

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1303

H.P. 957

House of Representatives, March 11, 2003

An Act To Provide for Full State Funding for Special Education Costs

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

Millicent M. MacFarland

MILLICENT M. MacFARLAND

Clerk

Presented by Representative LEMOINE of Old Orchard Beach.
Cosponsored by Senator STANLEY of Penobscot and
Representative: LERMAN of Augusta.

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

2
4 **Sec. 1. 20-A MRSA §15603, sub-§26-A, ¶F**, as amended by PL 1999, c. 401, Pt. GG, §2, is further amended to read:

6 F. If for any fiscal year the total amount appropriated for
8 the State's share of the total allocation is less than the
10 amount specified in the certified funding level for that
12 year, then all subsidizable costs except as noted in
14 subparagraphs (1) and, (2) and (3) are reduced by a
16 percentage of the original cost amounts. The reduction
18 percentage is the smallest percentage that results in a
20 state share of the total allocation that does not exceed the
22 amount appropriated for this purpose, except that the
24 reduction percentage that would ordinarily be used for
26 operating and program costs must be reduced for the purpose
28 of computing state subsidy for transportation operating
30 costs as defined in subsection 29. Until fiscal year
32 2000-01, the reduction percentage ordinarily used for
34 transportation operating costs must be reduced by the amount
36 necessary to provide additional state subsidy equal to
38 \$4,500,000 for this category of costs. The statewide
40 adjustment factor under section 15654, subsection 1,
42 paragraph B must be adjusted by an amount sufficient to
44 provide this additional funding for program costs.
46 Beginning in fiscal year 1999-00, the reduction percentage
48 must be phased out over 4 years. In fiscal year 1999-00,
50 the reduction percentage for program costs other than
52 transportation operating costs must be 15.88%. It is the
 intent of the Legislature that the reduction percentage for
 all program costs and the insured value factor be lowered to
 9.97% in fiscal year 2000-01, to 4.98% in fiscal year
 2001-02 and to 0% in fiscal year 2002-03. Beginning in
 fiscal year 2000-01, if the appropriation and any increase
 in the mill rate determined by the Legislature to be needed
 under section 15653 are not sufficient to achieve both the
 targeted reduction percentage and the targeted per pupil
 guarantee, as defined in section 15653, then the per pupil
 guarantee must advance toward the targeted per pupil
 guarantee in the same proportion as the reduction
 percentage, as defined in this section, is lowered toward
 the targeted reduction percentage. The following
 subsidizable costs may not be reduced:

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

48 (2) Approved lease costs; and

50 (3) Special education costs as defined in subsection
52 22.

2 **Sec. 2. 20-A MRSA §15612, sub-§6**, as amended by PL 1989, c.
554, §1, is repealed and the following enacted in its place:

4 **6. Special education adjustment; local authorization.**
Beginning in fiscal year 2003-04 and notwithstanding any other
6 provision of this chapter or chapter 606-A, the commissioner
shall adjust each school administrative unit's state share of
8 state subsidy to include an amount equal to the unit's actual
special education costs for the year prior to the year of
10 allocation. For the purposes of this subsection, the unit's
actual special education costs include 100% of the costs defined
12 in subsection 11; section 15603, subsection 22; section 15607,
subsection 3, paragraph A, subparagraphs (1) and (2); and section
14 15613, subsection 5. School boards may expend the funds
allocated without seeking approval from their legislative bodies.

16 **Sec. 3. Appropriations and allocations.** The following
18 appropriations and allocations are made.

20 **EDUCATION, DEPARTMENT OF**

22 **General Purpose Aid for Local Schools**

24 Initiative: Provides funds to fully fund 100% of actual local
special education costs.

26

General Fund	2003-04	2004-05
28 All Other	\$244,758,578	\$251,367,160
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30 General Fund Total	\$244,758,578	\$251,367,160

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34 **SUMMARY**

36 This bill provides that the general purpose aid for local
schools program would provide state subsidy for 100% of the
38 actual special education costs incurred by each school
administrative unit in the State. Under this bill, the
40 Commissioner of Education is required to adjust each school
administrative unit's state share of state subsidy to include an
42 amount that equals 100% of the unit's actual special education
costs, including the unit's personnel costs, to provide special
44 education services and special education costs for state wards,
state agency clients and out-of-district placements. The bill
46 also provides an additional amount of General Fund appropriations
for the general purpose aid for local schools program to fully
48 fund the local share of actual local special education costs.