

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1647

S.P. 524

In Senate, March 15, 2001

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**An Act to Allow Averaging of Unallocated Balances Over 3% for School Budgets.**

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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 MITCHELL of Penobscot.  
Cosponsored by Representative RICHARD of Madison and  
Senators: NUTTING of Androscoggin, ROTUNDO of Androscoggin, Representatives:  
ANDREWS of York, CUMMINGS of Portland, LEDWIN of Holden, WESTON of Montville.

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

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4       **Sec. 1. 20-A MRSA §15613, sub-§9,** as amended by PL 1985, c.  
797, §61, is further amended to read:

6           **9. Balance of allocations.** Notwithstanding any other public  
or private statute, general operating fund balances at the end of  
8 a school administrative unit's fiscal year shall must be carried  
forward to meet the next-year's-scheel school's needs in the next  
10 year or over a period not to exceed 3 years. Unallocated  
balances in excess of 3% of the previous year's school budget  
12 shall must be used to reduce the state and local allocations  
share of the foundation allocation for the purpose of computing  
14 state subsidy. School boards have the discretion of carrying  
forward unallocated balances in excess of 3% of the previous  
16 year's school budget and disbursing these funds in the next year  
or over a period not to exceed 3 years.

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**SUMMARY**

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This bill permits school boards to carry forward general  
operating fund balances at the end of a school administrative  
24 unit's fiscal year to meet the needs of the school administrative  
unit for up to 3 years. Under this bill, school boards will have  
26 the discretion of carrying forward unallocated balances in excess  
of 3% of the previous year's school budget for up to 3 years to  
28 reduce the state and local allocations for the purpose of  
computing state subsidy.