

MAINE STATE LEGISLATURE

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D. OF R.

STATE OF MAINE
SENATE
FIRST SPECIAL SESSION
107TH LEGISLATURE

SENATE AMENDMENT "A " to H.P. 2018, L. D. 2187, Bill,
"AN ACT Relating to Monthly School Tax Payments by Municipal
Treasurers to the Treasurer of State."

Amend said Bill by striking out everything after the
enacting clause and before the Emergency Clause and inserting
in place thereof the following:

Sec. 1. 20 MRSA §3747, sub-§3, first sentence, as enacted
by PL 1975, c. 660, §2, is repealed and the following enacted
in place thereof:

Establish the basic education allocation for paragraphs A
through G and subsection 5 and the appropriations for
paragraphs H through J and subsections 4 and 7.

Sec. 2. 20 MRSA §3747, sub-§6, as enacted by PL 1975,
c. 560, §2, is repealed and the following enacted in place thereof:

6. Appropriation for basic education allocation.
Appropriate the necessary funds for the state's share of the
basic education allocation. The Legislature shall allocate 90%
of the amounts established for subsection 4 and subsection 3,
paragraphs C, D, E and F, subparagraph (1).

Sec. 3. 20 MRSA §3747, sub-§8, last sentence, as enacted
by PL 1975, c. 660, §2, is amended to read:

This rate shall produce an amount not to exceed 50% of the
basic education appropriation allocation as established by the
Legislature.

Sec. 4. 20 MRSA §3748, sub-§2, last sentence, as enacted
by PL 1975, c. 660, §2, is amended to read:

The commissioner shall authorize payments of aid to the various administrative units in the amount of the subsidy allocation and any adjustments in such allocation within the periods required in section 3455 and sections 3457 to 3460, less the amount of state tax as required by Title 36, section 453.

Sec. 5. 20 MRSA §3748, sub-§11, as enacted by PL 1975,
c. 660, §2, is repealed and the following enacted in place thereof:

11. Notification of allocation. The commissioner shall annually, on or before April 15th, notify the school committees or school directors of each administrative unit of the amount allocated to the unit. The superintendent of schools of each unit shall report to the municipal officers whenever the unit is notified of the allocation or a change is made in the allocation to a unit resulting from a December or June adjustment.

Sec. 6. 36 MRSA §453, 2nd and 3rd sentences, as last repealed and replaced by PL 1975, c. 660, §5, are repealed and the following enacted in place thereof:
Municipal treasurers shall, on or before the 20th of each month, certify to the Treasurer of State that 1/12 of the uniform property tax for the fiscal year ending June 30th has been made available to school officials to meet the state-local allocation requirements of the unit as approved by the voters at a budget meeting or meetings, by the issuance of a credit voucher and direct payment, if applicable. If the amount of the monthly

credit voucher exceeds 1/12 of the total allocation to the unit, the treasurer of the municipality shall pay to the Treasurer of State the difference each month. Municipalities which are members of School Administrative Districts or community school districts under general law or special act shall submit monthly credit vouchers to the Treasurer of State for amounts paid to the governmental organization which provides education for children from that municipality. When any municipality fails to file such monthly vouchers certifying that appropriate payments have been made, the Treasurer of State shall take whatever action is necessary to ensure prompt statutory compliance. The Treasurer of State shall have the authority and is required to draw up reasonable guidelines to assist municipal officials in carrying out their duties under this section.

Sec. 7. 36 MRSA §453-A is enacted to read:

§453-A. Adjustments in appropriations

Income received by the Treasurer of State from the uniform property tax assessed for school purposes in excess of the amount estimated shall be appropriated to the major capital construction fund as defined in Title 20. Changes in the sums payable to the Treasurer of State by municipalities, due to subsidy adjustments required under Title 20, may necessitate appropriation adjustments. The Commissioner of Educational and Cultural Services shall, during the subsequent annual legislative session, advise the executive and legislative branches of any adjustments in appropriations required. The Legislature shall, during the final 2 weeks of that annual

legislative session, adjust the appropriation to reflect any changes necessary in the sums payable to the Treasurer of State during the current fiscal year.

Sec. 8. Appropriation. The appropriation to the Department of Educational and Cultural Services for 1976-77 shall be reduced in "0308 Education-General Purpose Aid for Local Schools - All Other" by an amount of \$113,298,754, and the anticipated ~~general~~ ^{tax} fund revenue from the state assessed property/shall be reduced in an amount of \$113,298,754.'

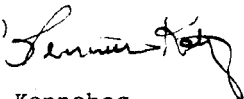
Further amend said Bill by striking out all of the Emergency clause and inserting in place thereof the following:

'Emergency clause. In view of the em^ergency cited in the preamble, this Act shall take effect July 3, 1976.'

Statement of Fact

The purpose of this amendment is to make appropriate changes in Titles 20 and 36 to permit local units to retain the state assessed property tax for school purposes whenever the tax is less than the computed state-local allocation. The passage of this bill with its amendment would prevent the exchange of funds between the towns and the State which now results in unnecessary interest costs due to the fact that the towns must pay in by the 20th of the month and the state check generally doesn't reach the towns until the 25th. This bill, if passed, would eliminate the interest costs caused by temporary borrowing to accomplish the purposes of the School Funding Act.

(Katz)
NAME:



COUNTY: Kennebec

Reproduced and distributed pursuant to Senate Rule 11-A.
April 8, 1976. (Filing No. S-546.)