

**DEORGANIZATION
Title 30-A, MRSA, Chapter 302
INFORMATIONAL PAPER**

STEP NUMBER 1- Petition for Deorganization Meeting

A **written petition**, signed by a number of **registered voters** equal to at least **50%** of those voting in the last gubernatorial election (but not less than 10 signatures), and attested by the Town Clerk, is addressed to municipal officers requesting a municipal meeting for the purpose of discussing and determining whether the municipality should deorganize. Mail a duplicate copy of the attested deorganization petition with original signatures of the voters to the Fiscal Administrator of the Unorganized Territory, 66 State House Station, Augusta, ME 04333-0066.

Although the law does not state so, it is strongly recommended that the municipal officers contact the Chair of the State Commission on Municipal Deorganization, Nancy V. Bodine (624-6263), prior to advertising a date. This should be done to ensure the attendance of the members of the State Commission at the first meeting in order to address the citizens' questions about deorganization.

After receiving the petition, the municipal officers must call and hold a special meeting in the manner provided for the calling and holding of town meetings to discuss deorganization of the municipality and to decide whether to develop a deorganization procedure. The municipal officers must twice publish a notice of the meeting in a newspaper of general circulation in the area. The first publication must be as close as possible to the 14th day before the meeting and the second notice as close as possible to the 7th day before the meeting. If the selectmen unreasonably refuse to call a town meeting, a notary public may call the meeting on the written petition of a number of voters equal to at least 10% of the number of votes cast in the town at the last gubernatorial election, but in no case less than 10. (Title 30-A MRSA Section 2521(4)).

STEP NUMBER 2- Deorganization Meeting

The deorganization meeting is a special municipal meeting that is conducted in accordance with Title 30A, Section 2524. There is warrant for the meeting and a moderator is elected to preside over it. The **sole purpose** of the meeting is to discuss deorganization and **its impact on the residents of the municipality along with the reasons for deorganizing. No other business can be conducted at the meeting.** At this meeting, a **vote** shall be taken on the question of whether the municipality shall continue to pursue the process for deorganizing by developing a deorganization procedure.

If the question **is approved** by a majority of registered municipal voters, the voters must elect **three voters** of the municipality nominated and elected by the voters at the meeting **to a five member committee** that will be the Local Committee for the Deorganization of the municipality. In addition to the elected members, **one municipal officer selected by the municipal officers; and one school board member designated by the school board** will serve on the local committee for deorganization.

IF THE 1st ARTICLE DOES NOT PASS BY A MAJORITY VOTE, THE DEORGANIZATION PROCESS IS ENDED. No local committee will be elected.

STEP NUMBER 3- Notice to Legislature and Fiscal Administrator

The **moderator** of the deorganization meeting shall notify in writing the Fiscal Administrator of the Unorganized Territory, **Nancy V. Bodine**, Office of the State Auditor, 66 State House Station, Augusta ME 04333-0066; Telephone: 624-6263 **AND** the Executive Director of the Legislative Council, **Suzanne Gresser**, 115 State House Station, Augusta, ME 04333-0115; Telephone: 287-1615 the results of the vote at the deorganization meeting and provide the reasons for deorganization of the municipality. The written notification must include the names and positions of the five members of the local deorganization committee. The committee should elect a chair of the local committee who will be the contact person for the State Commission. The notification should include the contact information of the local committee chair.

STEP NUMBER 4 - Deorganization Procedure

Within **90 days of the original deorganization meeting**, the local committee must develop a deorganization procedure with the help of the State Commission on Municipal Deorganization. The State Commission is comprised of the Fiscal Administrator of the Unorganized Territory within the Office of the State Auditor or the administrator's designee; the Commissioner of Education or the commissioner's designee; the State Tax Assessor or the assessor's designee; the Director of the Land Use Planning Commission or the director's designee; and the county commissioner whose district includes the municipality which is considering deorganization. This deorganization procedure is a written plan of action. It must contain, **at a minimum**, the following information:

- **The effective date** of the deorganization.
- **The plan for educational services after deorganization.** This deorganization procedure, which is **written and implemented by the Commissioner of Education**, shall provide for educational services, including transportation services for all students in the municipality for which deorganization is proposed. This procedure shall be in accordance with applicable laws.
- **The distribution of financial liabilities and assets.** This deorganization procedure must identify and provide for the distribution of all financial and other intangible liabilities and assets of the municipality, including liabilities and assets held by the municipality in any other political subdivision that are affected by the deorganization. These assets and liabilities include, but are not limited to, outstanding bonds, notes and any other contractual obligations that extend beyond the proposed date of deorganization. **The State Commission on Municipal Deorganization** is responsible for determining these assets and liabilities and incorporating these provisions in the deorganization procedure. Distribution of these assets and liabilities shall be in accordance with **Title 30-A, Chapter 303 (See Page 24)**.
- **The distribution of tangible assets and liabilities.** This deorganization procedure shall provide for the distribution of all real and personal property and other tangible assets of the municipality, including real and personal property held by the municipality in any other political subdivision that is affected by the deorganization. **The State Tax Assessor is responsible** for identification of all real and personal municipal property in the municipality and the appropriate distribution of this property in accordance with **Title 30-A, Chapter 303 (See attached)**.

STEP NUMBER 4 (CONT'D)

- **A Comprehensive Land Use Plan that includes Zoning.** For municipalities not under the jurisdiction of the Maine Land Use Planning Commission (LUPC), LUPC shall prepare a **zoning map** of the municipality **within one year** of the effective date of deorganization. **NOTE:** A natural resource and land use inventory is necessary for LUPC to prepare this zoning map. The municipality **will be responsible for the cost** of preparing this inventory.
- **Information about the municipality.** This deorganization procedure shall include, **at a minimum**, the following information:
 - A. An inventory of roads with mileage that indicates the summer and winter maintenance schedules, and the condition of the roads. The actual costs paid by the municipality for road construction and maintenance for the last three fiscal years;
 - B. Population information, consisting of population changes since the latest Federal Decennial Census and any other population information, including ages of the population, numbers of households and similar information;
 - C. Personal income, including individual and household income and changes in personal income derived from the United States Bureau of Census data and state agency estimates;
 - D. The assessed value of the municipality for the last three years, and the annual tax revenues for the same period of time. Include information on the amounts of land subject to reduced tax assessments, and exemptions as well as the tax rates for the last five years.
 - E. List the current services provided by the municipality and describe exactly what the municipality does for its residents. Explain the impact that deorganization will have on these services.
 - F. Identify all the municipal officers in the community, and the individuals who currently hold those positions. Include selectman, municipal officers, school board members, planning board members, road commissioners, social welfare officials and others.

In developing the deorganization procedure, the local committee shall work closely with the State Commission. The local committee shall submit the proposed deorganization procedure to the State Commission for review **within 90 days** of the meeting at which the voters approved the formulation of a deorganization procedure. If the local committee fails to develop a deorganization procedure within this period, the State Commission shall develop a procedure for the municipality and perform the duties of the local committee in submitting the procedure to the voters of the municipality.

- **Fiscal Impact Assessment.** The municipality seeking to deorganize shall prepare a report that identifies and analyzes the service and tax burden effects on the deorganizing municipality, the surrounding municipalities and the unorganized territory that is associated with the deorganization. The report must include:
 - A. The principal reason or reasons the inhabitants of the municipality are considering deorganization;

STEP NUMBER 4 (CONT'D)

- B. A financial analysis of the government services being provided to the residents of the deorganizing municipality, including education, water and sewer service, fire protection, police protection, street improvements and maintenance, administrative services and recreational facilities. List the amount budgeted in the current fiscal year for revenues from taxes, and the amounts budgeted for service expenditures by function, such as assessor costs, accounting and auditing costs, police, fire, school, etc. Explain the effect deorganization will have on the provision of those services to the residents of the deorganizing municipality;
- C. A list of the municipally owned assets and a complete accounting of the municipality's debt along with a financial plan for retiring that debt before the deorganization;
- D. The fiscal and service delivery effects of deorganization on surrounding municipalities, special districts, school districts, the county and the communities within the county, including the unorganized territory; and
- E. Any alternatives to deorganization that have been considered to address the cause of the deorganization effort.

As stated before, the proposed deorganization procedure is to be submitted to the State Commission on Municipal Deorganization **within 90 days of the original meeting.**

STEP NUMBER 5 - Commission on Municipal Deorganization

The State Commission on Municipal Deorganization shall assist local deorganization committees in formulating deorganization procedures. The responsibilities of the State Commission are to assist municipalities in preparing deorganization procedures; to review each deorganization procedure and provide comments and suggestions with respect to the procedure; and to recommend alternatives to deorganization if the State Commission finds that feasible alternatives exist.

Response Within **30 days after receiving** the proposed deorganization procedure from the local committee, the State Commission on Municipal Deorganization shall provide copies of its review and comments on the deorganization procedure to the municipal officers, the local deorganization committee and the Executive Director of the Legislative Council. The local committee may incorporate the comments and suggestions received from the State Commission on Municipal Deorganization into the deorganization procedure. The local committee shall **immediately** notify the municipal officers and the county commissioners of the county where the municipality considering deorganization is located when the deorganization procedure has been completed.

STEP NUMBER 6 – Public Hearing on Deorganization Procedure

The municipal officers must schedule a public hearing to review the deorganization procedure. This public hearing must be at least 14 days but no more than 30 days **before** the actual vote on the procedure. This public hearing must be advertised by municipal warrant and by publishing the notice of the hearing in a newspaper of general circulation. The first notice must be as close as possible to the 14th day before the hearing, and the second notice must be as close as possible to the 7th day before the hearing. This meeting is informational in nature, and no vote will be taken on the deorganization procedure.

STEP NUMBER 6 (CONT'D)

The full deorganization procedure should be discussed at the public hearing. If the State Commission on Municipal Deorganization made any comments or suggestions that were **not** included in the deorganization procedure, **those must be presented** by the local committee as well. The law implies that the municipal officers conduct the public hearing, but the municipal officers may want the deorganization committee to be on hand to answer questions.

STEP NUMBER 7 – Deorganization Approval Vote

After receiving notice from the local committee that the deorganization procedure is complete, the municipal officers shall immediately call and hold a special meeting in the manner provided for the calling and holding of town meetings to vote on the proposed deorganization. The municipal officers must publish a notice of the special town meeting twice in a newspaper of general circulation in the area. The first notice must be as close as possible to the 14th day before the meeting. The second notice must be as close as possible to the 7th day before the meeting.

At the town meeting, the voters vote on the proposed deorganization procedure. If a **majority** of the voters approve the deorganization procedure as presented or amended, the local committee shall send a copy of the proposed procedure to the State Commission, to the Fiscal Administrator of the Unorganized Territory, **Nancy V. Bodine**, Maine Office of the State Auditor, 66 Statehouse Station, Augusta, ME 04333-0066; Telephone: 624-6263 **AND** the **Executive Director** of the Legislative Council, **Suzanne Gresser**, 115 State House Station, Augusta, ME 04333-0115; Telephone: 287-1615. If the deorganization procedure approved at the hearing is **not** different from the one provided to the State Commission on Municipal Deorganization (Step 4), the local committee shall notify the State Commission that the voters approved the procedure as presented by the committee.

IF THE DEORGANIZATION PROCEDURE IS NOT ACCEPTED BY A MAJORITY OF THE VOTERS, THE PROCESS ENDS.

STEP NUMBER 8 - Advisory Referendum in Unorganized Territory

After receiving notice from the local committee that the deorganization procedure is complete, the county commissioners may hold an advisory referendum on the deorganization in the unorganized territory in the county. The county commissioners may not hold an advisory referendum until a system for identifying voters in the unorganized territory is established. Any advisory referendum must be held within 60 days of the receipt of notice from the municipality that the deorganization process is complete.

The method of voting must be by secret ballot in the manner prescribed for state elections. The county commissioners shall notify the residents of the unorganized territory of the date on which the referendum will be held. The county clerk shall prepare the ballots on which the following question must appear:

“Do you support the deorganization of (name of municipality)?”

The ballots must be received, sorted and counted by the county clerk, and the county commissioners shall declare the results of the vote. The county clerk shall file a certificate of the advisory referendum results with the Secretary of State within 10 days of the advisory referendum. The clerk shall forward the results to the State Commission and to the executive director, who shall forward the results of the vote to the joint standing committee of the Legislature having jurisdiction over local governmental affairs.

STEP NUMBER 9 – Commission Review

The State Commission on Municipal Deorganization shall review the deorganization procedure. If it is different from the procedure presented to the State Commission (Step #4), the State Commission shall send a copy of its comments on the amended procedure to the local deorganization committee, the municipal officers and the executive director who shall forward the comments to the joint standing committee of the Legislature having jurisdiction over state and local government matters.

STEP NUMBER 10 – Approval by Legislature

Any municipality that has approved a deorganization procedure in accordance with the law shall request and **must obtain approval** from the Legislature before seeking approval from the municipal voters in the deorganizing municipality.

IF THE LEGISLATURE DOES NOT APPROVE THE DEORGANIZATION, THE DEORGANIZATION PROCESS ENDS.

STEP NUMBER 11 – Final Approval by Voters

If the Legislature approves the deorganization, then the question is once again submitted to the voters of the town. **This vote must be held at the next general election in November and must be done by secret (Australian) ballot, even if the town has never adopted a secret ballot.**

The question on the ballot is, **“Shall the (name of municipality) be deorganized?”**

To be effective, **1) the vote to deorganize must be approved by at least 2/3 of the voters** voting in the general election, and **2) the total number of votes cast (for and against) must be at least 50% of the total number of votes cast for Governor in the municipality in the last gubernatorial election.**

IF BOTH OF THESE CONDITIONS ARE NOT MET, THE VOTE TO DEORGANIZE IS NOT VALID, THE DEORGANIZATION PROCESS ENDS.

STEP NUMBER 12 – Declaration of Results

The municipal officers shall declare the result of the vote. The municipal clerk shall file a certificate of the election result with the Secretary of State **within 10 days of the vote.**

LIMITATION: IF THE VOTERS OF A MUNICIPALITY REJECT DEORGANIZATION HELD PURSUANT TO THIS SECTION, OR IF THE TWO CONDITIONS OF THE VOTE IN STEP 11 ARE NOT MET, THE DEORGANIZATION PROCESS ENDS AND THE MUNICIPALITY MAY NOT SUBMIT A DEORGANIZATION PLAN TO THE LEGISLATURE FOR A PERIOD OF THREE YEARS.

PROCESS FOR MUNICIPALITIES WITH A POPULATION OF 50 OR FEWER

- Municipalities with a population of 50 or fewer may follow the entire process established in this chapter. Following voter approval to pursue the process of deorganization, these municipalities may request the State Commission to develop the deorganization procedure for the municipality. Municipalities that request the State Commission to develop the deorganization procedure are subject to:
 - Step One- Petition.
 - Step Two- Deorganization Meeting.
 - Step Three - Notice to the Legislature and the Fiscal Administrator.
 - Step Six - Public Hearing on Deorganization Procedure.
 - Step Seven - Deorganization Approval Vote.
 - Step Ten - Approval by the Legislature.
 - Step Eleven - Final Approval by the Voters.
 - Step Twelve- Declaration of Results.

- The State Commission shall notify the municipal officers that a deorganization procedure has been developed. The municipal officers shall immediately call and hold a public hearing and municipal meeting as provided in Step Seven for the purpose of presenting information to the voters with respect to deorganization and any alternatives to deorganization prepared by the State Commission for a municipality. If a majority of the voters approved the deorganization procedure at the municipal meeting, the municipality shall request and must obtain approval by the Legislature as described in Step Ten and approval by the municipal voters under Step Eleven.

Updated by Nancy V. Bodine, State Commission on Municipal Deorganization

Attachments: Title 30-A, MRSA, Chapter 302
Title 30-A, MRSA, Chapter 303
Deorganization of Municipalities and Plantations Checklist

DEORGANIZATION OF MUNICIPALITIES AND PLANTATIONS

TITLE 30-A, CHAPTER 302

CHECKLIST

Step One: Petition for Deorganization Meeting

- A written petition requesting a special municipal meeting for the purpose of discussing and determining whether the municipality should deorganize. This must be signed by the number of voters equal to at least 50% of those voting in the last gubernatorial election, **but in no case less** than 10 voters. A duplicate petition for the State Commission is made at the same time.
- The clerk of the municipality must attest the signatures of the registered voters on both petitions.
- One petition is sent by certified mail to the municipal officers and filed by the municipal clerk in the official record of the municipality's proceedings.
- The other petition is mailed to the Fiscal Administrator.
- Municipal officers should contact the Fiscal Administrator prior to establish a date for the special meeting to discuss the deorganization of the municipality.
- The municipal officers should call and hold a special meeting to discuss deorganization of the municipality and to decide whether to develop a deorganization procedure.
- This meeting must be advertised twice in a local publication. The first meeting must be noticed at least 14 days prior to the meeting.
- Second publication notice must be advertised in a local newspaper – 7 days prior to meeting date.

Step Two: Special Municipal Meeting on Deorganization

- Discussion of deorganization and its impact on the residents of the municipality.
- Deorganization can be the only business item on the agenda. No other town business can be conducted at this special town meeting.
- Reasons for deorganizing shall be established and placed before the voters.
- Vote is taken on the question of whether the municipality shall continue to pursue the process of deorganization by developing a deorganization procedure.

IF THE QUESTION DOES NOT PASS BY A MAJORITY VOTE, THE DEORGANIZATION PROCESS ENDS.

Step Two: Special Municipal Meeting on Deorganization (Con't)

The **deorganization committee is composed** of 5 members. Three members are voters in the town that **are elected** to the local deorganization committee at the special meeting on deorganization. Two members **are appointed**.

One municipal officer is appointed by the municipal officers:

1. _____

One school board member is appointed by the school board:

1. _____

Election of local deorganization committee members:

Three voters of the municipality are elected at the special meeting:

1. _____

2. _____

3. _____

Step Three: Notification in writing to Legislature and Fiscal Administrator of the results of the deorganization meeting, the reasons for deorganizing, and the names of the local deorganization committee with contact information for the chair of the local committee.

Notification to the Fiscal Administrator of the Unorganized Territory.

Notification to the Executive Director of the Legislative Council.

The deorganization **is not official** unless both the Legislature and the Fiscal Administrator are notified, and it will not move forward as a process unless **both of these notifications** are sent.

Step Four: Deorganization Procedure

Develop deorganization procedure (with the help of the State Commission on Municipal Deorganization) within 90 days of the original deorganization meeting, containing at a **minimum**:

Established the date on which deorganization will be effective.

Provision for educational services – The **Commissioner of Education** is responsible for providing this information.

Step Four: Deorganization Procedure (Con't)

- Distribution of financial liabilities and assets – The **State Commission on Municipal Deorganization** is responsible for determining these assets and liabilities and incorporating these provisions in the deorganization procedure.
- Distribution of tangible assets and liabilities – The **State Tax Assessor** is responsible for identification of all real and personal municipal property and the appropriate distribution of this property.
- For municipalities not under the jurisdiction of the **Maine Land Use Planning Commission, (LUPC)**, LUPC shall prepare a zoning map of the municipality within one year of the effective date of deorganization. **NOTE:** A natural resource and land use inventory is necessary for LUPC to prepare such a zoning map. The municipality **will be responsible for the cost** of preparing this inventory.
- Information about the municipality which shall include, at a minimum:
 - Road Inventory and costs to the municipality for road construction and maintenance for the most recent **three fiscal years**; Include snowplowing and the costs of salt and sand, the cost of summer maintenance
 - Population information, consisting of population changes since the latest Federal Decennial Census and any other population information, including ages of the population, numbers of households and similar information.
 - Personal income, including individual and household income and changes in personal income derived from the United States Bureau of Census data and state agency estimates.
 - Property tax assessments and revenues, including amounts of land subject to reduced tax assessments and changes in tax rates and property valuation **for the last three years**.
 - An explanation of the current services provided by the municipality and the impact of deorganization on these services.
 - A list of all governmental officials in the municipality, including municipal officers, school board members, road commissioners, social welfare officials and similar officials.
- In developing the deorganization procedure, the local committee shall work closely with the State Commission. The local committee shall submit the proposed deorganization procedure to the commission for review **within 90 days of the meeting at which the voters approved the formulation of a deorganization procedure.**

Step Four: Deorganization Procedure (Con't)

- Fiscal Impact Assessment:** A financial analysis of the governmental revenues and expenditures of the deorganizing municipality. The financial impact the deorganization will have on surrounding municipalities that share regional costs in special districts or school districts, and the financial impact on residents in the unorganized territory. **This report must include:**
 - Principal reasons(s) the inhabitants of the municipality are considering deorganization;
 - A financial report of the amounts of revenue and expenditures of the municipality **for the last three years**. Include the dollar amounts paid for government services such as, education, cemetery maintenance, water and sewer service, fire protection, police protection, street improvements, snow plowing, solid waste collection or disposal, insurance costs, administrative services, debt costs, and recreational facilities and the effect deorganization will have on the provision of those services to the residents of the deorganizing municipality.
 - An inventory of the municipally owned assets and a complete accounting of the municipality's debt and the financial plan for retiring that debt before deorganization.
 - The fiscal and service delivery effects of deorganization on surrounding municipalities, special districts, school districts, the county and the communities within the county, including the unorganized territory.
 - Any alternatives to deorganization that have been considered to address the cause of the deorganization effort.

Step Five – Commission on Municipal Deorganization, Response

- The Commission on Municipal Deorganization shall provide copies of its review and comments on the deorganization procedure to the municipal officers, the local deorganization committee and the Executive Director of the Legislative Council **within 30 days** after receiving the proposed deorganization procedure from the local committee.
- The local committee shall **immediately** notify the municipal officers and the county commissioners when the deorganization procedure has been completed.

Step Six – Public Hearing on Deorganization Procedure

- Schedule a public hearing to review the deorganization procedure **at least 14 days, but no more than 30 days** before the actual vote on the procedure.
 - First public hearing notice shall be advertised in a local newspaper – **14 days** prior to meeting date.
 - Second public hearing notice shall be advertised in a local newspaper – **7 days** prior to meeting date.
- Notify the deorganization committee to be on hand to answer questions.
- Include a presentation of any comments or suggestions made by the State Commission on Municipal Deorganization that the local committee did **not** included in its deorganization procedure.

Step Seven – Deorganization Approval Vote

- A town meeting to vote on the deorganization procedure must be held between **15 and 30 days after** the public hearing.
 - The municipal officers shall post a warrant calling for a town meeting to vote on the deorganization procedure.
 - First public meeting notice shall be advertised in a local newspaper – **14 days** prior to meeting date.
 - Second public meeting notice shall be advertised in a local newspaper – **7 days** prior to meeting date.
- If a majority of the voters approve the deorganization procedure as presented or amended, the local committee shall send a copy of the proposed procedure to the Fiscal Administrator of the Unorganized Territory and the Executive Director of the Legislative Council.
- If the deorganization procedure approved at the hearing is not different from the one provided to the commission under Step 4 the local deorganization committee shall notify the commission that the voters approved the procedure **as presented** by the committee.

IF THE DEORGANIZATION PROCEDURE IS NOT ACCEPTED BY A MAJORITY OF THE VOTERS, THE DEORGANIZATION PROCESS ENDS.

Step Eight - Advisory Referendum in Unorganized Territory

- After receiving notice from the local committee that the deorganization procedure is complete, the county commissioners may hold an advisory referendum on the deorganization in the unorganized territory in the county. The county commissioners may not hold an advisory referendum until a system for identifying voters in the unorganized territory is established. Any advisory referendum must be held within 60 days of the receipt of notice from the municipality that the deorganization process is complete. The method of voting must be by secret ballot in the manner prescribed for state elections. The county commissioners shall notify the residents of the unorganized territory of the date on which the referendum will be held. The county clerk shall prepare the ballots on which the following question must appear:

“Do you support the deorganization of (name of municipality)?”

The ballots must be received, sorted and counted by the county clerk, and the county commissioners shall declare the results of the vote. The county clerk shall file a certificate of the advisory referendum results with the Secretary of State within 10 days of the advisory referendum. The clerk shall forward the results to the commission and to the executive director, who shall forward the results of the vote to the joint standing committee of the legislature having jurisdiction over local government matters.

Step Nine– Commission Review

- The State Commission on Municipal Deorganization shall review the deorganization procedure. If it is different from the procedure presented to the Commission (Step #4), the Commission will send a copy of its comments on the amended procedure to the local deorganization committee, the municipal officers and the Executive Director of the Legislative Council

Step Ten – Approval by Legislature

- Contact the municipality’s State legislators for assistance in seeking approval by the Legislature.

Step Eleven – Final Approval by Voters

- Vote **must** be done by secret (Australian) ballot at the next general election in November.
- Question on the ballot **must** read, **“Shall the (name of municipality) be deorganized?”**
- Vote to deorganize must be approved by: **1) at least 2/3** of the voters voting in the general election, and **2) the total number of votes cast (for and against) must be at least 50%** of the total number of votes cast for Governor in the municipality in the last gubernatorial election.

IF BOTH OF THESE CONDITIONS ARE NOT MET, THE DEORGANIZATION PROCESS ENDS.

Step Twelve – Declaration of Results

- The municipal officers shall declare the results of the vote.
- The municipal clerk shall file a certificate of the election results with the Secretary of State **within ten (10) days** after the vote.

LIMITATION - IF THE VOTERS OF A MUNICIPALITY DO NOT APPROVE THE FINAL DEORGANIZATION QUESTION, OR IF BOTH CONDITIONS OF THE VOTE IN STEP 11 ARE NOT MET, THE MUNICIPALITY MAY NOT SUBMIT A DEORGANIZATION PLAN TO THE LEGISLATURE FOR A PERIOD OF THREE YEARS.

Alternate Process for Municipalities with a Population of 50 or Fewer

- Step One: Petition.
- Step Two: Deorganization Meeting.
- Step Three: Notice to Legislature and the Fiscal Administrator.
- Step Six: Public Hearing on Deorganization Procedure.
- Step Seven: Deorganization Approval Vote.
- Step Ten: Approval by the Legislature.
- Step Eleven: Final Approval by the Voters.
- Step Twelve: Declaration of Results.

Title 30-A: MUNICIPALITIES AND COUNTIES

Chapter 302: DEORGANIZATION OF MUNICIPALITIES AND PLANTATIONS

§7201. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

- 1. Commission.** "Commission" means the Commission on Municipal Deorganization as described in section 7206.
- 2. Executive director.** "Executive director" means the Executive Director of the Legislative Council.
- 3. Local committee.** "Local committee" means the local deorganization committee created under section 7203.
- 4. Municipality.** "Municipality" means a city, town, village or plantation with a population of more than 50 people.

§7202. PETITION FOR DEORGANIZATION MEETING

The voters of any municipality may petition for consideration of deorganization of the municipality by following the petition procedure of section 2528, subsection 5. On the written petition of a number of voters equal to at least 50% of the number of votes cast in the municipality at the last gubernatorial election, but in no case less than 10, requesting a municipal meeting for the purpose of discussing and determining whether the municipality should deorganize, the municipal officers shall call and hold a special meeting in the manner provided for the calling and holding of town meetings or city elections to discuss deorganization of the municipality and to decide whether to develop a deorganization procedure.

The municipal officers shall also publish notice of the meeting in a newspaper of general circulation in the area. One notice shall be published as close to the 14th day before the meeting as possible, and the 2nd notice shall be published as close to the 7th day before the meeting as possible

§7203. DEORGANIZATION MEETING

The deorganization meeting shall be conducted in accordance with section 2524. The agenda of the meeting shall consist exclusively of the following.

1. Discussion and reasons for deorganization. Discussion of deorganization and its impact on the residents of the municipality shall take place and the reasons for deorganizing shall be established and placed before the voters.

2. Voting on question to develop deorganization procedure. A vote shall be taken on the question of whether the municipality shall continue to pursue the process for deorganizing by developing a deorganization procedure which must be approved by the voters under sections 7207 and 7209.

3. Creation of local deorganization committee. If the majority of voters present and voting at this meeting approve the question to develop a deorganization procedure as provided in subsection 2, a local deorganization committee shall be created to develop the deorganization procedure. The local committee shall consist of the following 5 members:

*Deorganization
Informational Paper
Updated 11/30/2021*

A. One municipal officer selected by the municipal officers

B. One member of the local school board or committee selected by that board or committee, if one exists, or one member of a school board or committee who represents the municipality in a multi-municipality school administrative unit, selected by those members who represent the municipality upon that board or committee; and

C. Three voters of the municipality, nominated and elected by the voters at the same town meeting or election which approved the development of a deorganization procedure.

§7204. NOTICE TO LEGISLATURE AND FISCAL ADMINISTRATOR

If the voters approve the question to develop a deorganization procedure, the moderator shall notify the fiscal administrator of the unorganized territory within the Office of the State Auditor and the executive director. The notice shall report the results of the deorganization meeting and provide the reasons for deorganization of the municipality.

1. Notice to Legislature. The executive director shall provide a copy of the notice to the joint standing committee of the Legislature having jurisdiction over local government matters.

2. Notice to commission. The fiscal administrator shall provide a copy of the notice to the commission.

§7205. DEORGANIZATION PROCEDURE

The local committee, with the assistance of the commission, shall develop a deorganization procedure which, at a minimum, shall consist of the following components

1. Effective date. The deorganization procedure shall establish a date on which deorganization will be effective.

2. Provision of educational services. The deorganization procedure shall provide for educational services, including school transportation services for all students in the municipality for which deorganization is proposed.

A. The Commissioner of Education is responsible for implementing this subsection for incorporation in the deorganization procedure.

B. The allowable tuition rate for students sent from one municipality to another in the former school administrative district shall be determined under Title 20-A, section 5805, subsection 1, except that it is not subject to the state per pupil average limitation in Title 20-A, section 5805, subsection 2

C. School transportation services are subject to Title 20-A, chapter 215.

3. Distribution of financial liabilities and assets. The deorganization procedure must provide for the distribution of all financial and other intangible liabilities and assets of the municipality, including liabilities and assets held by the municipality in any other political subdivision that are affected by the deorganization. These assets and liabilities include, but are not limited to, outstanding bonds, notes and any other contractual obligations that extend beyond the proposed date of deorganization. The service of all bonded indebtedness or

other debt backed by a pledge of the full faith and credit duly authorized by the legal voters of the deorganizing municipality prior to deorganization remains the responsibility of the residents of the municipality and may not be transferred in whole or in part to the residents of a geographic area outside the boundaries of the deorganizing municipality unless that debt is properly reissued.

A. The commission is responsible for determining these assets and liabilities and incorporating these provisions in the deorganization procedure.

B. Distribution of these assets and liabilities must be in accordance with chapter 303.

4. Distribution of tangible assets and liabilities. The deorganization procedure shall provide for the distribution of all real and personal property and other tangible assets of the municipality, including real and personal property held by the municipality in any other political subdivision that is affected by the deorganization.

A. The State Tax Assessor is responsible for the identification of all real and personal municipal property in the municipality and the appropriate distribution of this property.

B. This distribution shall be in accordance with chapter 303.

5. Comprehensive land use planning and zoning. For municipalities not under the jurisdiction of the Maine Land Use Planning Commission, the Maine Land Use Planning Commission shall prepare a zoning map of the municipality within one year of the effective date of deorganization.

6. Information about municipality. The deorganization procedure shall include, at a minimum, the following information:

A. An explanation of the road network and costs to the municipality for road construction and maintenance for the most recent fiscal year;

B. Population information, consisting of population changes since the latest Federal Decennial Census and any other population information, including ages of the population, numbers of households and similar information.

C. Personal income, including individual and household income and changes in personal income derived from the United States Bureau of Census data and state agency estimates.

D. Property tax assessments and revenues, including amounts of land subject to reduced tax assessments and changes in tax rates and property valuation;

E. An explanation of the current services provided by the municipality and the impact of deorganization on these services; and

F. The status of leadership in the municipality, including municipal officers, school board members, planning board members, road commissioners, social welfare officials and similar officials

In developing the deorganization procedure, the local committee shall work closely with the commission. The local committee shall submit the proposed deorganization procedure to the commission for review within 90 days of the meeting at which the voters approved the formulation of a deorganization procedure. If the local

committee fails to develop a deorganization procedure within this period, the commission shall develop a procedure for the municipality and perform the duties of the local committee in submitting the procedure to the voters of the municipality.

7. Fiscal impact assessment. The municipality seeking to deorganize shall prepare a report that identifies and analyzes the service and tax burden effects on the deorganizing municipality, surrounding municipalities and the unorganized territory that is associated with the deorganization. The report must include:

- A. The principal reason or reasons the inhabitants of the municipality are considering deorganization;
- B. An assessment of the government services being provided to the residents of the deorganizing municipality, including education, water and sewer service, fire protection, police protection, street improvements and maintenance, administrative services and recreational facilities and the effect deorganization will have on the provision of those services to the residents of the deorganizing municipality;
- C. An inventory of the municipally owned assets and a complete accounting of the municipality's debt and the financial plan for retiring that debt;
- D. The fiscal and service delivery effects of deorganization on surrounding municipalities, special districts, the county and the communities within the county, including the unorganized territory; and
- E. Any alternatives to deorganization that have been considered to address the cause of the deorganization effort.

§7206. COMMISSION ON MUNICIPAL DEORGANIZATION

The Commission on Municipal Deorganization, as established in Title 5, chapter 379, shall assist local deorganization committees in formulating deorganization procedures. In addition, the commission shall review these deorganization procedures as provided in this chapter.

1. Membership. The commission shall consist of the following 5 members:

- A. The Commissioner of Education or the commissioner's designee;
- B. The fiscal administrator of the unorganized territory within the Office of the State Auditor or the administrator's designee;
- C. The State Tax Assessor or the assessor's designee;
- D. The director of the Maine Land Use Planning Commission or the director's designee; and
- E. The county commissioner whose district includes the municipality which is considering deorganization.

2. Responsibilities. The commission shall:

- A. Assist municipalities in preparing deorganization procedures and provide the information required in section
- B. Review each deorganization procedure and provide comments and suggestions with respect to the procedure;

- C. Recommend alternatives to deorganization if the commission finds that feasible alternatives exist;
- D. Within 30 days after receiving the proposed deorganization procedure, provide copies of its review and comments on the deorganization procedure to the municipal officers, the local deorganization committee and to the executive director, who shall provide it to the joint standing committee of the Legislature having jurisdiction over local government matters; and
- E. Develop a deorganization procedure, as provided in section 7205; subsection 6, for a municipality whose local deorganization committee fails to do so. [

3. Chair. The 4 commission members who are state officials shall annually elect a chair from among those state officials.

4. Fiscal agent. The fiscal administrator of the unorganized territory within the Office of the State Auditor shall be the fiscal agent for the commission.

§7207. PUBLIC HEARING AND MEETING ON DEORGANIZATION PROCEDURE

The local committee may incorporate the comments and suggestions received from the commission into the deorganization procedure. The local committee shall immediately notify the municipal officers and the county commissioners of the county where the municipality considering deorganization is located when the deorganization procedure has been completed.

1. Public hearing. The municipal officers shall hold a public hearing on the proposed deorganization procedure at least 14, but not more than 30, days before the municipal meeting or election called by the municipal officers under subsection 2.

A. At least 14 days before the public hearing, the municipal officers shall announce the public hearing in the same manner as provided for the calling of town meetings or city elections. The municipal officers shall also publish notice of the hearing in a newspaper of general circulation in the area. One notice shall be published as close as possible to the 14th day before the hearing, and the 2nd notice shall be published as close as possible to the 7th day before the hearing.

B. If any of the comments and suggestions of the commission have not been incorporated in the deorganization procedure, the local committee shall present these comments and suggestions for discussion at the public hearing.

2. Deorganization approval vote. After receiving notice from the local committee that the deorganization procedure is complete, the municipal officers shall immediately call and hold a special meeting in the manner provided for the calling and holding of town meetings or city elections to vote on the proposed deorganization. The municipal officers shall also publish notice of the meeting in a newspaper of general circulation in the area. One notice shall be published as close as possible to the 14th day before the meeting, and the 2nd notice shall be published as close as possible to the 7th day before the meeting. If a majority of the voters approve the deorganization procedure as presented or amended, the local deorganization committee shall send a copy of the proposed procedure to the commission and to the executive director who shall forward the comments to the joint standing committee of the Legislature having jurisdiction over local government matters. If the deorganization procedure approved at the hearing is not different from the one provided to the commission under section 7205, the local deorganization committee shall notify the commission that the voters approved the procedure as presented by the committee.

2-A. Advisory referendum in unorganized territory. After receiving notice from the local committee that the deorganization procedure is complete, the county commissioners may hold an advisory referendum on the deorganization in the unorganized territory in the county according to the procedures provided in this subsection. The county commissioners may not hold an advisory referendum until a system for identifying voters in the unorganized territory is established. Any advisory referendum must be held within 60 days of the receipt of notice from the municipality that the deorganization process is complete.

The method of voting must be by secret ballot in the manner prescribed for state elections. The county commissioners shall notify the residents of the unorganized territory of the date on which the referendum will be held. The county clerk shall prepare the ballots on which the following question must appear:

"Do you support the deorganization of (name of municipality)?"

The legal voters of the unorganized territory shall vote by ballot on this question and shall designate their choice by a cross or check mark placed within a corresponding square below the words "Yes" or "No." The ballots must be received, sorted and counted by the county clerk, and the county commissioners shall declare the results of the vote. The county clerk shall file a certificate of the advisory referendum results with the Secretary of State within 10 days of the advisory referendum. The clerk shall forward the results of the advisory referendum to the commission and to the executive director, who shall forward the results of the vote to the joint standing committee of the Legislature having jurisdiction over local government matters.

3. Commission review. The commission shall review the deorganization procedure. If it is different from the procedure presented to the commission under section 7205, the commission shall send a copy of its comments on the amended procedure to the local deorganization committee, the municipal officers and the executive director who shall forward the comments to the joint standing committee of the Legislature having jurisdiction over state and local government matters.

§7208. APPROVAL BY THE LEGISLATURE

Any municipality which has approved a deorganization procedure under section 7207 shall request and must obtain approval by the Legislature before seeking approval by the voters of the municipality under section 7209.

§7209. FINAL APPROVAL BY THE VOTERS

If the Legislature approves the deorganization, the question concerning deorganization shall be presented to the voters of the municipality in the next general election to be held in November. The election shall be called, advertised and conducted according to section 2528 or 2551

1. Question posed to voters. The municipal clerk shall prepare the ballots on which the following question shall appear:

"Shall the (name of municipality) be deorganized?"

2. Requirements for approval. The voters shall indicate their opinion on this question by a cross or check mark placed against the word "Yes" or "No." Before becoming effective, the deorganization must be approved by at least 2/3 of the voters voting in the general election and the total number of votes cast for and against deorganization at the election must equal or exceed 50% of the total number of votes cast in the municipality for Governor at the last gubernatorial election.

3. Declaration of results. The municipal officers shall declare the result of the vote. The municipal clerk or the assessors of plantations shall file a certificate of the election result with the Secretary of State within 10 days of the election.

4. Limitation. If the voters of a municipality reject deorganization in a vote held pursuant to this section, the municipality may not submit a deorganization plan to the Legislature for a period of 3 years from the date of that vote.

§7210. PROCESS FOR MUNICIPALITIES WITH A POPULATION OF 50 OR FEWER

Municipalities with a population of 50 or fewer may follow the entire process established in this chapter. Following voter approval to pursue the process of deorganization under section 7203, subsection 2, municipalities with a population of 50 or fewer may request the commission to develop the deorganization procedure for the municipality. Municipalities which request the commission to develop the deorganization procedure are subject to sections 7202; 7203, except subsection 3; 7204; 7208; and 7209.

1. Approval by voters. The commission shall notify the municipal officers that a deorganization procedure has been developed. The municipal officers shall immediately call and hold a public hearing and municipal meeting as provided in section 7207 for the purpose of presenting information to the voters with respect to deorganization and any alternatives to deorganization prepared by the commission for a municipality. If a majority of the voters approve the deorganization procedure at the municipal meeting, the municipality shall request and must obtain approval by the Legislature as described in section 7208 and approval by the municipal voters under section 7209.

§7211. CALLING OF MEETING IF OFFICERS REFUSE

If the municipal officers refuse to call any municipal meeting required by this chapter, a meeting may be called as provided in section 2521, subsection 4.

Chapter 303: DEORGANIZED PLACES

§7301. APPLICABILITY TO DEORGANIZATION BY LEGISLATURE

This chapter applies to any municipalities or plantations that are or have been deorganized by Act of the Legislature.

§7302. RECORDS SURRENDERED

Whenever any municipality is deorganized, the municipality shall surrender all its records to the State Archivist.

§7303. DEBTS OF MUNICIPALITIES AND SCHOOL DISTRICTS THEREIN

When municipalities are deorganized by a repeal of their charters, and their liabilities are excepted and reserved by the repealing act, legal service of process to collect those liabilities may be made on any inhabitant of lawful age residing in the territory included in the municipality, provided that there are no legal officers in that territory on whom service can be made. This section extends to school districts in deorganized municipalities so far as applicable.

§7304. POWER AND AUTHORITY OF STATE TAX ASSESSOR

Whenever the organization of any municipality or plantation has been terminated by Act of the Legislature, the powers, duties and obligations relating to the affairs of that municipality or plantation are vested in the State Tax Assessor for not more than 5 years. The real and personal property of the municipality or plantation shall be held by the State Tax Assessor and used as described in this chapter

1. Powers of State Tax Assessor. The State Tax Assessor may:

A. Subject to the restriction in subparagraph (1), sell or otherwise dispose of any property which the municipality or plantation holds title to at the time of deorganization or may receive title to after deorganization. When disposing of property, the State Tax Assessor shall ensure that the interests of the residents of the unorganized territory are the most important consideration.

(1) In the case of school property, the State Tax Assessor shall consult with the Commissioner of Education;

B. Assess taxes any time after the act terminating the organization of the municipality or plantation takes effect by making assessment once a year under the laws relating to the assessment of property taxes in unorganized territory.

(1) The State Tax Assessor may make additional assessments in the same manner against the property owners in the deorganized municipality or plantation to provide funds to pay the debts of the municipality or plantation

2. Use of money. All money received under this section shall be applied:

A. To pay the necessary expenses of the State Tax Assessor in making assessments under subsection 1;

B. To pay any obligation of the municipality or plantation outstanding at the time its organization is terminated

- C. To pay taxes assessed against the municipality or plantation;
- D. To complete any public works of the municipality or plantation already begun.

3. Surplus funds and property. At the end of the 5-year period, or when in the judgment of the State Tax Assessor final payment of all known accounts against the municipality or plantation has been made, any funds which have not been expended shall be deposited with the county commissioners as undedicated revenue for the unorganized territory fund of that county. Any property of the municipality or plantation which has not been sold shall be held by the State in trust for the unorganized territory or transferred to the county to be held in trust for the unorganized territory. Income from the sale or use of the property shall be used as described in Title 36, section 1604.

§7305. CEMETERY TRUST FUNDS

The State Tax Assessor may transfer any cemetery trust funds held by a municipality at the time of deorganization to a cemetery association, provided that association is formed under the laws of the State. If no such association exists, the State Tax Assessor may transfer the funds to the county commissioners. These funds are to be retained for the purpose of allowing the interest only to be used in the same manner and for the same purposes for which the fund was originally accepted by the deorganized municipality. If the funds are in the care and custody of the county commissioners and a cemetery association is subsequently formed, the county commissioners may transfer the funds to the cemetery association.