that even if the penalties are delayed and those school districts who would benefit from that of forward, which is my assumption they would do, there are those same costs that are being experienced by the schools that the good Representative from Kennebunk has pointed out will be seeded in those districts. So I'm presuming the law the language, I see the language of this amendment, that those additional costs for consolidating of those districts, such as the ones I represent, will also be covered in this amendment. I think what we have, if you look at the situation, is a population of two victims: We have the victims, who couldn't get it together in time and, therefore, are being penalized, and the others ones, who rushed to consolidate because they were trying to comply will the law and didn't see the cost of that consolidation for them. I think everybody should be cured, if you will, and the remedy of this amendment is that remedy and it would apply to the school districts who are going to come into compliance within the next year, I think we have a remedy that suits all. I'm inclined to vote red in this case. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Freeport, Representative Webster.

Representative **WEBSTER**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I would just respond to the question regarding the cost. Certainly, as another member of Appropriations Committee, I, too, am concerned about any costs that we can't nail down and we don't know exactly what the resource is. However, in the past budgetary process, what we did is we crafted and worked together in order to do the best we could with the dollars we had in order to be fair and to look towards the future. I would ask you what is the cost of not fulfilling the expectations that we created. Now some might say that the Legislature never said that people were going to be helped if they consolidated, but believe me, we were all aware that that was being put out there and we did not do anything to stop it. So I would ask you to think whether in fact it is fully our responsibility that that expectation was created. The image now at home for all of us has to do with the credibility of this body, and I would ask you what is the cost of not maintaining credibility with our citizens. Thank you.

Subsequently, Representative SMITH of Monmouth **WITHDREW** her **REQUEST** for a roll call.

Subsequently, Representative SUTHERLAND of Chapman **WITHDREW** her motion to **INDEFINITELY POSTPONE House Amendment "A" (H-548)**.

The SPEAKER: The Chair recognizes the Representative from Harrison, Representative Sykes.

Representative **SYKES**: Thank you, Madam Speaker. Madam Speaker, I question whether or not House Amendment (H-548) is properly before the body and is germane and ask for a ruling.

Representative SYKES of Harrison asked the chair to **RULE** if **House Amendment "A" (H-548)** was germane to the Bill.

The SPEAKER: The Representative from Harrison, Representative Sykes, has questioned the germanous of House Amendment A. This matter will be tabled pending a ruling of the Chair. Is this the pleasure of the House?

Subsequently, the Bill was **TABLED** by the Speaker pending a **RULING OF THE CHAIR**.

Emergency Measure

An Act To Conform State Mortgage Laws with Federal Laws
(S.P. 523) (L.D. 1439)
(H. "A" H-532 to C. "A" S-221)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 135 voted in favor of the same and 0 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

Acts

An Act To Direct Fines Derived from Tribal Law Enforcement Activities to the Passamaquoddy Tribe and the Penobscot Nation
(H.P. 545) (L.D. 796)
(C. "A" H-527)

An Act To Amend the Animal Welfare Laws
(H.P. 758) (L.D. 1103)
(C. "A" H-523)

An Act To Amend the Maine Certificate of Need Act of 2002 To Change Nursing Facilities Review Thresholds for Energy Efficiency Projects and for Replacement Equipment
(H.P. 803) (L.D. 1164)
(C. "A" H-534)

- In House, Majority (8) **OUGHT TO PASS AS AMENDED** Report of the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-153) AS AMENDED BY HOUSE AMENDMENT "A" (H-447)** thereto on June 1, 2009.
- In Senate, Minority (5) **OUGHT NOT TO PASS** Report of the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY READ** and **ACCEPTED** in **NON-CONCURRENCE.**
TABLED - June 2, 2009 (Till Later Today) by Representative PIEH of Bremen.
PENDING - **FURTHER CONSIDERATION.**

Subsequently, on motion of Representative PIEH of Bremen, **TABLED** pending **FURTHER CONSIDERATION** and later today assigned.

An Act To Amend the Maine Clean Election Laws Governing Gubernatorial Candidates

(H.P. 970) (L.D. 1380)
(C. "A" H-429)

TABLED - June 3, 2009 (Till Later Today) by Representative TRINWARD of Waterville.
PENDING - **PASSAGE TO BE ENACTED.**

On motion of Representative TRINWARD of Waterville, the rules were **SUSPENDED** for the purpose of **RECONSIDERATION.**

On further motion of the same Representative, the House **RECONSIDERED** its action whereby the Bill was **PASSED TO BE ENGROSSED.**

On further motion of the same Representative, the rules were **SUSPENDED** for the purpose of **FURTHER RECONSIDERATION.**

On further motion of the same Representative, the House **RECONSIDERED** its action whereby **Committee Amendment "A" (H-429)** was **ADOPTED.**

The same Representative **PRESENTED House Amendment "A" (H-529)** to **Committee Amendment "A" (H-429)** which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Waterville, Representative Trinward.

Representative **TRINWARD**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I just would like to very briefly explain the amendment. The amendment was brought to our attention that there would be gubernatorial candidates that would be interested in using the new regulations or new restrictions for seed money and would like to start being able to collect their seed money this summer. It makes perfect sense that if you are running for Governor, and you were allowed to raise more seed money, that you would be allowed to start collecting it earlier. So this would put an emergency preamble on this bill so that people could start their campaigns as soon as the summer.

The second piece that we did was we moved the date back to April 1st, when your signatures are due at the Commission's Office. This gave the commission extra time to get their gubernatorial signatures done before they started receiving legislative signatures for Clean Election money. So what we failed to do was to add the two weeks we took away at the beginning, so what we've done is change the beginning date for collecting signatures to start two weeks earlier and to end two weeks earlier. Thank you.

Subsequently, **House Amendment "A" (H-529)** to **Committee Amendment "A" (H-429)** was **ADOPTED.**

Committee Amendment "A" (H-429) as Amended by House Amendment "A" (H-529) thereto was **ADOPTED.**

The Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-429) as Amended by House Amendment "A" (H-529)** thereto in **NON-CONCURRENCE** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH.**

The SPEAKER: The Chair recognizes the Representative from Belfast, Representative Giles, who wishes to address the House on the record.

Representative **GILES**: Yes, on the following roll calls, and you may want to help me out because I haven't missed a session yet, I was absent on Friday and on Roll Call No. 200 for LD 253, I would have voted yea. On Roll Call No. 206, LD 1088, I would have voted nay. On Roll Call No. 202, LD 1205, I would have voted nay. On Roll Call No. 205, LD 1264, I would have voted nay. On Roll Call No. 201, LD 1392, I would have voted yea. On Roll Call No. 203, LD 1438, I would have voted yea. And Roll Call No. 204, LD 1485, I would have voted yea had I been present. Thank you.

The House recessed until 2:00 p.m.

(After Recess)

The House was called to order by the Speaker.

The Chair laid before the House the following item which was **TABLED** earlier in today's session:

An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for One Year (EMERGENCY)

(H.P. 225) (L.D. 285)
(C. "A" H-352)

Which was **TABLED** by the Speaker pending a **RULING OF THE CHAIR.**

The SPEAKER: The Chair has carefully considered the matter pending ruling as to the germanous of House Amendment "A". On the question of germanous, the Chair is bound by House Rule 506 which simply requires that an amendment must be germane to the proposition under consideration, and by Section 402 of the parliamentary manual of the House, the *Mason's Manual of Legislative Procedure*. Section 402 of *Mason's* reads in its entirety:

Amendments Must Be Germane

1. Every amendment proposed must be germane to the subject of the proposition or to the section or paragraph to be amended.
2. To determine whether an amendment is germane, the question to be answered is whether the question is relevant, appropriate, and in a natural and logical sequence to the subject matter of the original proposal.
3. To be germane, the amendment is required only to relate to the same subject. It may entirely change the effect of or be in conflict with the spirit of the original motion or measure and still be germane to the subject.

4. An entirely new proposal may be substituted by amendment as long as it is germane to the main purpose of the original proposal.
5. An amendment to an amendment must be germane to the subject of the amendment as well as to the main question.

The title of LD 285 is "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years." House Amendment "A" would add an additional section to the bill to pay the costs of consolidation for those municipal units that have complied with the school consolidation law. The subject and purpose of House Amendment "A" to pay for the cost of compliance is different than the main purpose of delaying penalties for noncompliance in LD 285. Therefore, House Amendment "A" is in conflict with the spirit of the original measure. With respect to House Amendment "A", the Chair finds the amendment is not germane.

Subsequently, the Chair **RULED House Amendment "A" (H-548)** was not germane to the Bill pursuant to House Rule 506, and by Section 402 of the parliamentary manual of the House, the *Mason's Manual of Legislative Procedure*. Section 402 of *Mason's*.

Subsequently, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-352)**.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I think we're opening the Pandora's Box when we start opening this stuff up and I'm going to be voting against LD 285 and I suggest that you follow the red light. Thank you.

This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 98 voted in favor of the same and 40 against, and accordingly the Bill **FAILED PASSAGE TO BE ENACTED**, sent to the Senate.

The Chair laid before the House the following item which was **TABLED** earlier in today's session:

An Act To Ensure That Construction Workers Are Protected by Workers' Compensation Insurance

(H.P. 1008) (L.D. 1456)
(C. "A" H-536)

Which was **TABLED** by Representative MARTIN of Eagle Lake pending **PASSAGE TO BE ENACTED**.

On motion of Representative MARTIN of Eagle Lake, the rules were **SUSPENDED** for the purpose of **RECONSIDERATION**.

On further motion of the same Representative, the House **RECONSIDERED** its action whereby the Bill was **PASSED TO BE ENGROSSED**.

On further motion of the same Representative, the rules were **SUSPENDED** for the purpose of **FURTHER RECONSIDERATION**.

On further motion of the same Representative, the House **RECONSIDERED** its action whereby **Committee Amendment "A" (H-536)** was **ADOPTED**.

The same Representative **PRESENTED House Amendment "A" (H-557)** to **Committee Amendment "A" (H-536)** which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Eagle Lake, Representative Martin.

Representative **MARTIN**: Thank you, Madam Speaker. Madam Speaker, Members of the House. This basically clarifies I should say, puts into the bill what the committee had voted.

The SPEAKER: The Chair recognizes the Representative from Sanford, Representative Tuttle.

Representative **TUTTLE**: Thank you, Madam Speaker. I would also concur with the good Representative from Eagle Lake, Representative Martin. This was the intent of the legislation but inadvertently it was left out, and I would thank him for his amendment.

Subsequently, **House Amendment "A" (H-557)** to **Committee Amendment "A" (H-536)** was **ADOPTED**.

Committee Amendment "A" (H-536) as Amended by House Amendment "A" (H-557) thereto was **ADOPTED**.

The Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-536) as Amended by House Amendment "A" (H-557)** thereto in **NON-CONCURRENCE** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

The following items were taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matter, in the consideration of which the House was engaged at the time of adjournment Friday, June 5, 2009, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

Bill "An Act To Designate Sales Tax Holiday Weekends"

(H.P. 792) (L.D. 1148)
(C. "A" H-400)

TABLED - June 1, 2009 (Till Later Today) by Representative BERRY of Bowdoinham.

PENDING - **PASSAGE TO BE ENGROSSED**.

On motion of Representative STRANG BURGESS of Cumberland, the rules were **SUSPENDED** for the purpose of **RECONSIDERATION**.

On further motion of the same Representative, the House **RECONSIDERED** its action whereby **Committee Amendment "A" (H-400)** was **ADOPTED**.

The same Representative **PRESENTED House Amendment "A" (H-555) to Committee Amendment "A" (H-400)** which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Cumberland, Representative Strang Burgess.

Representative **STRANG BURGESS**: Thank you, Madam Speaker. Madam Speaker, fellow Members of the House. I am actually really excited. We've done a lot of work to bring this amendment to you for your consideration. This is adding or actually working with the existing concept of a sales tax holiday weekend. You folks in this body, a week and a day or so ago, gave this bill a nice resounding vote of your support. Since that time, we all know that the fiscal note on that bill is extremely high, but you all believed, as I do, that we need to do something for the citizens of this state and our Maine retail businesses and those folks who are working in the retail industry.

As you know, that state next door to us, New Hampshire, has the sales tax holiday 365 days a year. Well, we would like to encourage Maine residents to keep their money in Maine. This, we've debated already about the aspects of a sales tax holiday, but just a couple of highlights to tell you what this amendment is that's in front of you. You should have also received on your desks a couple page handout that highlights some of these facts

On motion by Senator **ALFOND** of Cumberland, Bill and accompanying papers **INDEFINITELY POSTPONED**, in concurrence.

Divided Report

The Majority of the Committee on **EDUCATION AND CULTURAL AFFAIRS** on Bill "An Act To Amend the Laws Governing the Consolidation of School Administrative Units To Delay All Penalties for 2 Years"

H.P. 225 L.D. 285

Reported that the same **Ought Not to Pass.**

Signed:

Senators:
ALFOND of Cumberland
SCHNEIDER of Penobscot

Representatives:
SUTHERLAND of Chapman
CASAVANT of Biddeford
LOVEJOY of Portland
NELSON of Falmouth
RANKIN of Hiram
WAGNER of Lewiston

The Minority of the same Committee on the same subject reported that the same **Ought To Pass as Amended by Committee Amendment "A" (H-352).**

Signed:

Senator:
WESTON of Waldo

Representatives:
FINCH of Fairfield
JOHNSON of Greenville
McFADDEN of Dennysville
RICHARDSON of Carmel

Comes from the House with the Minority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-352).**

Reports **READ.**

Senator **ALFOND** of Cumberland moved the Senate **ACCEPT** the Majority **OUGHT NOT TO PASS** Report, in **NON-CONCURRENCE.**

On motion by Senator **COURTNEY** of York, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Waldo, Senator Weston.

Senator **WESTON:** Thank you, Mr. President. Men and women of the Senate, we've just taken a vote and had a bit of debate on penalties. This bill before you is different than the title that you see in your calendar. It says this delay is for two years. This delay is for one year and we try to coincide it with the vote that is coming up. I'm going to keep my remarks short. I can't help but liken this and hope that we will look at this bill in the way that we might if someone came into our home and robbed us and we came home from work and saw that someone had taken our valuables and we might think, 'Oh my goodness, I've been robbed. I hope they robbed my neighbor, too.' We could say, 'Oh my goodness, I better go and warn my neighbors so that they don't get robbed as well.' I think that's really what we have before us. It was contentious two years ago. It was contentious last year. It's contentious this year. Many of them made the decision not to consolidate because it did hurt them financially. They made a prudent decision based on dollars. Now we know we're going to have a repeal referendum, so what this bill asks for is to let's give this little reprieve until after this vote and then we'll see what lies ahead of us. I think it's fair and I think that I want to say to my neighbor let me warn you, let me help you, let me assist and not punish you because I made a decision one way and you're making it another. I ask that you be compassionate to your neighbor and join the other chamber who voted with over a two-thirds margin to give this delay for one year until after the vote in November. Be kind to your neighbor. Thank you.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Penobscot, Senator Schneider.

Senator **SCHNEIDER:** Thank you, Mr. President. Men and women of the Senate, again I rise and I think that the reason why a lot of members in communities that ended up consolidating, and they are not as charitable, is that they feel they were pushed into making a decision based on the penalties. They feel that the fair thing to do is to move forward unless we have a full repeal. So far, when I've spoken with people in the community or received e-mails or communications from constituents, regardless of whether they consolidated or not, there seems to be a large momentum towards repeal. For this reason I again support the pending motion in hopes that we can move on to the more equitable way to deal with this situation across the board. So I hope you'll support the pending motion of Ought Not to Pass.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Lincoln, Senator Trahan.

Senator **TRAHAN:** Thank you, Mr. President. Members of the Senate, I'd just like to rise a moment to tell you why I certainly support this bill and the one that will be coming before us. I have felt from the beginning that this policy was a flawed policy. I've never seen a relationship built where one entity says to the other; we're going to let you choose to do something, but if you don't choose the way we want you to, we'll penalize you for it. That's not the way that true partnerships work. True partnerships work through joint respect for each other, folks coming to the table negotiating their different positions, and then joining together on a resolution. I don't believe that consolidation has ever followed that road. I was here when it was negotiated. I saw how it was done. I saw what group did it. I feel that's not the way the process should work. I helped gather the signatures that brought

this to referendum in the Fall. I'm proud to say that I did that and I hope that we can have a resolution to this. Certainly delaying this for a year until that decision has been made by the public seems to be a responsible way to go. I ask you to defeat the motion, move Ought to Pass and let this kind of get behind us. Thank you, Mr. President.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Aroostook, Senator Sherman.

Senator **SHERMAN**: Thank you, Mr. President. Ladies and gentlemen of the Senate, I agree with the last two speakers and I'd add this piece. This is a question of how we manage things in this Legislature. If this had gone along with the SADs a few years, many years ago, it took eight or ten years to get from SAD 1 to SAD 100 or whatever it is. It's time to look at it. I voted against the budget two years ago because this piece was in here. I don't believe it's managed well and I'm not sure how well it's managed here. This is a little breathing space to allow people to work on, come together, and maybe see if we have one Maine or one kind of vision. I don't like the word vision. It's for our kids and it's about our kids we're messing with. Some of them running around the building today. What we did two years ago I also heard that we were going to fix it. Yes sir, man, we were going to fix it. We'll come back and fix it. We knew it had flaws. Did we fix it? I'm not sure. I know people went back in my district say, 'Oh we had to vote for the budget because that was in it and we'd shut the whole State down.' Great write up in the paper, we couldn't fix it. Here's a piece of fix, a little piece of it. I think with some honesty in the way we manage things, we're going to fix it, and maybe we ought to give some breathing space to do it. We can go into whether it's good or bad or indifferent. The history is, you gave the people of the State of Maine the SADs. Most individuals weren't born then, but it started back in the 1970s. We closed schools. We consolidated schools. It was with the management of local people. SAD 1 was Presque Isle, Maine. This one, SAD 1 in Presque Isle, Maine dug it's feet in. Derek Johnson said, 'When you guys figure it out, we'll talk to you.' I said, 'Good for you.' They've done some consolidation up there. SAD 20 is Houlton. It took us several years to get there. I taught in SAD 70. There was a fight over closing some schools then. They worked things out. You had incentives under busing. We knew kids were going to hop on buses. I remember one meeting we had where parents said, when the superintendents were trying to sell this, 'Gee, we can take care of them.' A lady said, 'Someone's going to go for a ride.' We may be going for a ride now, but all we're asking out of this is give it time to work. Keep your word that you gave the people of the State of Maine when you went back home and said in newspaper after newspaper, and I've got some of the clippings, that we'll fix this. This is your chance to keep your word and do it. I know one Legislature can't bind another, but one person's word, frankly, should be honored. You should honor your word, some of you that wrote that. We're going to fix it. I thank you.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Androscoggin, Senator Nutting.

Senator **NUTTING**: Thank you, Mr. President. Ladies and gentlemen of the Senate, I rise this morning to oppose the pending motion. I'm still struck by the Brookings Report that we received three years ago, or maybe it was four years ago. It clearly said in the beginning of the Brookings Report that State government should make the cuts first, then ask the municipalities, and then ask the schools to become more efficient and make cuts. I don't think that has happened, at least not to my satisfaction. I am supporting the Minority Report to give a one-year ease on penalties until we see what happens this Fall in the vote. I think that's reasonable. I am frustrated that we still have a huge push for consolidation and a huge push for penalties coming from this State's Chief Executive while you look at the Chief Executive's own Executive budget that is now $721,000 a year higher than what it's been for any other previous Chief Executive. To me, that is not setting an example to cut State government first, before we ask others to make cuts in their own budgets. So, I'm going to not be supporting this pending motion and urge others to do the same. Thank you.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Kennebec, Senator Marraché.

Senator **MARRACHÉ**: Thank you, Mr. President. Men and women of the Senate, I too will be voting for the Minority Report. I'm not in favor of the current pending motion. Most of us consolidated. We even had a district that said, yes, and nobody wanted to be a friend with them. They didn't want to get together with them and they were going to be assessed a penalty, and thankfully we did address that. With the pending appeal coming up, with the massive cuts we've made in the budget, and the struggling economy I don't think it would be appropriate to assess these penalties if it might have the potential to be repealed in November. So I'm going to support the Minority Report, just to give people a chance, and if it does not get repealed, then they still have to assess that penalty and I think that's fair. Thank you.

THE PRESIDENT PRO TEM: The pending question before the Senate is the motion by the Senator from Cumberland, Senator Alfond to Accept the Majority Ought Not to Pass Report. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#168)

YEAS: Senators: ALFOND, BLISS, BOWMAN, COURTNEY, DAVIS, DIAMOND, HASTINGS, MCCORMICK, MILLS, PERRY, SCHNEIDER, SIMPSON, SULLIVAN, MITCHELL, THE PRESIDENT PRO TEM - PHILIP L. BARTLETT

NAYS: Senators: BRANNIGAN, BRYANT, CRAVEN, DAMON, GERZOFSKY, GOODALL, GOOLEY, HOBBINS, JACKSON, MARRACHE, NASS, NUTTING, PLOWMAN, RAYE, RECTOR, ROSEN, SHERMAN, SMITH, TRAHAN, WESTON

15 Senators having voted in the affirmative and 20 Senators having voted in the negative, the motion by Senator **ALFOND** of Cumberland to **ACCEPT** the Majority **OUGHT NOT TO PASS** Report, in **NON-CONCURRENCE**, **FAILED**.

The Minority **OUGHT TO PASS AS AMENDED** Report **ACCEPTED**, in concurrence.

READ ONCE.

Committee Amendment "A" (H-352) **READ** and **ADOPTED**, in concurrence.

Under suspension of the Rules, **READ A SECOND TIME** and **PASSED TO BE ENGROSSED AS AMENDED**, in concurrence.

Divided Report

The Majority of the Committee on **EDUCATION AND CULTURAL AFFAIRS** on Bill "An Act To Repeal the School District Consolidation Laws"

I.B. 4 L.D. 977

Reported that the same **Ought Not to Pass.**

Signed:

Senator:
ALFOND of Cumberland

Representatives:
SUTHERLAND of Chapman
FINCH of Fairfield
CASAVANT of Biddeford
WAGNER of Lewiston
LOVEJOY of Portland
NELSON of Falmouth
RANKIN of Hiram

The Minority of the same Committee on the same subject reported that the same **Ought To Pass as Amended by Committee Amendment "A" (H-257).**

Signed:

Senators:
SCHNEIDER of Penobscot
WESTON of Waldo

Representatives:
RICHARDSON of Carmel
McFADDEN of Dennysville
JOHNSON of Greenville

Comes from the House with the Majority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED.**

Reports **READ.**

Senator **ALFOND** of Cumberland moved the Senate **ACCEPT** the Majority **OUGHT NOT TO PASS** Report, in concurrence.

On motion by Senator **COURTNEY** of York, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Penobscot, Senator Schneider.

Senator **SCHNEIDER**: Thank you, Mr. President. Men and women of the Senate, I hope you will defeat the pending motion. I have heard nothing but complaints about this law since we passed it. Unfortunately, because it was imbedded in the budget, it was a situation where we could not take a clear up and down vote. Now is our opportunity to show how we truly feel about this piece of legislation which we passed. I think that there are opportunities for consolidation. I know within my own district there have been many movements made to work to reduce costs and work collaboratively with various administrations and deal with costs within school units. So I hope to defeat the pending motion, and I hope you'll join me. Thank you very much.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Waldo, Senator Weston.

Senator **WESTON**: Thank you, Mr. President. Men and women of the Senate, I had an opportunity to listen to the other Body debate this bill yesterday. I listened very intently in our committee. There was one argument that was used that I would like to explain. The argument that I heard most frequents was that people worked really hard to collect the signatures for the referendum to repeal school consolidation, so what they want is for us to say, no here in the Legislature, and let it go out. Well actually I don't think that's the case. They went out and got signatures and the question was to repeal. They want the Legislature to repeal. So, don't be afraid. Don't worry about they'll be upset. Say yes. This was a top down, paced far too quickly bill. If you remember when we passed this bill, when we had the fix it bill a year later, many members of this Body stood and said that this wasn't going to work, it has lots of problems, but we can fix it. The people have spoken. They signed the papers and they say we want something better. Let's speed them along that better path and reject this motion and vote to repeal. Thank you.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Aroostook, Senator Jackson.

Senator **JACKSON**: Thank you, Mr. President. Ladies and gentlemen of the Senate, I am going to be voting against the Majority on this and I'm going for the Minority Report. I think that, unfortunately, whenever we've had this issue, I think it kind of started with the 55% referendum. I was in the other Body then. I was one of a few that voted for the 55% for communities to get for education. I was under the impression that 55% going to the towns to go to education would relieve property taxpayers to some extent. I think at the time we were at 43/%. If we were to ramp up to 55%, I'm not sure if we ever did get to 55%, but we certainly are below that now. The 12% should have gone back out to property taxpayers. I think the State did at least increase that. The people, at least in my areas, never really did see the property tax rebate from the municipalities. When this opportunity for consolidation came along, I did think there was some merit to