

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1355

S.P. 443

In Senate, March 13, 2003

An Act To Increase State Funding for Renovation, Repair and Replacement of Schools for Local Communities by Limiting the State's Debt Limit for New School Construction

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 BROMLEY of Cumberland.
Cosponsored by Representative CUMMINGS of Portland and
Senators: EDMONDS of Cumberland, GAGNON of Kennebec, MARTIN of Aroostook,
SAWYER of Penobscot, Representatives: BLISS of South Portland, KOFFMAN of Bar
Harbor, MILLS of Cornville, NORTON of Bangor.

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

4 **Sec. 1. 20-A MRSA §15905, sub-§1, ¶A-2** is enacted to read:

6 A-2. Beginning in fiscal year 2003-04 and in each fiscal
8 year thereafter until fiscal year 2006-07, the commissioner
10 shall transfer a portion of the debt service funds that
12 would otherwise be applied to the debt service limit to the
14 state share of the foundation allocation that is distributed
to subsidize each school administrative unit's special
education costs as defined under section 15603, subsection
22. The commissioner shall transfer debt service funds
authorized under paragraph A in accordance with this
paragraph:

16 (1) Ten percent of the maximum debt service limit must
18 be transferred in fiscal year 2003-04;

20 (2) Fifteen percent of the maximum debt service limit
must be transferred in fiscal year 2004-05;

22 (3) Twenty percent of the maximum debt service limit
24 must be transferred in fiscal year 2005-06; and

26 (4) Twenty-five percent of the maximum debt service
limit must be transferred in fiscal year 2006-07.

28 **Sec. 2. Appropriations and allocations.** The following
30 appropriations and allocations are made.

32 **EDUCATION, DEPARTMENT OF**

34 **General Purpose Aid for Local Schools**

36 Initiative: Provides for a 25% reduction in the allocation of
38 funds that must be applied to the debt service limit under the
Maine Revised Statutes, Title 20-A, section 15905, subsection 1,
paragraph A.

40 General Fund	2003-04	2004-05
42 All Other	(\$8,000,000)	(\$12,600,000)
44 General Fund Total	(\$8,000,000)	(\$12,600,000)

46 Initiative: Provides for additional funds to be allocated to the
48 School Revolving Renovation Fund for the renovation, replacement
or repair of schools.

2	School Revolving Renovation Fund	2003-04	2004-05
4	All Other	\$8,000,000	\$12,600,000
		<hr/>	<hr/>
6	School Revolving Renovation Fund Total	\$8,000,000	\$12,600,000
8	EDUCATION, DEPARTMENT OF		
10	DEPARTMENT TOTALS	2003-04	2004-05
12	GENERAL FUND	(\$8,000,000)	(\$12,600,000)
14	SCHOOL REVOLVING RENOVATION		
16	FUND	\$8,000,000	\$12,600,000
18		<hr/>	<hr/>
20	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

SUMMARY

20 Under this bill, the Commissioner of Education is required
22 to transfer debt service funds to be used to provide additional
24 state subsidy to be distributed to school administrative units to
26 offset school repair, replacement and renovation costs to
28 increase the state share of school renovation, repair and
30 replacement costs. The bill, in essence, freezes the debt
32 service limit for state-supported school construction projects to
34 the \$80,000,000 debt service limit established for fiscal year
36 2002-03; and, between fiscal year 2003-04 and fiscal year
2006-07, requires the Commissioner of Education to transfer an
increasing percentage of debt service funds to the foundation
allocation component of the general purpose aid for local schools
program. The bill also provides for a transfer of \$8,000,000 in
fiscal year 2003-04 and an additional \$12,600,000 in fiscal year
2004-05 from the state debt service allocation to the School
Revolving Renovation Fund to increase the state share of school
renovation, replacement and repair costs.