

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
108TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. H-138)

HOUSE AMENDMENT "B " to H.P. 1160, L.D. 1252, Bill, "AN
ACT Relating to School Funding and Inventory Tax Reimbursement."

Amend the Bill by striking out everything after the title
and inserting in its place the following:

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

Whereas, this 90-day period will terminate after April; and

Whereas, the requirements of Title 20, section 3747, must be complied with;
and

Whereas, in the judgment of the Legislature, these facts create an emer-
gency within the meaning of the Constitution of Maine and require the fol-
lowing legislation as immediately necessary for the preservation of the pub-
lic peace, health and safety; now, therefore,

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

Sec. 1. Appropriation. The appropriation provided for general purpose
aid for local schools in 1977-78 shall be expended for the purposes listed be-
low under Parts A and B of this section as modified by section 3.

PART A

1. Elementary and Secondary Operating Costs	\$220,155,155
2. Special Education costs for programs operated by the administrative units	9,032,600
3. Special Education—costs for tuition and board, excluding medical costs	4,314,600
4. Vocational Education Costs	5,680,800
5. Transportation Costs	
a. Operating	15,441,600
b. Purchase of Buses	2,827,400
6. Debt Service Costs	
a. Capital Outlay	763,900
b. Debt Service	26,750,000
Subtotal	284,966,055
Less: P.L. 874 Funds	1,900,000
Total — Part A	\$283,066,055

PART B

1. Major Capital Costs	\$ 555,000
2. Cost of Unusual Enrollment Adjustments	600,000
3. Cost of Geographic Isolation Adjustments	508,934
4. Cost of Reimbursement for Private School Transportation	217,000
5. Audit Adjustments	71,000
6. Optional Local Appropriations with State Participation—maximum State obligation	5,785,245
	<u>\$ 7,537,179</u>
Total — Part B	
Grand Total	\$290,603,234

Sec. 2. Basic per pupil elementary and secondary per pupil operating rate. The basic elementary per pupil operating rate for 1977-78 shall be \$828 and the basic secondary per pupil rate for 1977-78 shall be \$1,161.

Sec. 3. Limit of state's obligation. In the event that the state's computed obligation for any individual program contained within Part A and B exceeds the level of funding provided for that program, any unexpended balances occurring in other programs within that Part may be applied to avoid proration of payments for any individual program. Any unexpended balance from Part A or B shall not lapse but shall be carried forward to be used for the same purpose.

Sec. 4. Appropriation. There is appropriated from the General Fund to the Department of Educational and Cultural Services the sum of (\$3,086,860) for the fiscal year ending June 30, 1977, and the sum of \$158,246,439 for the fiscal year ending June 30, 1978, to

carry out the purposes of this Act. The breakdown shall be as follows:

	<u>1976-77</u>	<u>1977-78</u>
EDUCATIONAL AND CULTURAL SERVICES, DEPARTMENT OF		
General purpose aid for local schools		
All Other	(\$3,086,860)	\$158,246,439

Sec. 5. 20 MRSA §3748, sub-§4, 3rd, 4th and 7th sentences,

as repealed and replaced by PL 1975, c. 746, §24-P, are amended to read:

Under this subsection, an administrative unit is authorized to appropriate a maximum of \$90 \$100 per pupil per year for the pupils specified in subsection 1. The maximum levy on a municipality within an administrative unit shall not exceed \$45 \$50 per pupil per mill levied on that municipality.

If the additional school levy authorized under this subsection fails to produce \$45 \$50 per pupil per mill levied, the commissioner shall add to the allocation of the unit for the unit's fiscal year a sum which, when combined with the local levy under this section, shall equal \$45 \$50 per pupil per mill.

Sec. 6. 20 MRSA §3748, sub-§4, 10th sentence, as amended by PL 1975, c. 746, §24-R, is further amended to read:

The purpose of these appropriations is to provide that all administrative units may raise and appropriate at least \$45 \$50 per pupil per mill to supplement the adjusted allocations when necessary in the judgment of the local administrative units.

Sec. 7. 30 MRSA §5056, sub-§2, as enacted by PL 1973, c. 592, §2, is amended by adding at the end the following:

This reimbursement shall be made to each municipality in accordance with the following schedule:

A. For the year 1977-78, 70% of each municipality's revenue loss shall be reimbursed;

B. For the year 1978-79, 60% of each municipality's revenue loss shall be reimbursed;

C. For the year 1979-80, 50% of each municipality's revenue loss shall be reimbursed;

D. For the year 1980-81, 40% of each municipality's revenue loss shall be reimbursed;

E. For the year 1981-82, 30% of each municipality's revenue loss shall be reimbursed;

F. For the year 1982-83, 20% of each municipality's revenue

loss shall be reimbursed; and

G. Thereafter, no municipality's revenue loss shall be reimbursed.

Sec. 8. 36 MRSA §451-A is enacted to read:

§451-A. Mill rate for fiscal year 1977-78

Notwithstanding the provisions of section 451, subsection 2, the uniform property tax rate shall be 11.75 mills for the period beginning July 1, 1977, and ending June 30, 1978.

Sec. 9. Appropriation. There is appropriated from the General Fund to the Treasurer of State the sum of \$18,590,000 for fiscal years 1977-78 and 1978-79. The breakdown shall be as follows:

	<u>1977-78</u>	<u>1978-79</u>
STATE TREASURY		
All Other	\$10,010,000	\$8,580,000

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.'

Statement of Fact

This amendment establishes the total cost of education and the uniform property tax rate sets the maximum leeway at \$100 and appropriates funds for the fiscal year ending June 30, 1978.

The total cost of education established in this amendment is \$290,603,234. Total state share is \$153,246,439. Total local

share based on 11.75 mills is \$137,356,795. The appropriation is arrived at as follows:

Total state share	\$153,246,439
Less federal funds available	<u>500,000</u>
Total General Fund	\$152,746,439
Uniform property tax pay-in	<u>5,500,000</u>
Total appropriation	\$158,246,439

This amendment further provides for inventory tax reimbursement as set forth in this amendment and appropriates funds for that reimbursement in the sum of \$10,010,000 in 1977-78 and \$8,580,000 in 1978-79.

Filed by Mr. Jalbert of Lewiston.

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

4/12/77

(Filing No. H-138)