

MAINE STATE LEGISLATURE

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SMG
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(Filing No. S-414)

EDUCATION AND CULTURAL AFFAIRS

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STATE OF MAINE

SENATE

128TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 625, L.D. 1689, Bill, "An Act To Repeal Certain Provisions Regarding the System Administration Allocation Affecting Maine School Districts in the 2018-2019 Biennial Budget"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 20-A MRSA §15680-A, sub-§3, as enacted by PL 2017, c. 284, Pt. C, §35, is amended to read:

3. **Beginning in fiscal year 2019-20.** ~~For~~ Beginning in fiscal year 2019-20, the system administration allocation is \$141 ~~\$138~~ per pupil. Of this amount, \$47 ~~\$92~~ must be allocated to the school administrative unit for system administration and \$94 ~~\$46~~ must be allocated as a targeted amount to school administrative units that have established regionalized administrative services pursuant to chapter 123 and to school administrative units that a statewide education policy research institute has identified as high-performing, efficient school administrative units due to the percentage of their expenditures that are system administration expenditures.

Sec. 2. 20-A MRSA §15680-A, sub-§4, as enacted by PL 2017, c. 284, Pt. C, §35, is repealed.'

SUMMARY

This amendment, which is the majority report of the committee, strikes and replaces the bill. The amendment retains the portion of law that establishes the system administration allocation at \$138 per pupil for fiscal year 2018-19. The amendment modifies the law that establishes the system administration allocation for fiscal year 2019-20 and subsequent fiscal years by continuing the same per pupil allocation as the 2018-19 allocation and by revising the eligibility for receiving a portion of the system

COMMITTEE AMENDMENT

1 administration allocation to also include school administrative units that are identified as
2 high-performing, efficient school administrative units by a statewide education policy
3 research institute due to their percentage of system administration expenditures.

4 **FISCAL NOTE REQUIRED**

5 (See attached)



128th MAINE LEGISLATURE

LD 1689

LR 2558(02)

**An Act To Repeal Certain Provisions Regarding the System Administration Allocation Affecting
Maine School Districts in the 2018-2019 Biennial Budget**

**Fiscal Note for Bill as Amended by Committee Amendment "A" (S-414)
Committee: Education and Cultural Affairs**

Fiscal Note Required: Yes

Fiscal Note

Redistribution of state subsidy - Local school administrative units

Fiscal Detail and Notes

This legislation repeals the sections of current law that set the per-pupil amounts for system administration to be allocated to school administrative units (SAU's) in fiscal year 2019-20 and instead holds the per-pupil amounts at the 2018-19 level for fiscal year 2019-20 and beyond.

Lowering the per-pupil allocation for system administration for fiscal year 2019-20 by \$3 (from 141 to \$138) will reduce the total system administration allocation versus current law. Assuming student enrollment of 180,000 in fiscal year 2019-20, the total system administration allocation would be approximately \$540,000 lower than what it would be under current law. Changing the per-pupil allocation amounts to be allocated to SAU's for system administration (from \$47 to \$92) and SAU's that have established regionalized administrative services pursuant to Title 20-A, chapter 123 (from \$94 to \$46 and now including high-performing, efficient SAU's) will result in a redistribution of state subsidy, with some SAU's receiving more subsidy than would have been received absent this legislation and some SAU's receiving less. The impact to individual SAU's can not be determined.