

MAINE STATE LEGISLATURE

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EDUCATION AND CULTURAL AFFAIRS

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

123RD LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 368, L.D. 484, Bill, "An Act To Adjust the School Funding Formula with Regard to Unorganized Territories"

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 20-A MRSA §3252, sub-§4, as repealed and replaced by PL 1985, c. 490, §3, is amended to read:

4. Tuition. The commissioner shall pay tuition for each tuition student in at 110% of the amount approved as the receiving administrative unit's official tuition cost pursuant to section 5804 or 7302 in an amount agreed upon between the commissioner and the school board of the unit. The commissioner shall compute the tuition paid for each tuition student and shall allocate the tuition costs to the property owners from the unorganized unit where the tuition student resides.

Sec. 2. 20-A MRSA §3253-A, sub-§3, as amended by PL 1985, c. 603, §1 and PL 2005, c. 397, Pt. D, §3, is further amended to read:

3. Tuition. The Notwithstanding sections 5805, 5806 and 5809, the commissioner shall pay tuition for each tuition student in an amount equal to the official tuition rate approved pursuant to sections 5805, 5806, 5809 or 7302 for the receiving school for nonresident students enrolled in secondary schools or special education or career and technical education programs, provided that 110% of the state average per public secondary student cost as adjusted pursuant to section 5805, subsection 1, as long as the student maintains a satisfactory standard of deportment and scholarship. The commissioner shall pay tuition for each tuition student in an amount equal to the official tuition rate approved pursuant to section 7302 for the receiving school for nonresident students enrolled in special education programs, as long as the student maintains a satisfactory standard of deportment and scholarship. The commissioner shall compute the tuition paid for each tuition student and shall allocate the tuition costs to the property owners from the unorganized unit where the tuition student resides.

COMMITTEE AMENDMENT

1 **Sec. 3. Appropriations and allocations.** The following appropriations and
 2 allocations are made.

3 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
 4 **Revenue Services - Bureau of 0002**

5 Initiative: Provides one-time funds for the modification of the assessing and billing
 6 system software in the unorganized territory section of the Property Tax Division within
 7 the Bureau of Revenue Services in order to assess and collect the specific tuition costs in
 8 each of the townships that have one or more tuition students from the unorganized
 9 territories.

10	GENERAL FUND	2007-08	2008-09
11	All Other	\$50,000	\$0
12			
13	GENERAL FUND TOTAL	<u>\$50,000</u>	<u>\$0</u>

14	ADMINISTRATIVE AND FINANCIAL		
15	SERVICES, DEPARTMENT OF		
16	DEPARTMENT TOTALS	2007-08	2008-09
17			
18	GENERAL FUND	\$50,000	\$0
19			
20	DEPARTMENT TOTAL - ALL FUNDS	<u>\$50,000</u>	<u>\$0</u>

21 **EDUCATION, DEPARTMENT OF**

22 **Education in Unorganized Territory 0220**

23 Initiative: Provides funds for the increase in the maximum allowable tuition rates
 24 authorized to pay to receiving school administrative units on behalf of tuition students
 25 from the unorganized territories.

26	GENERAL FUND	2007-08	2008-09
27	All Other	\$723,953	\$760,150
28			
29	GENERAL FUND TOTAL	<u>\$723,953</u>	<u>\$760,150</u>

30	EDUCATION, DEPARTMENT OF		
31	DEPARTMENT TOTALS	2007-08	2008-09
32			

0013

1	GENERAL FUND	\$723,953	\$760,150
2			
3	DEPARTMENT TOTAL - ALL FUNDS	\$723,953	\$760,150
4	SECTION TOTALS	2007-08	2008-09
5			
6	GENERAL FUND	\$773,953	\$760,150
7			
8	SECTION TOTAL - ALL FUNDS	\$773,953	\$760,150
9			

10 **SUMMARY**

11 This amendment is the minority report of the Joint Standing Committee on Education
12 and Cultural Affairs. The amendment changes the maximum allowable tuition rates that
13 the Commissioner of Education is authorized to pay to receiving school administrative
14 units on behalf of tuition students from the unorganized territories. The amendment
15 accomplishes the following.

16 1. It requires the Commissioner of Education to pay up to 110% of the receiving
17 school administrative unit's established tuition rate for each elementary school student
18 who is a tuition student from the unorganized territories.

19 2. It requires the Commissioner of Education to pay up to 110% of the state average
20 per public secondary student cost as adjusted pursuant to the Maine Revised Statutes,
21 Title 20-A, section 5801, subsection 1 for each secondary school student who is a tuition
22 student from the unorganized territories.

23 3. It requires the Commissioner of Education to compute the tuition paid for each
24 tuition student and allocate the tuition costs to the property owners from the unorganized
25 unit where the tuition student resides.

26 The amendment provides the necessary appropriations and allocations.

27 **FISCAL NOTE REQUIRED**
28 (See attached)



123rd MAINE LEGISLATURE

LD 484

LR 1291(02)

An Act To Adjust the School Funding Formula with Regard to Unorganized Territories

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings)				
General Fund	\$50,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$773,953	\$760,150	\$798,158	\$838,066
Revenue				
Other Special Revenue Funds	\$723,953	\$760,150	\$798,158	\$838,066
Transfers				
General Fund	\$723,953	\$760,150	\$798,158	\$838,066
Other Special Revenue Funds	(\$723,953)	(\$760,150)	(\$798,158)	(\$838,066)

Fiscal Detail and Notes

This bill has a total General Fund cost of \$50,000 in fiscal year 2007-08. The bill includes General Fund appropriations totaling \$773,953 in fiscal year 2007-08 and \$760,150 in fiscal year 2008-09 for the cost associated with increasing the maximum allowable tuition rates authorized to be paid to receiving school administrative units on behalf of tuition students from the unorganized territories.

This bill includes ongoing General Fund appropriations of \$723,953 in fiscal year 2007-08 and \$760,150 in fiscal year 2008-09 for the Education in the Unorganized Territory program within the Department of Education to fund the increased tuition costs. The bill also includes a one-time General Fund appropriation of \$50,000 in fiscal year 2007-08 to the Unorganized Territory Section, Property Tax Division within the Bureau of Revenue Services, Department of Administrative and Financial Services for the cost associated with modifying the assessing and billing system software in order to assess and collect the specific tuition costs in each of the townships that have one or more Unorganized Territory tuition students.

The additional revenue to the Unorganized Territory Educational and Services Fund within the Department of Audit to be collected from the townships in the unorganized territory that have one or more tuition students is expected to be \$723,953 in fiscal year 2007-08 and \$760,150 in fiscal year 2008-09. This additional revenue will be transferred to the General Fund to reimburse it for the additional tuition costs.