# MAINE STATE LEGISLATURE

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| 1                                | L.D. 25  |
|----------------------------------|--|
| 2                                | Date: 6/14/13 Majority (Filing No. H-505)  |
| 3                                | EDUCATION AND CULTURAL AFFAIRS   |
| 4                                | Reproduced and distributed under the direction of the Clerk of the House.  |
| 5                                | STATE OF MAINE   |
| 6                                | HOUSE OF REPRESENTATIVES   |
| 7                                | 126TH LEGISLATURE  |
| 8                                | FIRST REGULAR SESSION  |
| o                                |  |
| 9<br>10<br>11                    | COMMITTEE AMENDMENT "A" to H.P. 23, L.D. 25, Bill, "An Act To Exclude Certain State-funded Costs from the State Share of the Total Cost of Funding Public Education"   |
| 12<br>13                         | Amend the bill by striking out everything after the title and before the summary and inserting the following:  |
| 14<br>15                         | 'Emergency preamble. 'Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and   |
| 16<br>17<br>18<br>19<br>20       | Whereas, a supplemental budget bill enacted during the 125th Legislature redefined the calculation of the state share percentage of the total cost of funding public education from kindergarten to grade 12 as required by the Essential Programs and Services Funding Act to include the state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance; and   |
| 21<br>22<br>23<br>24<br>25<br>26 | Whereas, the initiated legislation enacted in 2005 to implement the 2004 citizen's initiative that requires the State to provide 55% of the total cost of funding public education from kindergarten to grade 12 as required by the Essential Programs and Services Funding Act did not include the total state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance as part of the total costs of essential programs and services required under the school funding laws; and |
| 27<br>28<br>29<br>30             | Whereas, it is necessary to restore the standard defined and voted on by the citizens of the State in 2004 by replacing the provision that includes the total state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance as part of the total costs of essential programs and services required under the school funding laws before June 30, 2013; and  |
| 32<br>33<br>34<br>35             | Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore  |

Page 1 - 126LR0273(02)-1

|                            | COMMITTEE AMENDMENT "A" to H.P. 23, L.D. 25  |  |  |  |  |  |  |  |  |
|----------------------------|--|--|--|--|--|--|--|--|--|
| 1                          | Be it enacted by the People of the State of Maine as follows:  |  |  |  |  |  |  |  |  |
| 2 3                        | Sec. 1. 20-A MRSA §15671, sub-§7, ¶C, as amended by PL 2013, c. 1, Pt. C, §2, is further amended to read:  |  |  |  |  |  |  |  |  |
| 4<br>5<br>6<br>7<br>8      | C. Beginning in fiscal year 2011 12, the The annual targets for the state share percentage of the total cost of funding public education from kindergarten to grade 12 including the cost of the components of essential programs and services plus the state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance are as follows.   |  |  |  |  |  |  |  |  |
| 9                          | (1) For fiscal year 2011-12, the target is 49.47%.   |  |  |  |  |  |  |  |  |
| 10                         | (2) For fiscal year 2012-13, the target is 49.35%.   |  |  |  |  |  |  |  |  |
| 11                         | (3) For fiscal year 2013-14 and succeeding years, the target is 55%.   |  |  |  |  |  |  |  |  |
| 12<br>13                   | Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.   |  |  |  |  |  |  |  |  |
| 14                         | EDUCATION, DEPARTMENT OF   |  |  |  |  |  |  |  |  |
| 15                         | General Purpose Aid for Local Schools 0308   |  |  |  |  |  |  |  |  |
| 16<br>17<br>18             | Initiative: Provides for the additional funds necessary to achieve the statutory commitment for the State to fund 55% of the total cost of funding public education from kindergarten to grade 12 beginning in fiscal year 2013-14.  |  |  |  |  |  |  |  |  |
| 19                         | GENERAL FUND 2013-14 2014-15   |  |  |  |  |  |  |  |  |
| 20                         | All Other \$153,600,000 \$152,400,000  |  |  |  |  |  |  |  |  |
| 21<br>22                   | GENERAL FUND TOTAL \$153,600,000 \$152,400,000   |  |  |  |  |  |  |  |  |
| 23<br>24                   | <b>Emergency clause.</b> In view of the emergency cited in the preamble, this legislation takes effect when approved.'   |  |  |  |  |  |  |  |  |
| 25                         | SUMMARY  |  |  |  |  |  |  |  |  |
| 26<br>27<br>28<br>29<br>30 | This amendment, which is the majority report of the Joint Standing Committee on Education and Cultural Affairs, adds an emergency preamble and clause to the bill, but retains the provision in the bill that the state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance may not be included in the calculation of the state share percentage of the total cost of funding public education from |  |  |  |  |  |  |  |  |

R. d.S.

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succeeding years is 55%.

This amendment also adds an appropriations and allocations section.

## FISCAL NOTE REQUIRED

kindergarten to grade 12 as required by the Essential Programs and Services Funding Act.

The amendment provides that the state share percentage target for fiscal year 2013-14 and

(See attached)

Page 2 - 126LR0273(02)-1

## **COMMITTEE AMENDMENT**



## 126th MAINE LEGISLATURE

LD 25

LR 273(02)

An Act To Exclude Certain State-funded Costs from the State Share of the Total Cost of Funding
Public Education

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-505) Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

## **Fiscal Note**

|   | FY 2013-14    | FY 2014-15    | Projections FY 2015-16 | Projections FY 2016-17 |
|---|---------------|---------------|------------------------|------------------------|
| Net Cost (Savings) General Fund         | \$153,600,000 | \$152,400,000 | \$152,400,000          | \$152,400,000          |
| Appropriations/Allocations General Fund | \$153,600,000 | \$152,400,000 | \$152,400,000          | \$152,400,000          |

#### Fiscal Detail and Notes

This bill includes General Fund appropriations of \$153,600,000 in fiscal year 2013-14 and \$152,400,000 per year beginning in fiscal year 2014-15 to the General Purpose Aid for Local Schools program within the Department of Education to increase the State's contribution toward funding the total cost of public education from kindergarten to grade 12, including the cost of the components of essential programs and services from 47.3% in fiscal year 2013-14, as proposed in LD 1509, the 2014-2015 biennial budget, as amended, to 55%.

|  | LD 1509, as<br>amended, FY<br>2013-14 | L  | D 25 FY 2013-<br>14 | <br>LD 1509, as<br>amended, FY<br>2014-15 | LI | 25 FY 2014-<br>15 |
|--|---------------------------------------|----|---------------------|---|----|-------------------|
| Total Cost of Funding Public Education | \$<br>1,992,465,618                   | \$ | 1,992,465,618       | \$<br>1,992,083,006                       | \$ | 1,992,083,006     |
| State Contribution                     | \$<br>942,295,406                     | \$ | 1,095,895,406       | \$<br>943,236,080                         | \$ | 1,095,686,080     |
| State share percentage                 | 47.3%                                 |    | 55.0%               | 47.3%                                     |    | 55.0%             |
| Additional GF appropriation needed:    |                                       | \$ | 153,600,000         |   | \$ | 152,450,000       |