

MAINE STATE LEGISLATURE

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TOP

L.D. 924

DATE: 4/12/94

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MAJORITY
EDUCATION

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

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

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. 5 MRSA §937, sub-§1, as amended by PL 1991, c. 716, §2, is further amended to read:

1. Major policy-influencing positions. The following positions are major policy-influencing positions within the Department of Education. Notwithstanding any other provision of law, these positions and their successor positions shall be are subject to this chapter:

A. Assistant-to-the Deputy Commissioner;

B. Deputy Commissioner;

C. ~~Associate-Commissioner, Bureau-of-School-Management;~~

D. ~~Associate-Commissioner, Bureau-of-Instruction;~~

E. ~~Associate-Commissioner, Bureau-of-Applied-Technology-and Adult-Learning;~~

F. Director, Planning and Management Information;

COMMITTEE AMENDMENT

- 2 G. Federal and State Education Program Coordinator; and
- 4 H. Executive Director, Interdepartmental Council, with the
6 approval of the other commissioners of the Interdepartmental
Council; and
- 8 I. Director, Office of Rehabilitation Services.

10 Sec. 2. 20-A MRSA §203, sub-§1, as amended by PL 1993, c. 410,
12 Pt. F, §2, is further amended to read:

14 1. Commissioner's appointments. The following officials
16 must--be are appointed by and serve at the pleasure of the
18 commissioner:

- 20 A. ~~Assistant-to-the~~ Deputy Commissioner;
- 22 B. Deputy Commissioner;
- 24 F. Director, Planning and Management Information;
- 26 G. Federal and State Education Program Coordinator; and
- 28 H. Executive Director, Interdepartmental Council, with the
approval of the other commissioners of the Interdepartmental
Council; and
- 30 I. Director, Office of Rehabilitation Services.

32 Sec. 3. 20-A MRSA §15602, sub-§9 is enacted to read:

34 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 and excluding the state subsidy for bus purchases
is more or less than the corresponding amount for fiscal year
1993-94, the following provisions apply.

- 40 A. If the subsidy calculated for a school administrative
42 unit pursuant to this subsection is greater in fiscal year
1994-95 than in fiscal year 1993-94, the gain is limited to
44 60%.
- 46 B. If the subsidy calculated for a school administrative
48 unit pursuant to this subsection is less in fiscal year
1994-95 than in fiscal year 1993-94, the loss is limited to
50 40%.

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

Sec. 4. Committee to Study Organizational and Tax Issues in Public Schools.

1. Members. The Committee to Study Organizational and Tax Issues in Public Schools, referred to in this section as "the committee," is established and consists of 5 members who must be impartial and have wide experience in public affairs and are appointed from a list provided by the joint standing committee of the Legislature having jurisdiction over education matters, as follows:

A. One member appointed by the Governor;

B. Two members appointed by the President of the Senate; and

C. Two members appointed by the Speaker of the House of Representatives.

A member of the committee may not be a Legislator or a member or employee of a professional organization representing persons employed in public education, kindergarten to grade 12.

Each member appointed must have extensive knowledge of public education in the State. In appointing members to the committee, proper consideration must be given to achieving statewide geographical representation and gender equity.

Appointments to the committee must be made no later than 30 days following the effective date of this Act. The Executive Director of the Legislative Council must be notified by the appointing authorities once selections have been finalized.

The first meeting of the committee must be convened by the Executive Director of the Legislative Council within 14 days after the appointment of the committee. At the first meeting, the committee shall elect a chair from among its members.

2. Expenses. Members of the committee are entitled to receive per diem reimbursement in the amount of the legislative per diem and must be reimbursed for expenses upon approval of the chair of the committee and application to the Executive Director of the Legislative Council.

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3. Duties and responsibilities. The committee shall review organizational and tax issues in public schools, kindergarten to grade 12, including, but not limited to:

A. The affordability and efficiency of the organization of school districts in the State and the options, costs and benefits of organizational change;

B. The affordability, efficiency and fairness of school construction policy;

C. The tax structure for funding public schools; including alternatives to reliance on the property tax to fund the required local share of education costs and the implications of repealing the property tax as the revenue source for funding the local share of the total allocation for education, effective in fiscal year 1996-97; and

D. The effectiveness of the education leadership structure in the State and options for the improvement of that structure.

4. Staff. The committee may contract for necessary professional assistance and may request staff assistance from the Legislative Council. On request of the committee, assistance must be provided by the Department of Education, the State Board of Education, the Department of the Attorney General, the State Planning Office and any other agency of the executive department.

5. Report. The committee shall report its findings and recommendations to the Governor and to the joint standing committee of the Legislature having jurisdiction over education matters by January 15, 1995.

6. Appropriation and contributions. The Executive Director of the Legislative Council is authorized to administer the committee's budget and accept and administer outside funds contributed to support the work of the committee.

Sec. 5. Construction audit recoveries; General Purpose Aid for Local Schools; lapsed balances. Notwithstanding any other provision of law, in fiscal year 1993-94, \$169,000 in the General Purpose Aid for Local Schools account lapses to the General Fund as a result of construction audit recoveries.

Sec. 6. Preschool handicapped children; General Purpose Aid for Local Schools. Notwithstanding any other provision of law, the Commissioner of Education is authorized to spend fiscal year 1993-94 audit recoveries in school construction aid or any unobligated balances in fiscal year 1993-94 General Purpose Aid

for Local Schools, up to the amount of \$125,000, to meet the needs of preschool handicapped children in the Child Development Services program.

Sec. 7. Teacher aide position; health and safety issues; General Purpose Aid for Local Schools. Notwithstanding any other provision of law, the Commissioner of Education is authorized to spend fiscal year 1993-94 audit recoveries in school construction aid or any unobligated balances in fiscal year 1993-94 General Purpose Aid for Local Schools, up to the amount of \$11,000, to upgrade a teacher aide position pursuant to an arbitration decision and up to the amount of \$34,000 to fund health and safety needs at the Baxter School for the Deaf.

Sec. 8. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	1993-94	1994-95
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EDUCATION, DEPARTMENT OF

Child Development Services

		\$169,000
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Provides funds for federally mandated services to 220 newly identified eligible preschool handicapped children. One hundred sixty-nine thousand dollars from school construction aid audit recoveries will be lapsed from the General Purpose Aid account on June 30, 1994.-

General Purpose Aid for Local Schools

		(\$50,000)
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Notwithstanding any other provision of law, provides for the deappropriation of funds through a reduction of state subsidy to local schools for fiscal year 1994-95.

**2 General Purpose Aid for
Local Schools**

4 All Other 3,205,332

6 Provides for the
8 appropriation of funds for
10 the additional school subsidy
12 required to implement the
14 proposed hardship plan. The
16 remaining \$4,000,000 required
to fully implement this plan
is included in the committee
amendment to the supplemental
budget.

**18 DEPARTMENT OF EDUCATION
TOTAL**

\$169,000 \$3,155,332

20 LEGISLATURE

**22 Committee to Study Organizational
24 and Tax Issues in Public Schools**

26 Personal Services \$4,125
All Other 54,250

28 Provides funds to the
30 Committee to Study
32 Organizational and Tax Issues
34 in Public Schools for the per
diem and expenses of members,
to contract for professional
services and for
36 miscellaneous committee
expenses.

38 Legislature

40 All Other 50,000

42 Provides for the
44 appropriation of funds to
46 contract with the University
of Maine System for research
on education issues related
48 to public schools,
kindergarten to grade 12 and
50 establishment of an education

data base to track long-term developments in education. The University of Maine System shall contribute a like amount from available resources.

LEGISLATURE TOTAL

\$108,375

TOTAL APPROPRIATIONS

\$169,000

\$3,263,707

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

FISCAL NOTE

1993-94

1994-95

APPROPRIATIONS/ALLOCATIONS

General Fund

\$169,000

\$3,263,707

REVENUES

General Fund

\$169,000

The method for the distribution of a hardship fund for school administrative units is provided in this bill. The cost to implement this proposal is \$7,205,332. 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 \$3,205,332 for General Purpose Aid for Local Schools is required.

This bill also includes a General Fund appropriation of \$58,375 in fiscal year 1994-95 for the Legislature for the Committee to Study Organizational and Tax Issues in Public Schools for the per diem and expenses of members, to contract with professionals and for miscellaneous committee expenses. The additional costs to provide staffing assistance to the committee can be absorbed by the Legislature utilizing existing budgeted resources.

The Department of Education, the State Board of Education, the Department of the Attorney General and the State Planning Office will incur some minor additional costs to provide assistance to the committee. These costs can be absorbed within the various departments' and agencies' existing budgeted resources.

2 The bill additionally includes a General Fund appropriation
4 of \$50,000 in fiscal year 1994-95 for the Legislature to contract
6 with the University of Maine System for educational research. A
deappropriation from General Purpose Aid for Local Schools in the
same amount will result in no net increase in General Fund
appropriations.

8 The bill provides a General Fund appropriation of \$169,000
10 in fiscal year 1993-94 to the Department of Education, Preschool
12 Handicapped program for federally mandated services to preschool
14 handicapped children. This appropriation will be offset by the
lapsing of \$169,000 from school construction aid audit recoveries
from the General Purpose Aid for Local Schools account, again
resulting in no net General Fund costs.

16 Authorization is provided to the Department of Education to
18 use up to \$170,000 of any additional available construction aid
audit recoveries or other unobligated balances in the General
20 Purpose Aid for Local Schools program in fiscal year 1993-94 to
provide for additional needs at the Governor Baxter School for
22 the Deaf and for additional services for preschool handicapped
children. If these funds are available for use in these other
24 programs, the amount available to be carried forward into fiscal
year 1994-95 in the General Purpose Aid for Local Schools program
26 will be reduced.'

28 **STATEMENT OF FACT**

30 This amendment replaces the bill.

32 The amendment establishes an adjustment to the school
34 funding formula that limits the increase in state subsidy from
school year 1993-94 to school year 1994-95 to 60% of the
36 increase, and limits the loss in state subsidy from school year
1993-94 to school year 1994-95 to 40% of the loss. State subsidy
38 for bus purchases and debt service are excluded from the
adjustment.

40 The amendment amends the Maine Revised Statutes, Titles 5
42 and 20-A to reflect current major policy-influencing positions in
the Department of Education. The position changes were proposed
44 in fiscal year 1993-94 in the department's restructuring proposal
to the First Regular Session of the 116th Legislature.

46 The amendment establishes a 5-member committee, the
48 Committee to Study Organizational and Tax Issues in Public
Schools. The committee's duties include review of the
50 affordability and efficiency of the State's school districts,

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

2 review of policies for approving school construction projects,
3 review of the tax structure for funding public schools and review
4 of the structure of education leadership in the State. The
5 amendment adds a fiscal note and an appropriation of \$58,375 from
6 the General Fund to fund the committee.

7 The amendment appropriates \$50,000 from general purpose aid
8 to fund a joint research project with the University of Maine
9 System, designed to track meaningful developments in education
10 data related to kindergarten to grade 12. The University of
11 Maine System shall contribute \$50,000 to the project from
12 available resources.

13 The amendment adds an appropriation of \$169,000 for the
14 current fiscal year to fund services to preschool handicapped
15 children through the child development services program. The
16 appropriation will come from funds recovered through school
17 construction aid audit recoveries.

18 The amendment permits the Commissioner of Education to spend
19 up to an additional \$125,000 in fiscal year 1993-94 for preschool
20 handicapped children. The funds may come from unobligated
21 balances in fiscal year 1993-94 General Purpose Aid for Local
22 Schools and audit recoveries in school construction aid.

23 The amendment also permits the Commissioner of Education to
24 spend up to \$45,000 in fiscal year 1993-94 for a teacher aide
25 position and for health and safety issues at the Baxter School
26 for the Deaf. The funds may come from unobligated balances in
27 fiscal year 1993-94 General Purpose Aid for Local Schools and
28 audit recoveries in school construction aid.

29 This amendment also adds a fiscal note to the bill.
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