

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
116TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 682, L.D. 924, Bill, "An Act to Amend the School Funding Formula"

Amend the amendment by striking out everything after the title and before the statement of fact and inserting in its place the following:

'Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 20-A MRSA §15602, sub-§9 is enacted to read:

9. Adjustment in fiscal year 1994-95. If, in fiscal year 1994-95, the state share of the foundation allocation for a school administrative unit, as defined in section 15603, subsection 12, plus the minimum state allocation, as described in section 15613, subsection 13, excluding the state subsidy for bus purchases, is more or less than the corresponding amount for fiscal year 1993-94, the following provisions apply.

A. If the fiscal year 1994-95 subsidy calculated for a school administrative unit pursuant to this subsection is greater than in fiscal year 1993-94 and the gain exceeds 7% of the unit's fiscal year 1993-94 General Fund operating budget for kindergarten and grades one to 12, excluding debt service, the gain must be 7% of that budget.

B. If the fiscal year 1994-95 subsidy calculated for a school administrative unit pursuant to this subsection is greater than in fiscal year 1993-94 and the gain is 7% or

SENATE AMENDMENT

2 less of the unit's fiscal year 1993-94 General Fund
3 operating budget for kindergarten and grades one to 12,
4 excluding debt service, the gain must be reduced by 10% of
5 the total gain.

6 C. If the fiscal year 1994-95 subsidy calculated for a
7 school administrative unit pursuant to this subsection is
8 less than in fiscal year 1993-94, the loss must be limited
9 to a percentage of the unit's fiscal year 1993-94 General
10 Fund operating budget for kindergarten and grades one to 12,
11 excluding debt service, and the percentage must be the same
12 for all units in the category. The percentage must be
13 determined by applying all funds appropriated for this
14 purpose, including but not limited to the funds retained
15 through the operation of paragraphs A and B.

16 For the purpose of this subsection, the state share of a unit's
17 foundation allocation must include the adjustments, if any,
18 specified in section 15612, subsections 1, 2, 5, 6, 7, 9, 10 and
19 11 as well as the adjustment in section 15613, subsection 9.

22 **Sec. 2. Appropriation.** The following funds are appropriated
23 from the General Fund to carry out the purposes of this Act.

1994-95

26 **EDUCATION, DEPARTMENT OF**

28 **General Purpose Aid for Local Schools**

30 All Other \$3,095,711

32 Provides for the appropriation of funds for
33 the additional school subsidy required to
34 implement the proposed hardship plan. The
35 remaining \$4,000,000 required to fully
36 implement this plan is included in the
37 committee amendment to the supplemental
38 budget.'

40 Further amend the bill by inserting at the end before the
41 statement of fact the following:

44 **FISCAL NOTE**

1994-95

46 **APPROPRIATIONS/ALLOCATIONS**

48 General Fund \$3,095,711

R of S.

SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 682,
L.D. 924

2 This bill establishes the methodology for distributing the
4 Hardship Fund for school administrative units for fiscal year
6 1994-95. The cost to implement this proposal is \$7,095,711.
8 Since Committee Amendment "A" to the supplemental budget bill
(L.D. 1761) provides \$4,000,000 for this purpose, a General Fund
appropriation for the remaining \$3,095,711 for General Purpose
Aid for Local Schools is required.' '

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STATEMENT OF FACT

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14 This amendment replaces Committee Amendment "A." This plan
16 works by stopping a school unit's loss of state aid at 2.37% of
18 the unit's total operating budget excluding debt service. It is
20 funded in part by retaining funds from school units that would
22 gain state aid in fiscal year 1994-95. Funds are retained if a
unit's gain in state aid exceeds 7% of the unit's total operating
budget excluding debt service. All other units will contribute
10% of their gain to the Hardship Fund. This amendment also
replaces the fiscal note.

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SPONSORED BY: Jane A. Amero
(Senator AMERO)

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COUNTY: Cumberland

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SENATE AMENDMENT