

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 124

S.P. 54

In Senate, January 11, 1999

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### **An Act to Provide for Direct Reimbursement for Special Education Costs.**

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

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator KILKELLY of Lincoln.  
Cosponsored by Representative BAKER of Bangor and  
Senators: FERGUSON of Oxford, KIEFFER of Aroostook, PARADIS of Aroostook,  
PINGREE of Knox, Representatives: HONEY of Boothbay, PIEH of Bremen, RINES of  
Wiscasset, TRUE of Fryeburg.

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

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

A. If the subsidy calculated for a school administrative 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%.

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

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, 5, 6, 7, 9 and 10 as well as the adjustment in section 15613, subsection 9.

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

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

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

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

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

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

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

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 G, §§2 and 4, is repealed.

2           **Sec. 4. 20-A MRSA §15604, sub-§1, ¶C**, as amended by PL 1997,  
c. 326, §3, is repealed.

4           **Sec. 5. 20-A MRSA §15605, sub-§2, ¶C**, as enacted by PL 1983,  
c. 859, Pt. G, §§2 and 4, is amended to read:

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

16           **Sec. 6. 20-A MRSA §15605, sub-§2, ¶E**, as enacted by PL 1983,  
c. 859, Pt. G, §§2 and 4, is repealed.

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

22           **Sec. 8. 20-A MRSA §15607, sub-§13** is enacted to read:

24           **13. Appropriation for special education costs.** Appropriate  
26           the necessary funds for reimbursement of special education costs  
under section 15612-A.

28           **Sec. 9. 20-A MRSA §15608, sub-§2, ¶A**, as enacted by PL 1983,  
c. 859, Pt. G, §§2 and 4, is repealed.

30           **Sec. 10. 20-A MRSA §15612, sub-§6**, as amended by PL 1989, c.  
32           554, §1, is repealed.

34           **Sec. 11. 20-A MRSA §15612, sub-§11**, as amended by PL 1997, c.  
736, §2, is repealed.

36           **Sec. 12. 20-A MRSA §15612, sub-§13**, as enacted by PL 1989, c.  
38           875, Pt. E, §32, is amended to read:

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

44           **Sec. 13. 20-A MRSA §15612-A** is enacted to read:

46           **§15612-A. Reimbursement for special education costs**

48           **1. Payment formula.** The commissioner shall pay to each  
50           school administrative unit, in the year of allocation, an amount

2 equal to the unit's special education costs, as defined in  
4 section 15603, subsection 22, multiplied by the average statewide  
6 state share percentage for program costs in the year of  
8 allocation. Payments must be made monthly, not more than 7 days  
10 after the department receives notification from the unit of its  
12 prior month's special education costs. This subsection is  
14 repealed June 30, 2008.

2. Full payment. Beginning July 1, 2008, the commissioner  
shall pay to each school administrative unit, in the year of  
allocation, 100% of the unit's special education costs as defined  
in section 15603, subsection 22. Payments must be made monthly,  
not more than 7 days after the department receives notification  
from the unit of its prior month's special education costs.

3. Special education costs; delayed payments. Special  
education costs that would have been payable to a school  
administrative unit under the School Finance Act of 1985 in the  
1999-2000 school year will be paid to the school administrative  
unit over a 5-year period beginning July 1, 2002. The  
commissioner shall establish a schedule for payment of special  
education costs. These funds do not affect the calculation of  
state subsidy under this chapter.

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

Sec. 15. 20-A MRSA §15613, sub-§6, as amended by PL 1997, c.  
326, §5, is repealed.

## SUMMARY

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

It also increases the State's share of special education  
costs to 100% effective July 1, 2008 and adds a provision for  
paying 1999-2000 school year special education costs to school  
units over a 5-year period, beginning in July 2002.