

L.D. 283

STATE OF MAINE HOUSE OF REPRESENTATIVES 116TH LEGISLATURE FIRST REGULAR SESSION

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HOUSE AMENDMENT " $\not L$ " to COMMITTEE AMENDMENT "B" to H.P. 215, L.D. 283, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1994 and June 30, 1995"

Amend the amendment in Part F in section 5 in the first line (page 336, line 23 in amendment) by striking out the following: "sub-§8 is" and inserting in its place the following: 'sub-§§8 and 9 are'

Further amend the amendment in Part F in section 5 by 26 inserting at the end the following:

Additional adjustment in fiscal year 1993-94. 28 '<u>9.</u> Notwithstanding any other provision of this Title, for fiscal 30 year 1993-94 only, the state share of the foundation allocation, debt service allocation and minimum state allocation is limited to \$519,739,094. The necessary reduction of \$110,561,521 from 32 the commissioner's recommended funding level for fiscal year 1993-94 must be applied only to the state share of the foundation 34 allocation, the minimum state allocation and the insured value 36 factor of debt service allocation as specified in section 15610, subsection 1, paragraph G.'

Further amend the amendment in Part F in section 15 in subsection 26-A by striking out all of paragraph F.

42 Further amend the amendment in Part F by inserting after section 17 the following:

'Sec. F-18. 20-A MRSA §15610, sub-§1, ¶¶G and H are enacted to 46 read:

48G. Notwithstanding any other provision of this Title, for
fiscal year 1993-94 only, the state share of the foundation50allocation, the minimum state allocation and the insured

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HOUSE AMENDMENT

HOUSE AMENDMENT "L" to COMMITTEE AMENDMENT "B" to H.P. 215, L.D. 283

value factor of debt service allocation for each unit must be reduced from the commissioner's recommended funding level by an amount based on 50% of each of the following amounts:

(1) An amount calculated as 9.12% of each unit's state share of its foundation allocation, its minimum subsidy and its allocation for the insured value factor of debt service; and

(2) An amount calculated by multiplying 0.8778 mills by the state valuation of each unit.

H. For all fiscal years following fiscal year 1993-94, in the event that the Legislature maintains, reduces or increases the appropriation for the state share of the foundation allocation or the debt service from the prior year or from the commissioner's recommended funding level for any fiscal year after fiscal year 1993-94, the commissioner shall implement that appropriation by modifying the operating costs mil rate.'

Further amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

FISCAL NOTE

This amendment provides an alternative method for the 30 distribution of the General Purpose Aid for Local Schools appropriation. While the effect on the funding levels for individual school administrative units can not be determined, the 32 will have no effect on amendment total General Fund 34 appropriations and revenue and a balanced budget is maintained for both years of the biennium. In addition the mill rates 36 established in Part F may need to be adjusted. The effect of this action can not be determined at this time.

STATEMENT OF FACT

42 This amendment requires the calculations of the school funding as provided for in the School Finance Act of 1985 and 44 eliminates straight percentage reductions of school funding.

The amendment provides a transitional funding mechanism for
fiscal year 1993-94 to minimize the impact on certain school
administrative units of eliminating the straight percentage
reduction method of calculating each school administrative unit's
state subsidy.

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38 **40** HOUSE AMENDMENT "" to COMMITTEE AMENDMENT "B" to H.P. 215, L.D. 283

The amendment also requires compliance with the wealth neutrality test of the federal Impact Aid Act so that the State will continue to receive whatever federal aid to which it may be entitled pursuant to the federal Impact Aid Act.

Filed by Rep. Donnelly of Presque Isle Reproduced and distributed under the direction of the Clerk of the House 6/29/93 (Filing No. H-692)

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