

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1425

S.P. 451

In Senate, March 11, 1997

An Act to Provide for Direct Reimbursement of Special Education Costs.

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator KILKELLY of Lincoln.
Cosponsored by Speaker MITCHELL of Vassalboro and
Senators: CATHCART of Penobscot, DAGGETT of Kennebec, PENDLETON of
Cumberland, PINGREE of Knox, RAND of Cumberland, Representatives: LEMAIRE of
Lewiston, PIEH of Bremen, RINES of Wiscasset.

Be it enacted by the People of the State of Maine as follows:

2
4 **Sec. 1. 20-A MRSA §15602, sub-§9**, as enacted by PL 1993, c.
684, §3, is amended to read:

6 **9. Adjustment in fiscal year 1994-95.** If in fiscal year
8 1994-95 the state share of the foundation allocation for a school
10 administrative unit as defined in section 15603, subsection 12
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.

14 A. If the subsidy calculated for a school administrative
16 unit pursuant to this subsection is greater in fiscal year
1994-95 than in fiscal year 1993-94, the gain is limited to
59.4%.

18 B. If the subsidy calculated for a school administrative
20 unit pursuant to this subsection is less in fiscal year
1994-95 than in fiscal year 1993-94, the loss is limited to
22 40.6%.

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

30 **Sec. 2. 20-A MRSA §15603, sub-§26-A, ¶B**, as enacted by PL
1993, c. 410, Pt. F, §15, is amended to read:

32 B. "Actual local program costs" includes the following:

34 (1) Bus purchase costs as defined in subsection 7;

36 (2) Early childhood educational program costs as
38 defined in subsection 10;

40 ~~(3) Special education costs as defined in subsection
22;~~

42 (4) Transportation operating costs as defined in
44 subsection 29; and

46 (5) Vocational education costs as defined in
subsection 30.

48 **Sec. 3. 20-A MRSA §15604, sub-§1, ¶¶B and C**, as enacted by PL
50 1983, c. 859, Pt. G, §§2 and 4, are repealed.

2 **Sec. 4. 20-A MRSA §15605, sub-§2, ¶C**, as enacted by PL 1983,
c. 859, Pt. G, §§2 and 4, is amended to read:

4 C. The requested funding levels for program costs under
6 ~~section 15604, subsection 1, paragraph B~~; ~~section 15604,~~
7 ~~subsection 1, paragraph C, subparagraph (1)~~; section 15604,
8 subsection 1, paragraphs D, E and J, shall must be the
10 actual local program costs for the base year adjusted to the
11 equivalent of the year prior to the year of allocation; and
12 under section 15604, subsection 1, paragraph F, for the year
13 prior to the year of allocation.

14 **Sec. 5. 20-A MRSA §15605, sub-§2, ¶E**, as enacted by PL 1983,
c. 859, Pt. G, §§2 and 4, is repealed.

16 **Sec. 6. 20-A MRSA §15607, sub-§12**, as amended by PL 1989, c.
17 502, Pt. C, §§7 and 8, is repealed.

18 **Sec. 7. 20-A MRSA §15607, sub-§13** is enacted to read:

20 **13. Appropriation for special education costs.** Appropriate
21 the necessary funds for reimbursement of special education costs
22 under section 15612-A.

24 **Sec. 8. 20-A MRSA §15608, sub-§2, ¶A**, as enacted by PL 1983,
25 c. 859, Pt. G, §§2 and 4, is repealed.

28 **Sec. 9. 20-A MRSA §15612, sub-§6**, as amended by PL 1989, c.
29 554, §1, is repealed.

30 **Sec. 10. 20-A MRSA §15612, sub-§11**, as repealed and replaced
31 by PL 1989, c. 878, Pt. D, §7, is repealed.

34 **Sec. 11. 20-A MRSA §15612, sub-§13**, as enacted by PL 1989, c.
35 875, Pt. E, §32, is amended to read:

36 **13. Adjustment limitations.** The amounts of the adjustments
37 paid to school administrative units or municipalities in
38 subsections 1, 2, 4, 6, 7, 10, ~~11~~ and 12 are limited to the
39 amounts appropriated by the Legislature for these adjustments.
40

42 **Sec. 12. 20-A MRSA §15612-A** is enacted to read:

44 **§15612-A. Reimbursement for special education costs**

46 **1. Payment formula.** The commissioner shall pay to each
47 school administrative unit, in the year of allocation, an amount
48 equal to the unit's special education costs, as defined in
49 section 15603, subsection 22, multiplied by the average statewide
50 state share percentage for program costs in the year of

2 allocation. Payments must be made monthly, not more than 7 days
3 after the department receives notification from the unit of its
4 prior month's special education costs. This subsection is
5 repealed June 30, 2006.

6 2. Full payment. Beginning July 1, 2006 the commissioner
7 shall pay to each school administrative unit, in the year of
8 allocation, 100% of the unit's special education costs as defined
9 in section 15603, subsection 22. Payments must be made monthly,
10 not more than 7 days after the department receives notification
11 from the unit of its prior month's special education costs.

12 3. Special education costs; delayed payments. Special
13 education costs that would have been payable to a school
14 administrative unit under the School Finance Act of 1985 in the
15 1997-98 school year will be paid to the school administrative
16 unit over a 5-year period beginning July 1, 2000. The
17 commissioner shall establish a schedule for payment of special
18 education costs. These funds do not affect the calculation of
19 state subsidy under this chapter.

22 **Sec. 13. 20-A MRSA §15613, sub-§4, ¶B,** as enacted by PL 1983,
23 c. 859, Pt. G, §§2 and 4, is repealed.

24 **Sec. 14. 20-A MRSA §15613, sub-§6,** as enacted by PL 1983, c.
25 859, Pt. G, §§2 and 4, is repealed.

28 SUMMARY

30
31 The purpose of this bill is to guarantee that each school
32 administrative unit in the State will receive compensation for
33 its current year special education costs on a monthly basis.
34 Compensation for special education costs will equal the unit's
35 most recent monthly special education expenditure multiplied by
36 the average statewide state share percentage of program costs in
37 the current year.

38
39 It also increases the State's share of special education
40 costs to 100% effective July 1, 2006 and adds a provision for
41 paying 1997-98 school year special education costs to school
42 units over a 5-year period, beginning in July 2000.