

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
107TH LEGISLATURE  
FIRST SPECIAL SESSION

SENATE AMENDMENT "A " to HOUSE AMENDMENT "O" to H.P. 2020,  
L.D. 2196, Bill, "AN ACT to Revise the Laws Relating to Funding  
of Public Schools."

Amend said Amendment by striking out all of the 4th and 5th  
paragraphs.

Further amend said Amendment by striking out all of the  
11th and 12th paragraphs which relate to paragraph A of subsection  
3 of that part designated "§3748."

Further amend said Amendment by inserting at the end of  
the 19th paragraph which relates to subsection 12 of that  
part designated "§3748." the following:

'Notwithstanding the above, the appropriation for local leeway  
for 1975-76 and 1976-77 shall be considered as a nonlapsing  
account and in the event that either appropriation level is  
insufficient to meet the computed state obligation, balances in  
the other year's appropriation may be applied to meet such  
obligation. In any event, if the total local leeway appropriation  
is sufficient to meet the total state obligation, the  
commissioner shall prorate payments to the units.'

Further amend said Amendment by striking out all of the 24th to the 32nd paragraphs relating to the increase in the cigarette tax and its appropriation.

Fiscal Note

Section 2 of House Amendment O would distribute <sup>these</sup> funds in 1976-77 as follows:

1. Elementary and secondary operating costs	\$197,133,676
2. Special education local programs	7,929,770
3. Vocational education	5,967,828
4. Special education tuition	3,550,000
5. Transportation, operating costs	13,903,400
6. Transportation, bus purchases	1,965,668
7. Capital outlay	710,164
8. Major capital fund	200,000
9. Debt service	<u>26,000,000</u>
	\$257,360,506
Public Law 874 (Less)	<u>2,400,000</u>
	\$254,960,506
Leeway-Conversion	1,800,000
Leeway, fiscal yr. 1977	3,000,000
Geographic isolation	285,000
Private school transportation	150,000
Unusual enrollment	<u>400,000</u>
	\$260,595,506

A uniform property tax rate of 13 mills would raise \$118,048,754 and the balance of \$142,546,752 would be provided from general fund tax sources.

Statement of Fact

The purpose of this amendment is as follows:

1. To remove the 6% increase on per pupil operating costs and restore the operating subsidy to the level recommended by the Education Committee - \$755 elementary and \$1,110 secondary;
2. To eliminate the cigarette tax increase and fund local leeway at a combined level of \$4.8 million for fiscal year 1975-76 (conversion budgets) and 1976-77; and
3. To provide for funding of the 1975-76 education deficits and allow for a funding level for 1976-77 which stays within the original appropriation of \$265.4 million without raising state general fund taxes. The reduction of 1½ mills in the Uniform Property Tax is accomplished by a corresponding increase in the personal income tax.

(Trotzky)  
NAME:

COUNTY: Penobscot

Reproduced and distributed pursuant to Senate Rule 11-A.  
February 20, 1976. (Filing No. S-401)