

L.D. 1580

(Filing No. H-428)

STATE OF MAINE HOUSE OF REPRESENTATIVES 112TH LEGISLATURE FIRST REGULAR SESSION

7 COMMITTEE AMENDMENT " \boldsymbol{B} " to H.P. 1087, L.D. 8 1580, Bill, "AN ACT to Implement Teacher Recognition 9 Grants and Establish a Minimum Salary for Teachers."

10 Amend the Bill by striking out all of the title 11 and inserting in its place the following: 'AN ACT to 12 Implement Teacher Recognition Grants and Improve 13 Teacher Compensation.'

14 Further amend the Bill by striking out everything 15 after the enacting clause and inserting in its place 16 the following:

17 'Sec. 1. 20-A MRSA §13402, sub-§1, as enacted by 18 PL 1981, c. 693, §§5 and 8, is repealed.

19 Sec. 2. 20-A MRSA §13503, as enacted by PL 1983, 20 c. 859, Pt. J, §§2 and 7, is repealed.

21 Sec. 3. 20-A MRSA §13503-A is enacted to read:

22 §13503-A. Teacher recognition grants

Teacher recognition grants of up to \$1,000, based on available funds, shall be awarded to teachers who are or have been employed in gualifying schools during the 1985-86 school year. The grants shall be issued by the Treasurer of State on February 15, 1986, to those employed during the entire fall semester and on August 15, 1986, to those employed during the entire spring semester.

31 1. Part-time teachers. The grants shall be pro-732 rated to teachers whose assignments are less than 733 full time or who job share a single position. No in-744 dividual teacher may receive more than \$1,000 as a 755 teacher recognition grant.

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Teachers on sabbatical. All teachers on ap-1 2. 2 proved sabbatical leave who are expected to resume 3 their positions in a local school unit shall be included as recipients of these grants. 4 5 3. Exclusions. The following shall not be eligible for the teacher recognition grants provided in 6 7 this section: 8 A. Persons providing contract services to a a school administrative unit or units; and 10 Substitute teachers and teachers not employed for the full fall semester of the 1985-86 school 11 12 year. 13 Sec. 4. 20-A MRSA §13505, as enacted by PL 1983, 14 c. 859, Pt. J, §2, is amended to read: 15 §13505. Local filing; certification 16 Qualifying The chief school administrator of qualifying schools shall file with the commissioner a 17 18 certified list of teachers eligible to receive grants 19 under this chapter, including their names, mailing addresses, social security numbers, income tax with-20 21 holding status and current salary. Filing informa-22 tion shall be submitted on or before January 15th for the February 15th schedule of payment; the filing for 23 the August 15th schedule of payment shall be submit-24 25 ted on or before July 15th. 26 Sec. 5. 20-A MRSA §13507, as enacted by PL 1983, c. 859, Pt. J, §2, is repealed and the following en-27 acted in its place: 28 29 §13507. Collective bargaining 30 Teacher recognition grants. The state-funded 1. teacher recognition grants shall not be considered 31 32 during local collective bargaining for the purposes

1 of setting teachers' salaries.

2. Block grants. Where a teacher bargaining agent exists, the teacher bargaining agent, school administrative unit and qualifying private school shall, at a minimum, in accordance with the collec-2 3 4 5 6 tive bargaining procedures set forth in Title 26, 7 chapter 9-A, negotiate or, where a contract is in ef-8 fect, reopen negotiations, as to the use for teacher 9 compensation of block grant funds allocated under 10 section 13509-A, subsection 2. Any funds not expended 11 by the end of one fiscal year are to be expended pur-12 suant to section 13509-A, subsection 6.

13 Sec. 6. 20-A MRSA §13508, as enacted by PL 1983, 14 c. 859, Pt. J, §2, is amended to read:

15 §13508. Future appropriations

16 It is the intent of the Legislature that at least 17 \$13,500,000 be appropriated in fiscal year 1985-86, 18 \$27,000,000 be appropriated in fiscal year 1986-87, 19 and \$27,000,000 and any additional funds that may be 20 appropriated in fiscal year 1987-88 by the 112th and 21 113th Legislatures to carry out the intent of this chapter. It is also the intent that appropriations 22 23 shall be made in subsequent years to continue the 24 programs established under this chapter. The appro-25 priations referred to in this section shall be placed 26 in a nonlapsing account to be used to carry out the 27 intent of this chapter.

- 28 Sec. 7. 20-A MRSA §13509, as enacted by PL 1983, 29 c. 859, Pt. J, §2, is repealed.
- 30 Sec. 8. 20-A MRSA §13509-A is enacted to read:
- 31 §13509-A. Payments

32 Payments under this section shall be made as fol-33 lows:

1 1. School year 1985-86. For the sections 13503-A to School year 1985-86. For the school year 2 3 4 2. School years 1986-87 and 1987-88. Each school 5 administrative unit and qualifying school shall receive block grants in 1986-87 and 1987-88 computed 6 pursuant to subsections 3 and 4, to be used to sup-plement teacher compensation and for other teacher 7 8 9 compensation related purposes as locally determined. 10 The block grants shall not be used to supplant a lo-11 cal unit's normally expected commitment to education; 12 3. Computation of 1986-87 block grants. The com-13 missioner shall allocate the money appropriated by 14 the Legislature for block grants in 1986-87 in ac-15 cordance with the following conditions: A. For each percentage point increase in a unit's or qualifying private school's base salary 16 17 in the previous school year up to a maximum of 18 6 percentage points, the unit or private school shall receive a block grant equal to \$8.60 times: 19 20 21 (1) In school administrative units, the number of resident students and nonresident 22 23 tuition students attending schools in the 24 unit according to the previous school year's 25 October and April average enrollment; and 26 (2) In qualifying private schools, the num-27 ber of publicly-funded students according to 28 the previous school year's October to April 29 average enrollment; 4. Computation of 1987-88 block grants. The commissioner shall allocate the money appropriated by the Legislature for block grants in 1987-88 in ac-30 31 32 33 cordance with the following conditions: 34 A. For each percentage point increase in a 35 unit's or qualifying private school's base salary

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| 1 | in the previous school year up to a maximum of 6 |
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| 2 | percentage points, the unit or private school |
| 3 | shall receive a block grant equal to \$18.30 |
| 4 | times: |
| 5 | (1) In school administrative units, the |
| 6 | number of resident students and nonresident |
| 7 | tuition students attending schools in the |
| 8 | unit according to the previous school year's |
| 9 | October and April average enrollment; and |
| 10 | (2) In qualifying private schools, the num- |
| 11 | ber of publicly-funded students according to |
| 12 | the previous school year's October to April |
| 13 | average enrollment; |
| 14 | 5. Retirement costs. The amounts required to |
| 15 | meet the employer's share of teacher retirement costs |
| 16 | attributable to block grant payments in 1986-87 and |
| 17 | 1987-88 shall be transferred to the Maine State Re- |
| 18 | tirement System in the appropriate year; and |
| 19 20 21 | 6. Unexpended funds. Funds not expended at the end of the fiscal year shall be carried over as fol- lows. |
| 22 | A. Each school administrative unit shall be per- |
| 23 | mitted to carry forward unused block grant money |
| 24 | from one fiscal year to the next succeeding year |
| 25 | based on information provided to the commissioner |
| 26 | indicating that the money to be carried forward |
| 27 | will be used to meet the purposes of this sec- |
| 28 | tion. |
| 29 | B. Unexpended funds in the nonlapsing account |
| 30 | established in section 13508 at the end of fiscal |
| 31 | years 1986-87 and 1987-88 shall be reallocated |
| 32 | and expended to meet the purposes of the Innova- |
| 33 | tive Educational Grants under chapter 612. |
| 34 35 | Sec. 9. 20-A MRSA §13510, as amended by PL 1983, c. 860, §2, is repealed. |

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Sec. 10. 20-A MRSA §15602, sub-§1, as enacted by PL 1983, c. 859, Pt. G, §§2 and 4, is amended to read:

4 1. <u>Contributions from General Fund</u>. It is the 5 intent of the Legislature to provide at least 55% of 6 the cost of the total allocation from General Fund 7 revenue sources or a percentage no less than that 8 provided in the year prior to the year of allocation, 9 whichever is greater.

10 The amount of the teacher recognition grants autho-11 rized in section 13503-A which are paid or deemed el-12 igible to be paid on August 15, 1986, shall be added 13 to the actual local operating costs expended by local 14 units in 1986-87. The minimum amount of the cost of the total allocation from General Fund revenue 15 16 sources for 1988-89 shall be increased by the total amount expended by the State in 1986-87 for teacher recognition grants in accordance with section 13503-A 17 18 19 and block grants in accordance with section 13509-A. The resulting percentage shall be used to define the 20 minimum percentage contribution from General Fund 21 22 revenue sources in 1988-89 and subsequent years.

23 Sec. 11. Appropriation. The following funds are 24 appropriated from the General Fund to carry out the 25 purposes of this Act.

1985-86 1986-87

27 <u>EDUCATIONAL AND CULTURAL</u> 28 <u>SERVICES, DEPARTMENT OF</u>

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 ²⁹ Teacher Recognition Grants

 30
 All Other
 \$650,000 (\$300,000)

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STATEMENT OF FACT

2 This amendment repeals and replaces the original 3 bill with a proposal for 2 teacher recognition grants 4 and then a per student incentive for school units to 5 raise teacher compensation.

6 primary purpose of this amendment is to en-The 7 hance teacher compensation while preserving the col-8 lective bargaining process at the local school admin-9 istrative unit level. It repeals the minimum salary scale in the present law. This schedule predates the 10 introduction of collective bargaining in 1969 and should have been repealed at that time. By eliminat-11 12 13 ing the minimum in the laws and not replacing it with 14 a new minimum, it officially places the responsibili-15 ty for setting teachers' salaries with the local 16 school units where the decision to affect local prop-17 erty taxes should rest.

18 The amendment retains 2 teacher recognition 19 grants to maintain the integrity of the legislative 20 actions of the September 1984 special session. In the 2nd year, it makes block grants available to school 21 units of up to \$51.60 per student on an incentive ba-22 23 sis to encourage, but not require, the school units 24 to raise teacher compensation in their units. In the 3rd year, the grants are up to \$109.80 per student. 25 26 By providing the incentive payments on a per student 27 basis, these incentive block grants can be smoothly 28 transitioned into the present School Finance Act for-29 the 4th year. Shifting from block grants mula in 30 based on the number of teachers to a distribution 31 on numbers of students causes a shift in the based 32 distribution of aid which will result in some units 33 receiving a windfall while others must increase local 34 taxes to maintain the same level of funding.

The amendment also keeps within the original projected appropriation of the special session. It recognizes that additional money might be needed in the COMMITTEE AMENDMENT " $\boldsymbol{\mathcal{B}}$ " to H.P. 1087, L.D. 1580

1 first year to provide \$1,000 grants to all teachers, 2 prorated for part-time teachers. The added cost above the appropriated \$13,500,00 is estimated to be \$600,000. In the 2nd and 3rd years, it keeps within 3 4 5 the target budget of \$27,000,000. The cost in the 4th 6 year will be incorporated into the School Finance Act 7 and will equal the 2nd year costs of \$27,000,000 up-8 dated for one year's inflation. At 6%, this will be \$1,062,000. 9

10 The details of the amendment are as follows.

Section 1 repeals the existing minimum salary schedule in the law.

Sections 2 and 3 repeal the teacher recognition grant formula passed in the September 1984 special session and replace it with a formula for paying two recognition grants.

17 Section 4 amends the law to make the chief admin-18 istrative officer of the school responsible for re-19 porting to the commissioner and allows for the pay-20 ment of one teacher recognition grant.

21 Section 5 repeals and replaces the existing law 22 on the relation of collective bargaining to the 23 grants under this amendment. The teacher recognition 24 grants are outside collective bargaining while dis-25 tribution of money from the block grants shall be de-26 termined by collective bargaining when bargaining 27 agents are present.

28 Section 6 amends the section on intended appro-29 priations to require at least \$13,500,000 be appro-30 priated for the first recognition grant.

31 Sections 7 and 8 establish the method of payment 32 for the recognition grants and block grants. The rec-33 ognition grants are covered in a previous section. In 34 the 2nd year, the block grants shall be computed as 35 the product of the number of students educated in the

unit times \$8.60 for each percentage point the unit increases the base pay for teachers above the previous years base up to 6 percentage points or \$51.60. In the 3rd year, it shall be the product of the number of students times \$18.30 for each percentage point up to a maximum of \$109.80 per student.

Section 9 repeals the Special Commission to Study
the Implementation of Educational Reform established
in the September 1984 session.

10 Section 10 establishes the formula for including 11 the block grant allocations into the school finance 12 formula. It limits the local share to what they would 13 have paid without the grants and requires the in-14 crease in subsidizable costs associated with the 15 grants to be paid out of General Fund revenues.

Section 11 adds an appropriation section. 16 The 17 first year's Teacher Recognition Grant costs \$800,000 18 more than the \$13.5 million appropriated in the Gov-19 ernor's Part I Budget for the first fiscal year and \$27,000,000 for the 2nd fiscal year. In the Part 20 ΙI 21 Budget an additional \$1,500,000 has been included for 22 the first fiscal year and \$300,000 for the 2nd fiscal 23 This amendment includes the full \$1,000 for vear. each of 2 Teacher Recognition Grants. 24 However, the 25 block grants in the 2nd year are set at a level to 26 keep the total cost within the \$27,000,000 allocated. 27 Hence, the additional \$300,000 in the Part II Budget 28 is deappropriated.

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Reported by the Minority of the Committee on Education Reproduced and distributed under the direction of the Clerk of the House

6/17/85

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