# MAINE STATE LEGISLATURE

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•	1	L.D. 1041
W. C.	2	Date: $4/2/8$ Report C (Filing No. H- 9/0)
	3	EDUCATION AND CULTURAL AFFAIRS
	4	Reproduced and distributed under the direction of the Clerk of the House.
		STATE OF MAINE
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	6	HOUSE OF REPRESENTATIVES
	7	123RD LEGISLATURE
	8	FIRST SPECIAL SESSION
	9	COMMITTEE AMENDMENT " C" to H.P. 759, L.D. 1041, Bill, "An Act To
	10	Improve the Essential Programs and Services Funding Formula"
	11	Amend the bill by striking out everything after the enacting clause and inserting the
	12	following:
	13	'Sec. 1. 20-A MRSA §15682, sub-§1 is enacted to read:
	14	1. Regional adjustment beginning in fiscal year 2008-09. For fiscal year 2008-09
	15	and each fiscal year thereafter, the commissioner shall make a regional adjustment
	16	according to the provisions of this subsection.
	17	A. A school administrative unit whose regional adjustment is computed to be 1.0 or
	18 19	greater must receive a regional adjustment that is less than the adjustment the school administrative unit would have received based on the regional differences in teacher
	20	salary costs within labor market areas within the State as computed by a statewide
	21	education policy research institute pursuant to this section. The regional adjustments
	22	for these school administrative units must be reduced by an amount determined by
	23	the commissioner that is closer to the statewide average of all the labor market area
	24	teacher salary costs.
	25	B. A school administrative unit whose regional adjustment is computed to be less
	26	than 1.0 must receive a regional adjustment that is greater than the adjustment the
	27	school administrative unit would have received based on the regional differences in
	28	teacher salary costs within labor market areas within the State as computed by a
	29	statewide education policy research institute pursuant to this section. The regional
	30	adjustments for these school administrative units must be increased by an amount
	31	determined by the commissioner that is closer to the statewide average of all the labor
	32	market area teacher salary costs.
	33	The commissioner shall determine regional adjustments pursuant to this subsection in a
	34	manner that results in no net fiscal impact to the General Fund appropriations for general

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purpose aid for local schools due solely to the adjustments made to teacher salary and

benefit costs pursuant to this subsection.'

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K. 48.

### **SUMMARY**

This amendment is one of the minority reports of the Joint Standing Committee on Education and Cultural Affairs. The amendment strikes and replaces the concept draft to require that, for fiscal year 2008-09 and each fiscal year thereafter, the regional adjustment to the salary and benefits costs of teachers and other school personnel that is based on labor market areas in the State must be further adjusted by the Commissioner of Education. The commissioner must annually establish a regional adjustment to teacher salary and benefit costs that decreases the adjustment for school administrative units whose labor market area teacher salary cost adjustment is computed to be greater than 1.0 and increases the adjustment for school administrative units whose labor market area teacher salary cost adjustment is computed to be less than 1.0. The commissioner must accomplish this adjustment in a manner that results in no net fiscal impact to the General Fund appropriations for general purpose aid for local schools due solely to the adjustments made to teacher salary and benefit costs pursuant to the Maine Revised Statutes, Title 20-A, section 15682.

FISCAL NOTE REQUIRED (See attached)

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## 123rd MAINE LEGISLATURE

LD 1041

LR 785(06)

An Act To Improve the Essential Programs and Services Funding Formula

Fiscal Note for Bill as Amended by Committee Amendment "C"
Committee: Education and Cultural Affairs
Fiscal Note Required: Yes

### **Fiscal Note**

No State fiscal impact

#### Fiscal Detail and Notes

Requiring the Commissioner of Education to annually adjust the regional adjustment made to the salary and benefits costs of teachers and other school personnel based on labor market areas of the State will not affect the total state and local cost to K-12 public education or the State's share of that cost. This requirement will affect the distribution of state subsidy to school administrative units (SAU's) with those SAU's whose labor market area teacher salary costs are computed to be greater than 1.0 receiving less subsidy and those SAU's whose labor market area teacher salary costs are computed to be less than 1.0 receiving more state subsidy. The impact to individual school administrative units can not be determined at this time.