# MAINE STATE LEGISLATURE

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| 2   | DATE: 1.19.05 (Filing No. S- 7)   |
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| 6   | Reproduced and distributed under the direction of the Secretary of the Senate.  |
| 8   | STATE OF MAINE  |
| 10  | SENATE  |
| 12  | 122ND LEGISLATURE<br>FIRST REGULAR SESSION  |
| 12  | TIRDI REGULAR DEBUION   |
| 14  | SENATE AMENDMENT "" to COMMITTEE AMENDMENT "A" to H.P. 6,   |
| 16  | L.D. 1, Bill, "An Act To Increase the State Share of Education Costs, Reduce Property Taxes and Reduce Government Spending at   |
| 18  | All Levels"   |
| 20  | Amend the amendment in Part D in section 54 by striking out all of subsection 2 (page 51, lines 46 to 50 and page 52, lines 1   |
| 22  | to 6 in amendment) and inserting in its place the following:  |
| 24  | '2. Member municipalities in school administrative districts or community school districts; total costs. For each               |
| 26  | municipality that is a member of a school administrative district or community school district, the commissioner shall annually |
| 28  | determine each municipality's total cost of education. A municipality'stotalesteducationistheschool                             |
| 30  | administrative-district's-er-semmunity-school-district's-tetal eestof-fundingmultipliedbythepersentagethatthe                   |
| 32  | municipality's-most-recent-calendar-year-average-pupil-count-is to-the-school-administrative-district's-or-community-school     |
| 34  | district's-most-recent-calendar-year-average-pupil-count.   |
| 36  | Further amend the amendment in Part D in section 56 in subsection 3-A by striking out all of paragraphs B and C (page           |
| 38  | 52, lines 31 to 50 in amendment) and inserting in their place the   |
| 40  | following:  |
| 40  | 'B. For a school administrative district or community   |
| 42  | school district composed of more than one municipality, each  |
|     | municipality's contribution to the total cost of education  |
| 44  | is determined by the municipality's share of the district's total costs as determined by the school administrative              |
| 46  | district's cost sharing formula established pursuant to   |
| ± 0 | section 1301, the community school district's cost sharing  |
| 48  | formula established pursuant to section 1704 or private and   |

Page 1-LR0328(31)

### SENATE AMENDMENT "" to COMMITTEE AMENDMENT "A" to H.P. 6, L.D. 1 eig. special law, except that, if a municipality that is a member 2 of a school administrative district or a community school district exceeds the full-value education mill rate 4 calculated in section 15671-A, subsection 2, then the state contribution must include that amount. 6 C. For a school administrative district or community school 8 district composed of more than one municipality, the unit's contribution to the total cost of education is the lesser of: 10 (1) The total cost as described in subsection 1; and 12 (2) The sum of the total of the full-value education mill rate calculated in section 15671-A, subsection 2 14 multiplied by the property fiscal capacity of each 16 municipality.' Further amend the amendment in Part D by striking out all of 18 sections 57, 68 and 69. 20 Further amend the amendment in Part D in section 73 in the 2nd line from the end (page 75, line 13 in amendment) by striking 22 out the following: "71" and inserting in its place the following: '69' 24 26 Further amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively. 28 30 **SUMMARY** 32

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This amendment removes the total cost of education mechanism for member municipalities of school administrative districts and community school districts and reinstates the existing cost sharing formulas that determine member municipalities' local shares of school administrative districts' or community school districts' costs, which were in effect prior to January 1, 2005, except that, if a municipality that is a member of a school

Page 2-LR0328(31)

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SENATE AMENDMENT "F" to COMMITTEE AMENDMENT "A" to H.P. 6, L.D. 1

administrative district or a community school district exceeds the full-value education mill rate calculated in the Maine Revised Statutes, Title 20-A, section 15671-A, subsection 2, then the state contribution must include that amount. This amendment also makes a technical change to Part D, section 73 to reflect the striking of sections 68 and 69 of Part D by this amendment.

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FISCAL NOTE REQUIRED (See attached)

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SPONSORED BY

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COUNTY: Oxford

(Senator B. BRYANT)

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Page 3-LR0328(31)



## 122nd MAINE LEGISLATURE

LD 1

LR 0328(31)

An Act to Increase the State Share of Education Costs, Reduce Property Taxes and Reduce Government Spending at All Levels

Fiscal Note for Senate Amendment 'F to Committee Amendment A

Sponsor: Senator Bryant Fiscal Note Required: Yes

### **Fiscal Note**

No net impact - General Fund

#### Fiscal Detail and Notes

Requiring the State to provide the additional funding if a municipality that is a member of a school administrative district or a community school district is required to raise more than the full value education mill rate as part of its cost-sharing agreement with other members of the SAD or CSD will not increase the General Fund cost of the bill. However, this requirement will affect the distribution of state subsidy to local school units. The impact can not be determined at this time.

Reinstating the existing cost sharing formulas will not change the amount of state subsidy received by the school administrative district or community school district but may increase or decrease the amount of subsidy received by each member municipality within the SAD or CSD beginning in fiscal year 2005-06. The impact to each individual unit can not be determined at this time.