

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to HOUSE AMENDMENT "C" to H.P. 1112, L.D. 1590, Bill, "An Act To Clarify the Method of Education Cost Sharing among Certain Municipalities"

Amend the amendment by inserting after section 1 the following:

Sec. 2. Maximum disparity between mill rates. Notwithstanding any other provision of law to the contrary, beginning July 1, 2008, no municipality may pay as part of its local allocation more than twice the mill rate of any other municipality within that same school administrative unit.

1. If, after the essential programs and services total local allocation has been determined by the Department of Education, a municipality is determined to pay as part of its local allocation more than twice the mill rate of any municipality within that same school administrative unit, the department shall increase the lower mill rate and decrease the higher mill rate until the disparity falls within the maximum 2:1 ratio.

2. A municipality within a school district is entitled to a transition adjustment determined by the Department of Education if the municipality has, by operation of subsection 1, an adverse fiscal impact resulting in:

- A. A mill rate increase for local allocation at or in excess of 0.5 mills; and
- B. A resulting local contribution increase greater than 5%.

No later than January 31, 2008, the Commissioner of Education shall submit to the Joint Standing Committee on Education and Cultural Affairs proposed legislation necessary to implement this section. Following receipt and review of the proposed legislation, the Joint Standing Committee on Education and Cultural Affairs may submit legislation to the Second Regular Session of the 123rd Legislature.'

SUMMARY

This amendment requires that no municipality may pay as part of its local allocation more than twice the mill rate of any other municipality within that same school administrative unit and allows a transition adjustment for a municipality adversely affected to be determined by the Department of Education. The amendment also directs

HOUSE AMENDMENT

10/16

HOUSE AMENDMENT "A" to HOUSE AMENDMENT "C" to H.P. 1112, L.D. 1590

1 that the Commissioner of Education shall submit to the Joint Standing Committee on
2 Education and Cultural Affairs proposed legislation necessary to implement this
3 requirement.

4 SPONSORED BY: Christopher W. Babbidge
5 (Representative BABBIDGE)

6 TOWN: Kennebunk

FISCAL NOTE REQUIRED
(See attached)



123rd MAINE LEGISLATURE

LD 1590

LR 2320(08)

An Act To Clarify the Method of Education Cost Sharing among Certain Municipalities

Fiscal Note for House Amendment "A" to House Amendment "C"

Sponsor: Rep. Babbidge of Kennebunk

Fiscal Note Required: Yes

Fiscal Note

No State fiscal impact

Fiscal Detail and Notes

This amendment has no fiscal impact to the state. It strikes the provision in the original bill that would have affected those member municipalities whose cost-sharing formula was validated pursuant to private and special law prior to January 1, 2004 and instead provides that the provisions in Title 20-A, section 15688, subsection 3-A do not apply to municipalities that are members of Maine School Administrative District 71. This amendment provides that, beginning in fiscal year 2008-09, 50% of the local contribution for each municipality in SAD 71 must be based on property fiscal capacity and 50% must be based on pupil counts.

As amended, this bill will reduce the local contribution for funding K-12 public education for Kennebunk and increase the local contribution for funding K-12 public education for Kennebunkport. The amount can not be determined at this time.

This amendment also provides that, beginning in fiscal year 2008-09, no municipality may pay as part of its local allocation more than twice the mill rate of any other municipality within that same school administrative unit. This amendment also provides for a transition adjustment for those municipalities that may be adversely impacted by this provision.

As amended, this bill will reduce the local contribution for funding K-12 public education for certain municipalities within a school administrative unit and increase the local contribution for certain municipalities within the same school administrative unit. The amount can not be determined at this time.