

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

R. O. S.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37

Date: 5/24/17 minority

L.D. 1132  
(Filing No. H-284)

**EDUCATION AND CULTURAL AFFAIRS**

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
128TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 795, L.D. 1132, Bill, "An Act To Create Education Savings Accounts for Students with Special Needs"

Amend the bill in section 1 in §7303 in subsection 1 in the last line (page 1, line 15 in L.D.) by inserting after the following: "child" the following: 'and only if the parent or legal guardian signs an agreement with the department pursuant to subsection 2'

Amend the bill in section 1 in §7303 by inserting after subsection 1 the following:

'2. Written agreement. The department and the parent or legal guardian of a child for whom a savings account will be established must sign an agreement that the parent or legal guardian will not enroll the child in a public school or charter school, that the parent or legal guardian releases the school administrative unit from all obligations to educate the child and that the parent or legal guardian will use a portion of the education savings account funds allocated annually to provide an education for the child in a manner consistent with the system of learning results.'

Amend the bill in section 1 in §7303 by striking out all of subsection 2 (page 1, lines 16 to 28 in L.D.) and inserting the following:

'2. Renewal, rollover and closure. The department may annually renew a savings account and deposit funds into the account in accordance with subsection 5 if, in accordance with rules adopted by the department, the parent or legal guardian demonstrates that the child continues to have and follow an individualized education program, has completed a national norm-referenced achievement test and has had a review and acceptance of the child's progress by an identified individual who holds a current teacher's certificate from the State. Unspent funds in a savings account that is renewed remain in the savings account and may be used in accordance with subsection 5, except that no more than 75% of the funds deposited in any year may be carried forward. Any unspent amount that is in excess of 75% of the funds deposited in that year must be transferred at the end of the fiscal year to the State Controller for handling in accordance with subsection 6. If the requirements of this subsection are not met, the department shall close the savings account and transfer all funds in the savings account to the State Controller, who shall handle the funds as provided in subsection 6.'

**COMMITTEE AMENDMENT**

R. 24 S.

1 Amend the bill in section 1 in §7303 in subsection 3 in the last line (page 1, line 37 in  
 2 L.D.) by striking out the following: "subsection 5" and inserting the following:  
 3 'subsection 6'

4 Amend the bill in section 1 in §7303 in subsection 4 in paragraph D in the 12th line  
 5 (page 3, line 3 in L.D.) by striking out the following: "subsection 5" and inserting the  
 6 following: 'subsection 6'

7 Amend the bill in section 1 in §7303 in subsection 4 in paragraph D in the 16th line  
 8 (page 3, line 7 in L.D.) by striking out the following: "subsection 5" and inserting the  
 9 following: 'subsection 6'

10 Amend the bill in section 1 in §7303 in subsection 5 in the 6th line (page 3, line 16 in  
 11 L.D.) by striking out the following: "subsection 4" and inserting the following:  
 12 'subsection 5'

13 Amend the bill in section 1 in §7303 by renumbering the subsections to read  
 14 consecutively.

15 Amend the bill in section 2 in subsection 14 in the last line (page 3, line 29 in L.D.)  
 16 by striking out the following: "subsection 3" and inserting the following: 'subsection 5'

17 Amend the bill by adding after section 2 the following:

18 '**Sec. 3. Appropriations and allocations.** The following appropriations and  
 19 allocations are made.

20 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

21 **State Controller - Office of the 0056**

22 Initiative: Provides one Senior Staff Accountant position to establish and maintain the  
 23 education savings accounts for students with special needs.

24	<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
25	POSITIONS - LEGISLATIVE COUNT	1,000	1,000
26	Personal Services	\$59,215	\$83,102
27	All Other	\$7,900	\$7,900
28			
29	GENERAL FUND TOTAL	<u>\$67,115</u>	<u>\$91,002</u>

30 **ADMINISTRATIVE AND FINANCIAL**  
 31 **SERVICES, DEPARTMENT OF**  
 32 **DEPARTMENT TOTALS**

32		<b>2017-18</b>	<b>2018-19</b>
33			
34	GENERAL FUND	\$67,115	\$91,002
35			
36	DEPARTMENT TOTAL - ALL FUNDS	<u>\$67,115</u>	<u>\$91,002</u>

37 **EDUCATION, DEPARTMENT OF**

P. of S.

1 **General Purpose Aid for Local Schools 0308**  
 2 Initiative: Provides one-time funds for programming costs associated with establishing  
 3 and administering a program that provides education savings accounts to children with  
 4 disabilities.

5	<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
6	All Other	\$51,686	\$0
7			
8	<b>GENERAL FUND TOTAL</b>	<u>\$51,686</u>	<u>\$0</u>

9 **General Purpose Aid for Local Schools 0308**  
 10 Initiative: Provides funds for one Public Service Coordinator I position and related All  
 11 Other costs to establish and administer a program that provides education savings  
 12 accounts for children with disabilities.

13	<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
14	POSITIONS - LEGISLATIVE COUNT	1,000	1,000
15	Personal Services	\$67,274	\$94,348
16	All Other	\$6,381	\$6,381
17			
18	<b>GENERAL FUND TOTAL</b>	<u>\$73,655</u>	<u>\$100,729</u>

19	<b>EDUCATION, DEPARTMENT OF</b>		
20	<b>DEPARTMENT TOTALS</b>	<b>2017-18</b>	<b>2018-19</b>
21			
22	<b>GENERAL FUND</b>	<b>\$125,341</b>	<b>\$100,729</b>
23			
24	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u>\$125,341</u>	<u>\$100,729</u>

25	<b>SECTION TOTALS</b>	<b>2017-18</b>	<b>2018-19</b>
26			
27	<b>GENERAL FUND</b>	<b>\$192,456</b>	<b>\$191,731</b>
28			
29	<b>SECTION TOTAL - ALL FUNDS</b>	<u>\$192,456</u>	<u>\$191,731</u>
30			

31 **SUMMARY**  
 32 This amendment is the minority report and provides that a written agreement between  
 33 a parent or legal guardian and the Department of Education is required to establish an  
 34 education savings account for a child with disabilities. The agreement must state that the  
 35 parent or legal guardian will not enroll the child in a public school or charter school, that

**COMMITTEE AMENDMENT**

1 the parent or legal guardian releases the school administrative unit from all obligations to  
2 educate the child and that the parent or legal guardian will use a portion of the education  
3 savings account funds allocated annually to provide an education for the child in a  
4 manner consistent with the system of learning results. It also adds to the renewal  
5 requirements that the child must have a review and acceptance of the child's progress by  
6 an identified individual with a current Maine teacher's certificate. The amendment also  
7 adds an appropriations and allocations section.

8 **FISCAL NOTE REQUIRED**

9 (See attached)

R.G.S.



# 128th MAINE LEGISLATURE

LD 1132

LR 1653(02)

## An Act To Create Education Savings Accounts for Students with Special Needs

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

*ACH-284*

### Fiscal Note

Reduction in state subsidy - local school administrative units

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
<b>Net Cost (Savings)</b>				
General Fund	\$192,456	\$191,731	\$209,868	\$208,385
<b>Appropriations/Allocations</b>				
General Fund	\$192,456	\$191,731	\$209,868	\$208,385

#### Fiscal Detail and Notes

The Department of Education has requested and this bill includes General Fund appropriations of \$125,341 in fiscal year 2017-18 and \$100,729 in fiscal year 2018-19 to the General Purpose Aid for Local Schools program for one Public Service Coordinator I position and related All Other costs associated with establishing and administering a program to provide education savings accounts to children with disabilities.

This legislation requires the Department of Education to deposit 90% of the state subsidy for each child participating in the program that would otherwise be paid to the child's local school administrative unit (SAU) into a savings account established for that child. The bill also provides that a portion of the remaining 10% of state subsidy attributable to that child not deposited into an education savings account may be used to offset the administrative costs to the Department and the State Controller. It is unclear whether or not this provision will be sufficient to cover the annual costs to the Department of Education to administer this program.

This bill also requires the SAU of the child participating in the program to deposit 90% of its required local contribution attributable to that child into the child's education savings account. The impact to individual SAU's affected by this requirement will depend on the number of students in each SAU that participate in the program each year.

This bill also includes a General Fund appropriation of \$67,115 in fiscal year 2017-2018 and \$91,002 in fiscal year 2018-19 for the Department of Administrative and Financial Services for one position to manage the education savings accounts.