

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

HOUSE AMENDMENT " P " to H.P. 1437, L.D. 1452,
Bill, "AN ACT to Fund Public School Education."

Amend said Bill by inserting after the
enacting clause the following:

'Sec. 1. 20 MRSA §220, as last amended by PL
1973, c. 780, §1, is further amended by adding
after the 3rd paragraph a new paragraph to read:

Total expenditures for purchases of school buses
used in transportation of elementary and secondary
students approved by the Commissioner of
Educational and Cultural Services during any single
year shall not exceed \$3,000,000. The amount of
this limitation shall be reviewed annually by the
Legislature to see if a change is warranted.'

Further amend said Bill by striking out in the
first line after the enacting clause the underlined
abbreviation and figure "Sec. 1." and inserting
in place thereof the underlined abbreviation and
figure 'Sec. 1-A.'

Further amend said Bill in section 8 by
striking out all of that part designated subsection 4
and inserting in place thereof the following:

'4. Percentage of state aid. The percentage
of the total major capital outlay expenditures
which the administrative unit was qualified to
receive in school construction aid for the proposed
project at the time when the proposed project and its
financing were authorized, as computed ~~from Table II~~
in sections section 2356-B and Table II of section
3457;'

Further amend said Bill by inserting after section 12 the following:

'Sec. 12-A. 20 MRSA §3710 is enacted to read:

§3710. School Finance Act of 1975

This Act shall be known as the School Finance Act of 1975.'

Further amend said Bill in section 14 by striking out in the 11th (9th line in L.D.) the following "4" and 5" and inserting in place thereof the following '4-5 and 6'

Further amend said Bill in section 16 by inserting in the next to the last line (same in L.D.) before the underlined words "per pupil" the underlined word 'unit's'

Further amend said Bill in section 18 by striking out all of the last 2 paragraphs of that part designated subsection 11 and inserting in place thereof the following:

'When an article is submitted to the voters in any administrative unit for the purpose of authorizing the issuance of bonds or notes for major capital outlay purposes, such article shall be in such form as is required by the state board at the time of initial project approval. The article shall set forth the present school debt still outstanding, the local share of debt service under the uniform school tax, the total cost of the project and the state's share of the proposed project under the conditions existing at the time of project approval, and such other language as may be required for approval of loans by the bonding authorities.'

Further amend said Bill in section 20 in that part designated subsection 1 by inserting before the underlined word "students" in the 2nd lines of paragraphs A and B (same in L. D.) the underlined word 'full-time'

Further amend said Bill in section 20 in that part designated subsection 1 by inserting at the end of paragraph C the following:

'Reimbursement shall be the commissioner's estimate or the actual expenditure, if lower.'

Further amend said Bill by striking out all of the last underlined sentence of section 21 and inserting in place thereof the following:

'The commissioner shall authorize payments of aid to the unit which will equal the allocation and any adjustments which may be made thereafter.'

Further amend said Bill in section 22 by striking out all of the first underlined sentence after the amending clause.

Further amend said Bill in section 24 by striking out in the 14th line (11th line in L.D.) of paragraph B the word "computed" and inserting in place thereof the following '~~computed~~ anticipated'

Further amend said Bill by inserting after section 24 the following:

'Sec. 24-A. 20 MRSA §3717, sub-§3, ¶C, last sentence, as last amended by PL 1973, c. 783, §35, is further amended to read:

Such a unit shall be granted the adjustment at least 2 months prior to its budget meeting, when possible, upon justification of the need for such an adjustment ~~and-only-upon-the-condition-that-the-unit-raise-its-share-of-the-funds-required-to-maintain-its-elementary-or-secondary-per-pupil-operating-cost-as-required-by-paragraph-B.'~~

Further amend said Bill in section 26 by striking out all of paragraph E and inserting in place thereof the following:

'E. The state board is authorized to adjust, within the limits of its appropriation, state aid to reflect unusual enrollment increases when a unit documents that it cannot meet its school financial obligations within its allocation, supplemented by amounts permitted to be appropriated under paragraph B of this subsection and under subsection 11. Such an adjustment shall be added to the already computed allocation for the unit. School committees and boards of directors shall have the authority to expend funds so granted.'

Further amend said Bill by striking out all of the first sentence after the amending clause of section 29 and inserting in place thereof the following:

'Balances of ~~state-and-local~~ allocations at the end of ~~June-30th-each-year-may~~ the unit's fiscal year shall be carried forward to meet the next year's school needs in an amount not to exceed 10% of the total state and local allocation of the year just completed. Balances in excess of 10% of the total state and local allocation will be deducted from the state-local allocation for the subsequent year.'

Further amend said Bill in section 30 by striking out in that part designated subsection 11 all of the 2nd and 4th sentences and inserting in place thereof the following:

'Under this subsection, an administrative unit is authorized to appropriate a maximum of \$125 per pupil per year for the pupils specified in section 3713, subsection 1.'

Said sum shall be paid no later than the last month of the unit's fiscal year.'

Further amend said Bill in section 30 by striking out all of that part designated subsection 12 and inserting in place thereof the following:

'12. Allocations shall be subsequently adjusted in the month of December and in the month of June of the year of distribution to reflect the actual costs of special education tuition and board, or both, paid by the unit. Allocations for costs as specified in subsection 1, paragraph C, subsections 2, 3 and 4 shall be adjusted to reflect actual expenditures if those expenditures are lower than the commissioner's estimate. Expenditures under subsection 3, paragraph E shall be adjusted to reflect actual costs.'

Further amend said Bill in section 30 by inserting after the underlined words ~~and~~ figure "section 3713," in the 5th line (4th line in L.D.) of that part designated subsection 13 the following 'subsection 3,'

Further amend said Bill in section 30 by striking out in the 8th line of the last paragraph of that part designated subsection 11 (7th line in L.D.) the underlined "may" and inserting in place thereof the underlined word 'shall'

Further amend said Bill in section 31 by striking out all of the last underlined paragraph and inserting in place thereof the following:

'Notwithstanding any public or private statute to the contrary, each municipality shall annually adopt a school budget for a period to include the next full fiscal year, beginning on July 1st and ending on June 30th. The change to a uniform school budget year shall be accomplished no later than the fiscal year which ends June 30, 1977.'

Further amend said Bill by inserting after section 31 the following:

'Sec. 31-A. 30 MRSA §5057 is enacted to read: §5057. Excess assessment reimbursement

The Treasurer of State shall distribute, beginning

July 25, 1975 and on the 25th of each month thereafter, the balance of the excess assessment fund to each municipality in direct proportion to the municipality's contribution. Monthly "excess assessment" means the amount by which the municipality's current fiscal year's uniform school tax exceeds by more than 25% the municipality's previous year's uniform school tax used for school purposes, divided by 12.

The Commissioner of Educational and Cultural Services shall annually, on or before April 15th, certify to the Treasurer of State the monthly "excess assessment" amounts, if any, due each municipality for the forthcoming fiscal year. For 1975 only, such certification shall be made on or before June 15th.

The Treasurer of State shall deposit that portion of each municipality's monthly payment pursuant to Title 36, section 453, equal to the monthly excess assessment, if any, into the excess assessment fund.'

Further amend said Bill in section 35 in that part designated "\$451." in the 2nd paragraph by striking out all of the next to the last underlined sentence and inserting in place thereof the following:

'The Legislature shall annually, prior to April 1st, certify by joint order the amount which it deems reasonably necessary for the support of public education to the State Director of Property Taxation.'

Further amend said Bill in section 35 by striking out all of the 3rd paragraph of that part designated "\$451." and inserting in place thereof the following:

'The commissioner shall annually determine the total state-wide assessment adjustment and shall include twice such an assessment adjustment in his certification of total education costs under this section. The assessment adjustment is to be determined by computing the additional amount necessary to raise through the uniform school tax 50% of the total education costs, after limiting the annual increase in the effective school tax in any municipality to 25% above the effective school tax in the fiscal year ending June 30th. The effective school tax is the previous amount of the municipality's uniform school tax used for school purposes.'

Further amend said Bill in section 35 by striking out all of the first underlined sentence of the 4th paragraph and inserting in place thereof the following:

'A uniform school tax is assessed at a rate equivalent to 25% of the amount certified by the commissioner for the period July 1, 1974 through June 30, 1975; and 50% of the amount certified by the Legislature for the fiscal year ending June 30, 1976 and thereafter; divided by the state valuation then in effect.'

Further amend said Bill in section 37 by striking out all of the first 2 paragraphs of that part designated "§453." and inserting in place thereof the following:

'The certification made pursuant to section 452 shall require the municipal officers to issue their warrant, requiring the collector of their municipality to collect and pay to the treasurer of their municipality the sums against said municipality required by this subchapter. The municipal treasurer shall pay to the Treasurer of State 1/12 of the uniform school tax for the present fiscal year ending June 30th on or before the 20th day of each month. Said payments shall begin on July 20, 1975. The Commissioner of Educational and Cultural Services shall annually, on or before April 15th, notify the municipal officers of each municipality and the officers of each school district of the amount allocated on a monthly basis to that municipality or district pursuant to Title 20, section 3713 and the amount of the monthly "excess assessment" reimbursement as defined in Title 30, section 5057, if any, for the coming fiscal year ending June 30th. When adjustments are made in the subsidy allocation, the commissioner shall notify municipal and school officers of such adjustments. For 1975 only, the notification of allocation and excess assessment shall be made on or before June 15th.'

Further amend said Bill in section 44 by striking out all of the first sentence and inserting in place thereof the following:

'Notwithstanding the 2nd and 4th paragraphs of section 35 of this Act, the Commissioner of Educational and Cultural Services shall amend the certification made on January 31, 1975 to the Director of the Bureau of Property Taxation for public school education costs of 1974-75.'

Further amend said Bill in section 45 by inserting after the word "school" in the last line (next to last line in L.D.) the words 'or municipal'

Statement of Fact

House amendments A (H-135), G (H-141), J(H-144), M(H-147) and N (H-148), already accepted by both Houses are incorporated in this amendment in order that Legislators and others might clearly see the results of the amendments already accepted and the additional changes now proposed. The original amendments were accepted to clarify the language and procedures outlined in the bill. The new language of this amendment results in a reduction of the uniform school tax for 1975 from 14 mills to 13.5 mills. It limits increases in the school tax to 25% in any year. It requires that the uniform tax be paid to the Treasurer of State in 12 equal installments and that state subsidy be paid to all cities, towns and districts in 12 installments. It requires that moneys be paid to municipalities through a new section in Title 30 when moneys can be retained for municipal purposes under the 25% limit rule. The amendment brings the financial requirements of the subsidy law into complete balance with the Governor's budget.

Filed by Mr. Lynch of Livermore Falls.

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

5/2/75

(Filing No. H-236)