

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY

H.P. 1366 - L.D. 1918

**An Act To Amend the Laws Regarding the Reserve Funds of Certain School
Organizational Structures**

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

Sec. 1. 20-A MRSA §1312, sub-§1, as amended by PL 1989, c. 132, §2, is further amended to read:

1. Establishment. A school administrative district may establish a reserve fund for school construction projects, financing the acquisition or reconstruction of a specific or type of capital improvement ~~or~~, financing the acquisition of a specific item or type of capital equipment or any of the expenditures listed under section 1485, subsection 1, paragraph A by including a request in the district budget, which must include a description of the purpose of the reserve fund, and receiving voter approval. The board of directors ~~shall be~~ is the trustee of the reserve fund. The reserve fund ~~shall~~ must be deposited or invested by the treasurer under the direction of the board.

Sec. 2. 20-A MRSA §1312, sub-§3, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

3. Expending moneys money from reserve funds. The board of directors may expend the sum in the reserve fund when authorized to do so by a vote of the district at a district meeting or a district budget meeting, when an article for that purpose is set out in the warrant calling the meeting, except that the board of directors may expend funds from a reserve fund by a vote of the board in accordance with the procedure in subsection 4:

A. In the event of an emergency that requires the immediate expenditure of funds and when, in responding to the emergency, a vote of the district for permission is cost-prohibitive; or

B. When such an expenditure is required by law.

Sec. 3. 20-A MRSA §1312, sub-§4 is enacted to read:

4. Procedure for expending money from reserve funds by vote of board. The procedure for the board of directors to expend funds from the reserve fund pursuant to subsection 3, paragraph A or B must be as follows.

A. The board of directors shall provide public notice of the regular or special meeting at which the vote to expend funds from the reserve fund will be taken.

B. The board of directors shall hold a public hearing prior to the vote to expend funds from the reserve fund.

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the board of directors.

Sec. 4. 20-A MRSA §1491, sub-§1, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

1. Establishment. A regional school unit may establish a reserve fund for school construction projects, financing the acquisition or reconstruction of a specific or type of capital improvement or, financing the acquisition of a specific item or type of capital equipment or any of the expenditures listed under section 1485, subsection 1, paragraph A by including a request in the regional school unit budget, which must include a description of the purpose of the reserve fund, and receiving voter approval. The regional school unit board is the trustee of the reserve fund. The reserve fund must be deposited or invested by the treasurer of the regional school unit under the direction of the regional school unit board.

Sec. 5. 20-A MRSA §1491, sub-§3, as enacted by PL 2007, c. 240, Pt. XXXX, §13, is amended to read:

3. Expending money from reserve funds. The regional school unit board may expend the sum in the reserve fund when authorized to do so by a vote of the regional school unit at a regional school unit meeting or a regional school unit budget meeting when an article for that purpose is set out in the warrant calling the meeting-, except that the regional school unit board may expend funds from a reserve fund by a vote of the board in accordance with the procedure in subsection 4:

A. In the event of an emergency that requires the immediate expenditure of funds and when, in responding to the emergency, a vote of the regional school unit for permission is cost-prohibitive; or

B. When such an expenditure is required by law.

Sec. 6. 20-A MRSA §1491, sub-§4 is enacted to read:

4. Procedure for expending money from reserve funds by vote of board. The procedure for the regional school unit board to expend funds from the reserve fund pursuant to subsection 3, paragraph A or B must be as follows.

A. The regional school unit board shall provide public notice of the regular or special meeting at which the vote to expend funds from the reserve fund will be taken.

B. The regional school unit board shall hold a public hearing prior to the vote to expend funds from the reserve fund.

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the regional school unit board.

Sec. 7. 20-A MRSA §1706, sub-§1, as enacted by PL 1989, c. 132, §3, is amended to read:

1. Establishment. A community school district may establish a reserve fund for school construction projects, financing the acquisition or reconstruction of a specific or type of capital improvement or, financing the acquisition of a specific item or type of capital equipment or any of the expenditures listed under section 1485, subsection 1, paragraph A by including a request in the district budget, which must include a description of the purpose of the reserve fund, and receiving voter approval.

The district school committee ~~shall be~~ is the trustee of the reserve fund. The reserve fund ~~shall~~ must be deposited or invested by the treasurer under the direction of the school committee.

Sec. 8. 20-A MRSA §1706, sub-§3, as enacted by PL 1989, c. 132, §3, is amended to read:

3. Expending money from reserve funds. The district school committee may expend the sum in the reserve fund when authorized to do so by a vote of the district at a district meeting or a district budget meeting, when an article for that purpose is set out in the warrant calling the meeting, except that the district school committee may expend funds from a reserve fund by a vote of the committee in accordance with the procedure in subsection 4:

A. In the event of an emergency that requires the immediate expenditure of funds and when, in responding to the emergency, a vote of the district for permission is cost-prohibitive; or

B. When the expenditure is required by law.

Sec. 9. 20-A MRSA §1706, sub-§4 is enacted to read:

4. Procedure for expending money from reserve funds by vote of committee. The procedure for the district school committee to expend funds from the reserve fund pursuant to subsection 3, paragraph A or B must be as follows.

A. The district school committee shall provide public notice of the regular or special meeting at which the vote to expend funds from the reserve fund will be taken.

B. The district school committee shall hold a public hearing prior to the vote to expend funds from the reserve fund.

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the district school committee.

Sec. 10. 20-A MRSA §8468, sub-§1, as corrected by RR 1991, c. 2, §64 and amended by PL 2003, c. 545, §5, is further amended to read:

1. Establishment. A career and technical education region may establish a reserve fund for a school construction project, the acquisition or reconstruction of a specific item or type of capital improvement or, the acquisition of a specific item or type of capital equipment or any of the expenditures listed under section 1485, subsection 1, paragraph A by ~~establishing such a reserve fund including a request~~ in the region budget, which must include a description of the purpose of the reserve fund, pursuant to this chapter. The cooperative board is the trustee of such a reserve fund.

Sec. 11. 20-A MRSA §8468, sub-§3, as amended by PL 1991, c. 518, §32, is further amended to read:

3. Expending money from a reserve fund funds. The cooperative board may expend a sum in a reserve fund if permitted by the conditions of any indebtedness secured by the reserve fund and if approved in the region budget. A separate article for that purpose must be included in the region budget proposal. The cooperative board may expend funds from the reserve fund by a vote of the board without the expenditure's having to be included in the region budget or region budget proposal in accordance with the procedure in subsection 4:

A. In the event of an emergency that requires the immediate expenditure of funds and when, in responding to the emergency, a vote of the region for permission is cost-prohibitive; or

B. When the expenditure is required by law.

Sec. 12. 20-A MRSA §8468, sub-§4 is enacted to read:

4. Procedure for expending money from reserve funds by vote of board. The procedure for the cooperative board to expend funds from the reserve fund pursuant to subsection 3, paragraph A or B must be as follows.

A. The cooperative board shall provide public notice of the regular or special meeting at which the vote to expend funds from the reserve fund will be taken.

B. The cooperative board shall hold a public hearing prior to the vote to expend funds from the reserve fund.

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the cooperative board.