

MAINE STATE LEGISLATURE

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8/16/16

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L.D. 1394

Date: 4-4-16

(Filing No. S-461)

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STATE OF MAINE
SENATE
127TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 944, L.D. 1394, Bill, "An Act To Implement the Recommendations of the Commission To Strengthen the Adequacy and Equity of Certain Cost Components of the School Funding Formula"

Amend the amendment by inserting after section 3 the following:

'Sec. 4. 20-A MRSA §15672, sub-§2-A, ¶A, as amended by PL 2013, c. 167, Pt. B, §1, is further amended to read:

A. Principal and interest costs for approved and unapproved major capital projects in the allocation year, excluding payments made with funds from state and local government accounts established under the federal Internal Revenue Code and regulations for disposition of excess, unneeded proceeds of bonds issued for a school project and excluding any principal and interest costs attributable to a school closed for lack of need pursuant to chapter 202;'

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment adds to the committee amendment a provision that includes in debt service costs, for purposes of the school funding formula, the cost of locally funded major capital projects for school construction that are not approved by the State Board of Education.

FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY: Amy Volk
(Senator VOLK)

COUNTY: Cumberland

SENATE AMENDMENT



127th MAINE LEGISLATURE

LD 1394

LR 2011(03)

An Act To Implement the Recommendations of the Commission To Strengthen the Adequacy and Equity of Certain Cost Components of the School Funding Formula

Fiscal Note for Senate Amendment "A" to Committee Amendment "A"

Sponsor: Sen. Volk of Cumberland

Fiscal Note Required: Yes

(S-461)

Fiscal Note

Current biennium cost increase - School Administrative Units

Fiscal Detail and Notes

Adding unapproved major capital projects to the definition of debt service costs for school subsidy purposes will increase the total cost of funding public education from kindergarten to grade 12 beginning in fiscal year 2016-17 by increasing the total debt service allocation, a component of the essential programs and services model. The cost of this requirement in fiscal year 2016-17 is not available. Since no additional state funds are being provided in this amendment, the total cost of this provision will be shared entirely by local school administrative units.

Part C of Public Law 2015, c. 389, which was signed into law on March 10, 2016 as an emergency measure, sets the mill expectation and establishes the state and local contributions for funding the total cost of funding K-12 public education for fiscal year 2016-17. This amendment does not address how the Department of Education will amend PL 2015, c. 389, Part C to incorporate the changes to the debt service allocation, the local contribution amount and the mill expectation if this amendment is incorporated into the bill and enacted into law.