



125th MAINE LEGISLATURE

LD 786

LR 872(02)

An Act To Eliminate the Penalty for School Administrative Units That Did Not Consolidate and Eliminate State Funding of Local Administrative Costs

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	(\$18,241,200)	(\$26,418,286)	(\$30,962,232)	(\$36,287,736)
Appropriations/Allocations				
General Fund	(\$18,241,200)	(\$26,418,286)	(\$30,962,232)	(\$36,287,736)

Fiscal Detail and Notes

This legislation will result in a net reduction in the State's share of funding K-12 public education of \$18,241,200 in fiscal year 2011-12 and \$26,418,286 in fiscal year 2012-13.

The bill includes General Fund deappropriations of \$22,541,200 in fiscal year 2011-12 and \$26,418,286 in fiscal year 2012-13 to the General Purpose Aid for Local Schools program within the Department of Education as a result of the requirement in this legislation that State funds not be appropriated or allocated to pay local administrative costs. This provision will result in a corresponding increase in costs to local school administrative units. This estimate assumes system administration costs of \$218 per student and 188,000 students enrolled in K-12 public schools statewide. It also assumes growth in system administration costs of 1.72% per year pursuant to Title 20-A, §15671 and that the State share is 55% .

The bill also includes a one-time General Fund appropriation of \$4,300,000 in fiscal year 2011-12 to the General Purpose Aid for Local Schools program for the cost associated with reimbursing those local school administrative units that had their fiscal year 2011-12 state subsidy reduced for failing to comply with the laws governing school administrative unit reorganization.