

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 828

H.P. 605

House of Representatives, February 20, 2003

An Act To Phase In General Purpose Aid for Local Schools Funding Losses Over Time

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GLYNN of South Portland.
Cosponsored by Senator BROMLEY of Cumberland and
Representatives: BLISS of South Portland, MAIETTA of South Portland.

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

2
4 **Sec. 1. 20-A MRSA §15602, sub-§18** is enacted to read:

6 18. Maximum loss provision. Notwithstanding any other
8 provision of this chapter or chapter 606-A, the following maximum
10 loss provision is established for fiscal year 2003-04 and for
12 each fiscal year thereafter to provide for maximum stability of
14 the amounts of state subsidy provided to school administrative
16 units through the general purpose aid for local schools program.

18 A. Beginning in fiscal year 2003-04, the state share of
20 subsidy for each fiscal year for operating costs, program
22 costs excluding the state share of bus purchases and minimum
24 subsidy may not be less than 90% of the state share of
26 subsidy for the preceding fiscal year for operating costs,
28 program costs excluding the state share of bus purchases,
30 minimum subsidy and the hold harmless or maximum loss
32 provision actually distributed in the preceding fiscal year.

34 B. Beginning in fiscal year 2003-04, if the property fiscal
36 capacity used to determine a school administrative unit's
38 fiscal capacity for each fiscal year increases from the
40 preceding fiscal year or if the number of pupils used to
 determine a school administrative unit's subsidizable pupil
 count for each fiscal year decreases from the preceding
 fiscal year, then a school administrative unit may not
 receive less than 90% of the state share of subsidy that it
 received in the preceding fiscal year.

SUMMARY

34 This bill provides for an ongoing "maximum loss" provision
36 for the general purpose aid for local schools program. The bill
38 requires that, beginning in fiscal year 2003-04 and for each
40 fiscal year thereafter, the Legislature provide each school
 administrative unit with at least 90% of the state share of
 subsidy that it received for the preceding fiscal year for
 operating costs, program costs excluding the state share of bus
 purchases and minimum subsidy.