

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 2053

H.P. 1430

House of Representatives, March 25, 1999

An Act to Reimburse Program Costs to School Districts at 100% of Actual Cost.

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

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative MAILHOT of Lewiston.
Cosponsored by Senator DOUGLASS of Androscoggin and
Representatives: BAGLEY of Machias, COLWELL of Gardiner, DESMOND of Mapleton,
FRECHETTE of Biddeford, O'NEIL of Saco, PIEH of Bremen, TRUE of Fryeburg,
WATSON of Farmingdale.

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

Sec. 1. 20-A MRSA §15603, sub-§26-A, ¶F, as amended by PL 1995, c. 665, Pt. J, §2, is further amended to read:

F. If for any fiscal year, the total amount appropriated for the State's share of the total allocation is less than the amount specified in the certified funding level for that year, then all subsidizable costs except as noted in subparagraphs (1) and, (2) and (3) are reduced by a percentage of the original cost amounts. The reduction percentage is the smallest percentage that results in a state share of the total allocation that does not exceed the amount appropriated for this purpose, except that the reduction percentage that would ordinarily be used for operating and program costs must be reduced for the purpose of computing state subsidy for transportation operating costs as defined in subsection 29. The reduction percentage ordinarily used for transportation operating costs must be reduced by the amount necessary to provide additional state subsidy equal to \$4,500,000 for this category of costs. The statewide adjustment factor under section 15654, subsection 1, paragraph B must be adjusted by an amount sufficient to provide this additional funding for program costs. The following subsidizable costs may not be reduced:

(1) Principal and interest on approved school construction costs; and

(2) Approved lease costs; and

(3) Actual local program costs as defined in paragraph B.

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

	1999-00	2000-01
EDUCATION, DEPARTMENT OF		
General Purpose Aid for Local Schools		
All Other	\$29,493,680	\$30,348,997
Provides funds to fully fund actual local program costs.		

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SUMMARY

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6 Current law requires that school administrative units
8 receive state subsidy for the following program costs: early
10 childhood education program costs, special education costs,
12 vocational education costs, transportation operating costs and
14 bus purchase costs. However, current law also limits the State
16 share of funding for these subsidizable program costs to the
amount appropriated by the Legislature for the General Purpose
Aid for Local Schools program. Consequently, the amount of
General Fund appropriations for the General Purpose Aid for Local
Schools program over the past several years has addressed less
than 25% of the amount needed to fully fund the state share of
actual local program costs.

18 The purpose of this bill is to ensure that the State's
20 subsidy includes 100% of the state share of actual local program
22 costs incurred by school administrative units. Under this bill,
24 the State share of actual local program costs is fully funded,
that is, the subsidy percentage reduction percentages for all
program costs are 0%. This bill also proposes an additional
amount of General Fund appropriations for the General Purpose Aid
for Local Schools program to fully fund the state share of actual
26 local program costs.