

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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Legislative Document

No. 1484

S.P. 490

In Senate, March 31, 2003

### An Act To Amend the School Construction Program

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

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BRENNAN of Cumberland.  
Cosponsored by Senators: BROMLEY of Cumberland, STRIMLING of Cumberland,  
Representative: CUMMINGS of Portland.

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

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**Sec. 1. 20-A MRSA §15603, sub-§8, ¶E,** as amended by PL 1997, c. 787, §8, is further amended to read:

E. Purchase or cost of construction of portable, temporary classroom space as approved by the commissioner beginning January 1, 1988. For the purposes of this section, "portable, temporary classroom space" means a project consisting of one or more mobile or modular buildings that are at least partially constructed off site and are designed to be moved to other sites with a minimum of disassembly and reassembly. "Portable, temporary classroom space" includes, but is not limited to, space for regular classrooms, small group instruction, libraries, clinics and guidance and administrative office space, including principal and superintendent offices. The department shall adopt rules for approving the purchase, construction or lease-purchase of portable temporary classroom space, and for determining the amount includable for subsidy purposes. Lease-purchase agreements may not exceed a term of 10 years. Approved costs are those for the year prior to the year of allocation. The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A 2-A; and

**Sec. 2. 20-A MRSA §15603, sub-§8, ¶F,** as amended by PL 1999, c. 81, §4, is further amended to read:

F. Beginning in school year 2002-03, 1/5 of the aggregate amount of the approved leases defined in paragraph B and an additional 1/5 for each year thereafter may not be used to determine the debt service millage limit calculated under section 15611, subsection 1, paragraph A. The local share for the 1/5 of the aggregate amount of the approved leases defined in paragraph B and an additional 1/5 for each year thereafter must be calculated as the same percentage determined under section 15609, subsection 1, paragraph A. The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A, 2-A; and

**Sec. 3. 20-A MRSA §15603, sub-§8, ¶G** is enacted to read:

G. Beginning in school year 2003-04 and notwithstanding chapters 606, 606-A and 609, the principal and interest costs for each major capital project in accordance with this paragraph:

2           (1) For a school administrative unit engaged  
3           simultaneously in 2 or more approved major capital  
4           projects, 100% of the principal and interest costs for  
5           the first approved major capital project and 85% of the  
6           principal and interest costs for each additional  
7           approved major capital project; and

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9           (2) For a school administrative unit engaged  
10           simultaneously in an approved major capital project and  
11           a nonstate funded project approved by the commissioner  
12           in accordance with section 15905-A, 100% of the  
13           principal and interest costs for the approved major  
14           capital project and 50% of the principal and interest  
15           costs for the nonstate funded project only if the  
16           school administrative unit applied to the state board  
17           for major capital project approval and the project  
18           application involved received a rating in the top 50%  
19           on the major capital project priority list.

20           The department shall amend or adopt rules necessary to  
21           implement this paragraph. Rules adopted by the department  
22           to implement this paragraph are routine technical rules  
23           pursuant to Title 5, chapter 375, subchapter 2-A.

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25           **Sec. 4. 20-A MRSA §15611, sub-§1, ¶A,** as amended by PL 1993,  
26           c. 410, Pt. F, §18, is further amended to read:

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28           A. The local share of allocation for debt service is the  
29           product of the debt service allocation multiplied by the  
30           percentage local share determined in section 15609 or the  
31           debt service millage limit established in section 15607  
32           times the fiscal capacity of the municipalities in the  
33           school administrative units, whichever is less.

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35           (1) The debt service millage limit is the mills  
36           derived by dividing 45% 100% of the debt service costs  
37           as defined in section 15603, subsection 8 by the fiscal  
38           capacity of all municipalities.

39           (2) The local share percentage of debt service costs  
40           is the proportion that the local share of the  
41           allocation for debt service cost is to the maximum debt  
42           service cost allocation.

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47           **SUMMARY**

48           This bill amends the requirements for local debt service  
49           costs that are eligible for state subsidy under the general  
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2 purpose aid for local schools program. The bill amends  
3 provisions of the school construction program and the so-called  
4 debt service "circuit breaker" program in the following ways:

5 1. It increases the millage limit established for the debt  
6 service circuit breaker from 45% to 100%;

7 2. It provides that, beginning in school year 2003-04, a  
8 school administrative unit engaged simultaneously in 2 or more  
9 approved major capital projects is eligible to include the  
10 principal and interest costs for each major capital project in  
11 the determination of the debt service millage limit;

12 3. It provides that, beginning in school year 2003-04, a  
13 school administrative unit engaged simultaneously in an approved  
14 major capital project and a nonstate funded project is eligible  
15 for state support for 100% of the principal and interest costs  
16 for the approved major capital project and for 50% of the  
17 principal and interest costs for the nonstate funded project if  
18 the project was approved by the commissioner after the school  
19 administrative unit applied to the state board for major capital  
20 project approval and the project application involved received a  
21 rating in the top 50% on the major capital project priority list;  
22 and  
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24 4. It directs the Department of Education and the State  
25 Board of Education to amend or adopt rules necessary to implement  
26 the changes to the debt service "circuit breaker" program.  
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