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An Act To Waive Certain Penalties Imposed against School Administrative Units if the State Has Not Fulfilled Its Goal of Paying 55% of Costs

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Maine Revised Statutes, Title 20-A, section 15671, subsection 1 provides that the State and each local school administrative unit are jointly responsible for contributing to the cost of the components of essential programs and services as a state and local partnership; and

Whereas, the level of the state share of funding of the cost of the components of essential programs and services was intended to be 55% for fiscal year 2010-11 and thereafter; and

Whereas, Title 20-A, section 15690, subsection 1, paragraph C provides for a proportional reduction of state subsidy for a local school administrative unit that fails to raise the full amount of its required local contribution; and

Whereas, it appears that, because of budgetary constraints in the next few years, the State will not be able to meet its goal of contributing 55% to the cost of the components of essential programs and services; and

Whereas, in view of such anticipated reductions in the State's contribution, it would be unfair to require local school administrative units to continue to raise the full amount of their local contributions; and

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,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §15690, sub-§1, ¶C, as amended by PL 2007, c. 539, Pt. C, §15, is further amended to read:

C. The state share of the total cost of funding public education from kindergarten to grade 12 as described in section 15688, excluding state-funded debt service for each school administrative unit, is limited to the same proportion as the local school administrative unit raises of its required contribution to the total cost of education as described in section 15688, excluding state-funded debt service costs. For school administrative units that annually demonstrate savings by purchasing supplies using an electronic bidding forum, the commissioner may suspend all or a portion of any adjustment to the unit's state contribution pursuant to this paragraph. In any fiscal year in which the sum of the State's contribution toward the cost of the components of essential programs and services, exclusive of federal funds that are provided and accounted for in the cost of the components of essential programs and services, plus any federal stimulus funds applied to the State's contribution, falls below the State's target of 55% of the cost of the components of essential programs and

services, the commissioner shall calculate the percentage of the State's 55% share that is funded by state appropriations and federal stimulus funds, and, notwithstanding any other provision of this paragraph, a school administrative unit that raises at least that same percentage of its required local contribution to the total cost of funding public education from kindergarten to grade 12, including state-funded debt service, as the State's contribution plus federal stimulus funds toward its 55% share of the cost of the components of essential programs and services may not have the amount of its state subsidy limited or reduced under this paragraph.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This bill provides that if the State is able to fund only a percentage of its 55% share of the cost of the components of essential programs and services, local school administrative units that raise at least that same percentage of their required local contribution may not be penalized by further reductions in state subsidy.