

MAINE STATE LEGISLATURE

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L.D. 1381

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DATE: **4-26-06**

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STATE OF MAINE
SENATE
122ND LEGISLATURE
SECOND REGULAR SESSION

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18
SENATE AMENDMENT "**A**" to COMMITTEE AMENDMENT "A" to S.P.
480, L.D. 1381, Bill, "An Act To Update Teachers' Minimum
Salaries"

20
22
Amend the amendment in section 5 in §13405 by striking out
all of the first paragraph (page 2, lines 17 to 19 in amendment)
and inserting in its place the following:

24
26
'Each school administrative unit shall establish a minimum
salary of \$27,000 for certified teachers for the school year
starting after June 30, 2006.'

28
Further amend the amendment by inserting after section 5 the
following:

30
'Sec. 6. 20-A MRSA §13406 is enacted to read:

32
§13406. Minimum salaries beginning in 2007-2008

34
36
Each school administrative unit shall establish a minimum
salary of \$30,000 for certified teachers for the school year
starting after June 30, 2007 and in each subsequent school year.'

38
40
Further amend the amendment by striking out all of sections
6, 7 and 8 and inserting in their place the following:

42
'Sec. 6. 20-A MRSA §15681, sub-§2-A, as enacted by PL 2005, c.
519, Pt. LL, §3, is repealed and the following enacted in its
place:

SENATE AMENDMENT

RdS

2 2-A. Targeted funds to implement a standards-based system.
3 For targeted funds to implement a standards-based system, the
4 commissioner shall:

6 A. For fiscal year 2006-07 only, dedicate a portion of the
7 targeted funds to implement a standards-based system to the
8 achievement of the minimum starting salary for certified
9 teachers established in section 13405; and

10 B. For fiscal year 2007-08 and every subsequent year,
11 calculate an amount to be made available to address the
12 components of a standards-based system.'

13 Further amend the amendment by inserting after section 9 the
14 following:

15 'Sec. 10. 20-A MRS §15689, sub-§§7 and 8 are enacted to read:

16 7. Adjustment for minimum teacher salary. Beginning in
17 fiscal year 2008-09 and in each subsequent fiscal year, the
18 commissioner shall increase the state share of the total
19 allocation to a qualifying school administrative unit in the
20 current year by an amount that represents the amount from the
21 state General Fund necessary to achieve the minimum starting
22 salary for certified teachers established in section 13406.

23 A. As used in this subsection, unless the context otherwise
24 indicates, the following terms have the following meanings.

25 (1) "Qualifying school administrative unit" means a
26 school administrative unit that the commissioner has
27 determined has a locally established salary schedule
28 with a minimum teacher salary of less than \$30,000 in
29 school year 2008-2009.

30 B. The commissioner shall allocate the funds appropriated
31 by the Legislature in fiscal year 2008-09 and each
32 subsequent fiscal year in accordance with the following
33 conditions.

34 (1) The amount of the minimum salary adjustments
35 provided to qualifying school administrative units must
36 generally reflect the costs that are necessary to
37 achieve the minimum teacher salary requirements set
38 forth in this section.

39 (2) The number of teachers used in computing minimum
40 salary adjustments in a qualifying school

2008

2 administrative unit for fiscal year 2008-09 must be
3 based on the local staff information data supplied to
4 the department on or before October 1, 2008, and the
5 number of teachers used in computing minimum salary
6 adjustments in a qualifying school administrative unit
7 for each subsequent fiscal year must be based on the
8 local staff information data supplied to the department
9 on or before each subsequent October 1st for the
10 teachers who were first eligible to receive the minimum
11 salary adjustment in the qualifying school
12 administrative unit for the 2008-2009 school year.

13 (3) The department shall collect the necessary data to
14 allow the adjustments as supplemental monthly payments
15 in fiscal year 2008-09 and any subsequent fiscal year
16 for the salary adjustments to be paid on or before
17 February 1, 2009 and any subsequent February 1st.

18 (4) The minimum salary adjustments made under this
19 subsection must be issued to the qualifying school
20 administrative units as an adjustment to the state
21 school subsidy for distribution to the teachers.
22 Minimum salary adjustments for teachers must be
23 included in the qualifying school administrative unit's
24 monthly subsidy checks.

25 C. The amounts required to meet the employer's share of
26 teacher retirement costs attributable to payments in fiscal
27 year 2008-09 and each subsequent fiscal year must be
28 allocated to the Maine State Retirement System in the
29 appropriate year.

30 **8. Payments for minimum salary adjustments.** Qualifying
31 school administrative units shall use the payments provided under
32 this section to provide minimum salary adjustments for teachers
33 in accordance with subsection 7 and section 13406.'

34 Further amend the amendment by striking out all of sections
35 10 and 11 and inserting in their place the following:

36 'Sec. 10. PL 2005, c. 519, Pt. J, §6 is amended to read:

37 **Sec. J-6. Total cost of funding public education from kindergarten to**
38 **grade 12.** The total cost of funding public education from
39 kindergarten to grade 12 for fiscal year 2006-07 is as follows:

40		2006-07
41		TOTAL
42	Total Operating Allocation	

SENATE AMENDMENT

ROS

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 480,
L.D. 1381

2	Total operating allocation pursuant to the	
	Maine Revised Statutes, Title 20-A, section	
4	15683 without transition percentage	\$1,326,135,418
		<u>\$1,325,400,719</u>
6		
	Total operating allocation pursuant to the	
8	Maine Revised Statutes, Title 20-A, section	
	15683 with 90% transition percentage	\$1,193,521,876
10		<u>\$1,192,860,647</u>
12	Transition adjustments pursuant to the Maine	
	Revised Statutes, Title 20-A, section 15686	\$10,712,943
14		
	Total other subsidizable costs pursuant to	
16	the Maine Revised Statutes, Title 20-A,	
	section 15681-A	\$354,628,374
18		
	Total Operating Allocation	
20		
	Total operating allocation pursuant to the	
22	Maine Revised Statutes, Title 20-A, section	
	15683 with 90% transition percentage plus	
24	transition adjustment pursuant to Title	
	20-A, section 15686 and total other	
26	subsidizable costs pursuant to Title	
	20-A, section 15681-A	\$1,558,863,193
28		<u>\$1,558,201,964</u>
30	Total Debt Service Allocation	
32		
	Total debt service allocation pursuant to	
34	the Maine Revised Statutes, Title 20-A,	
	section 15683-A	\$86,741,023
36	Total Adjustments and Miscellaneous Costs	
38		
	Total adjustments and miscellaneous costs	
40	pursuant to the Maine Revised Statutes,	
	Title 20-A, sections 15689 and 15689-A	\$51,570,351
42		<u>\$52,231,580</u>
44	Total Cost of Funding Public Education from	
	Kindergarten to Grade 12	
46		
	Total cost of funding public education	
48	from kindergarten to grade 12 for fiscal	
	year 2006-07 pursuant to the Maine Revised	
50	Statutes, Title 20-A, chapter 606-B	\$1,697,174,567

SENATE AMENDMENT

BAS

2 **Sec. 11. Employer's share of teacher retirement costs in fiscal year**
3 **2006-07 and fiscal year 2007-08.** Notwithstanding the Maine Revised
4 Statutes, Title 20-A, section 15681, subsection 1, paragraph B,
5 it is the intent of the Legislature that a portion of the
6 targeted funds to implement a standards-based system be dedicated
7 to meet the employer's share of teacher retirement costs
8 attributable to achieving a \$27,000 minimum teacher salary in
9 fiscal year 2006-07. It is further the intent of the Legislature
10 that the amount required to meet the employer's share of teacher
11 retirement costs attributable to achieving a \$30,000 minimum
12 teacher salary in fiscal year 2007-08 be transferred by the 123rd
13 Legislature to the Maine State Retirement System in the
14 appropriate fiscal year.

16 **Sec. 12. Future appropriations.** It is the intent of the
17 Legislature that at least \$2,118,308 be appropriated in fiscal
18 year 2007-08 by the 123rd Legislature to carry out the intent of
19 the Maine Revised Statutes, Title 20-A, section 13406 and section
20 15689, subsection 7, paragraph C.'

22 Further amend the amendment by relettering or renumbering
23 any nonconsecutive Part letter or section number to read
24 consecutively.

26

SUMMARY

28

29 This amendment amends Committee Amendment "A" to accomplish
30 the following.

- 32 1. It establishes a minimum salary of \$27,000 for certified
33 teachers for the school year starting after June 30, 2006.
- 34 2. It establishes a minimum salary of \$30,000 for certified
35 teachers for school years starting after June 30, 2007.
- 36 3. It provides that the intent of the Legislature is that
37 the State provide 100% of the funding from state General Fund
38 appropriations to achieve the \$27,000 minimum salary for
39 certified teachers for the 2006-2007 school year and to achieve
40 the \$30,000 minimum salary for certified teachers for the
41 2007-2008 school year, including dedicating a portion of the
42 targeted funds to implement a standards-based system for fiscal
43 year 2006-07.
- 44 4. It provides that, beginning in school year 2008-2009,
45 the funding necessary to continue to provide the \$30,000 minimum
46 salary for certified teachers who are employed by qualifying
47

SENATE AMENDMENT

AMS

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 480,
L.D. 1381

2 school administrative units must be included as an adjustment to
the state share provided to qualifying school administrative
4 units in the determination of the state and local shares
calculated in accordance with the Essential Programs and Services
6 Funding Act.

8 5. It provides that, in school year 2009-2010 and each
subsequent school year, money from the state General Fund must be
10 allocated to continue this adjustment for the minimum salary for
certified teachers who were employed by qualifying school
12 administrative units in school year 2008-2009 and who continue to
be employed in the same school administrative units in the
14 subsequent school year.

16 6. It indicates that it is the intent of the Legislature
that the 123rd Legislature appropriate at least \$2,118,308 in
18 fiscal year 2007-08 to carry out the purpose of the Maine Revised
Statutes, Title 20-A, section 13406 and section 15689, subsection
20 7, paragraph C.

22 7. It also indicates that the intent of the Legislature is
that the amount required to meet the employer share of teacher
24 retirement costs attributable to achieving the minimum teacher
salary in fiscal year 2006-07 and fiscal year 2007-08 be
26 appropriated or allocated to the Maine State Retirement System in
the appropriate fiscal year, including dedicating a portion of
28 the targeted funds to implement a standards-based system in
fiscal year 2006-07 to meet the employer share of teacher
30 retirement costs attributable to achieving a \$27,000 minimum
teacher salary in fiscal year 2006-07.

32 8. It amends Public Law 2005, chapter 519, Part J to adjust
the total allocation of funds to be distributed in fiscal year
34 2006-07 under the Essential Programs and Services Funding Act to
include the minimum teacher salary.
36

FISCAL NOTE REQUIRED
(See attached)

40
42 SPONSORED BY: *Elizabeth Mitchell*
44 (Senator MITCHELL) *AMS*

46 COUNTY: Kennebec

48

SENATE AMENDMENT



122nd MAINE LEGISLATURE

LD 1381

LR 1263(08)

An Act To Update Teachers' Minimum Salaries

Fiscal Note for Senate Amendment "A" to Committee Amendment "A"

Sponsor: Senator Mitchell

Fiscal Note Required: Yes

Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
Net Cost (Savings)				
General Fund	\$0	(\$3,110,809)	(\$43,212)	(\$63,226)
Appropriations/Allocations				
General Fund	\$0	(\$3,110,809)	(\$43,212)	(\$63,226)

Fiscal Detail and Notes

This amendment reduces the total General Fund cost of the bill by \$3,110,809 in fiscal year 2006-07. Because this amendment still requires local school administrative units to establish a minimum salary of \$27,000 for certified teachers for the school year starting after June 30, 2006 and \$30,000 for the school year starting after June 30, 2007 and each subsequent year thereafter, this legislation is still a State mandate. This amendment does provide for the total cost of increasing the minimum teachers salary to be funded by the State beginning in fiscal year 2006-07.

As amended, this bill increases the minimum teacher salary to \$27,000 in fiscal year 2006-07 and \$30,000 in fiscal year 2007-08. The total cost of the provision in fiscal year 2006-07 is estimated to be \$661,229 of which \$623,566 is associated with the salary adjustment and \$37,663 is associated with the increase in the employer contributions of the normal cost component of the Maine State Retirement System due to the salary increase. Because sufficient funds remain within the targeted student assessment funds that had been identified as being available to support the costs associated with the salary adjustment within the fiscal year 2006-07 General Fund appropriation for General Purpose Aid for Local Schools program, no additional General Fund appropriation is required.

The total cost of the provision in fiscal year 2007-08 is estimated to be \$2,118,308 of which \$1,997,650 is associated with the salary adjustment and \$120,658 is associated with the increase in the employer contributions of the normal

cost component of the Maine State Retirement System due to the salary increase. As amended, this bill provides that it is the intention of the Legislature that \$2,118,308 be appropriated in fiscal year 2007-08 to support the costs associated with the salary increase, including the teacher retirement costs. The total cost to the State to fund the increase in the minimum teacher salary beginning in fiscal year 2008-09 can not be determined at this time.