

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 118th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1998

---

Legislative Document

No. 2271

H.P. 1637

House of Representatives, March 10, 1998

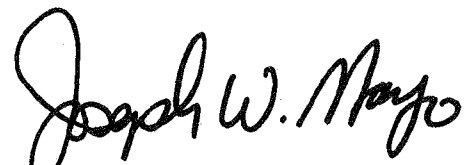
**An Act to Include Locally Funded Debt Service in the Formula for  
Purposes of the Circuit Breaker Program.**

(AFTER DEADLINE)

---

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

  
JOSEPH W. MAYO, Clerk

Presented by Representative CHARTRAND of Rockland.  
Cosponsored by Senator PINGREE of Knox and  
Representatives: BRENNAN of Portland, SAVAGE of Union, SKOGLUND of St. George.

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

2  
3       **Sec. 1. 20-A MRSA §15611, sub-§1, ¶A,** as amended by PL 1993,  
4 c. 410, Pt. F, §18, is further amended to read:

6       A. The local share of allocation for debt service is the  
7 product of the debt service allocation multiplied by the  
8 percentage local share determined in section 15609 or 1.0  
9 mills plus the product of the debt service millage limit  
10 established in section 15607 times the fiscal capacity of  
11 the municipalities in the school administrative units,  
12 whichever is less; however, when a school construction  
13 project is approved for state funding, the total debt  
14 service actually being paid by the school administrative  
15 unit at the time the project is approved and in subsequent  
16 years must be used to determine which calculation is less.  
17 When determining whether a school administrative unit has  
18 met the debt service millage limit, the unit's debt service  
19 includes its existing debt service for all school  
20 construction projects, as defined in section 15901,  
21 subsection 4, whether approved for state funding or not.

22           (1) The debt service millage limit is the mills  
23 derived by dividing 45% of the debt service costs as  
24 defined in section 15603, subsection 8 by the fiscal  
25 capacity of all municipalities.

26           (2) The local share percentage of debt service costs  
27 is the proportion that the local share of the  
28 allocation for debt service cost is to the maximum debt  
29 service cost allocation.

30           (3) The unit's debt service for those school  
31 construction projects that have not been approved for  
32 state funding may only be considered for 50% of the  
33 cost of those projects.

34  
35  
36  
37       **Sec. 2. 20-A MRSA §15905, sub-§3-A** is enacted to read:

38       **3-A. Minimum local contribution.** Notwithstanding any other  
39 provision of law, a school unit that meets the debt service  
40 millage limit established by section 15607 and that receives  
41 state funding for a school construction project shall contribute  
42 a minimum of 1.0 mills times the fiscal capacity of the  
43 municipalities in the school administrative unit to the cost of  
44 the project.

## SUMMARY

2  
4  
6  
8  
10

This bill amends the current method used to determine the local share of debt service for school construction projects by requiring the State to include in its calculation of whether a school unit has met the circuit breaker, which is the actual debt service for all school construction projects being paid by that unit whether approved for state funding or not. The bill further requires that once a municipality reaches the circuit breaker, it must contribute an additional 1.0 mills in order to remain eligible for the school construction funding.