



# 127th MAINE LEGISLATURE

LD 1699

LR 2817(02)

## An Act To Provide Relief for Significant Reductions in Municipal Property Fiscal Capacity

**Fiscal Note for Senate Amendment " " to Original Bill**

**Sponsor: Sen. Millett of Cumberland**

**Fiscal Note Required: Yes**

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### Fiscal Note

Limits all provisions to one-time

#### Fiscal Detail and Notes

This amendment limits the modification in the way the "property fiscal capacity" is determined for municipalities under certain conditions to fiscal year 2016-17 only. This amendment eliminates the impact on the distribution of school subsidy to SAU's in future years when a municipality experiences a significant decline in valuation.

As amended, requiring the Department of Education to identify savings from unused debt service within the General Purpose Aid for Local Schools program to fund the provisions in this legislation without impacting the mill rate expectation established in Public Law 2015, c. 389, Part C, section 11 for fiscal year 2016-17 will allow municipalities unaffected by this legislation to receive the same amount of state subsidy they would have received absent this legislation. Those SAU's affected by this legislation will receive more state subsidy than would have been received had this legislation not been in place. The impact on each individual SAU affected by this legislation in fiscal year 2016-17 can not be determined at this time. Without this bill any unused debt service funds would be carried forward into fiscal year 2017-18 to be available for other expenditures within GPA.