



STATE OF MAINE SENATE 106TH LEGISLATURE FIRST SPECIAL SESSION

SENATE AMENDMENT "C " to S. P. 895, L. D. 2488, Bill, "AN ACT to Correct Errors and Inconsistencies in the Education Laws."

Amend said Bill by inserting after section 45 the following:

'Sec. 46. Educational Subsidy Commission created. There is hereby created an Educational Subsidy Commission consisting of 10 members appointed as follows: One member appointed by the President of the Senate, 2 members appointed by the Speaker of the House, the Commissioner of Educational and Cultural Services, ex officio, the Director of the Bureau of Taxation, ex officio, and 5 members appointed by the Governor. The commission shall elect its own chairman. The commission shall study chapter 556 of the public laws of 1973 and report to the 107th Legislature no later than February 1, 1975. The commission shall study the financial ramifications of chapter 556 and the tax ramification in both the State and the municipalities and report its findings and recommendations in regard to the funding of elementary and secondary school education to the 107th Legislature. Its proposals shall be submitted to the Legislature in bill form by February 1, 1975. The Legislative Staff shall provide the commission with whatever staff assistance it requires. The commission members shall receive their actual expenses incurred in regard to their duties and all the members, except the ex officio members, shall receive \$25 a day for their services.

Sec. 47. Appropriation. There is appropriated from the General Fund to the Department of Educational and Cultural Services, Educational Subsidy Commission, the sum of \$5,000 to carry out the purposes of this Act. The breakdown shall be as follows:

(Filing no. 8-386)

SENATE AMENDMENT "C"to S.P. 895, L.D. 2488 -2-

1974-75

EDUCATIONAL AND CULTURAL SERVICES, DEPARTMENT OF

Educational Subsidy Commission

Personal Services \$2,500

All Other

2,500

\$5,000'

Statement of Fact

The 106th Legislature enacted chapter 556 establishing a method of raising revenue and distributing the same for public school purposes. At the time of its enactment very few legislators wer familar with the bill. Subsequent to its enactmen. it has become increasingly clear that the uniform property tax portion of the bill has many inequities because of the arbitary variations in State valuation of real property and that the bill is going to require a General Fund appropriation by the 107th Legislature of an unknown magnitude which will require a substantial tax increase. There is also growing evidence the local school boards are going to gradually lose control over the schools because the raising and distribution of revenue is going to be controlled by the Department of Educational and Cultural Services.

This amendment creates a commission to study public school funding to report to the 107th Legislature no later than February 1, 1975.

(Tanous) H. Enou NAME :

COUNTY: Penobscot Reproduced and distributed pursuant to Senate Rule 11-A. March 8, 1974. (Filing No. S-386).