125th MAINE LEGISLATURE

LD 1553

An Act To Create a Public Charter School Program in Maine

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Mason of Androscoggin
Committee: Education and Cultural Affairs
Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential current biennium revenue increase - Federal Expenditures Fund

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Expenditures Fund</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
</tbody>
</table>

Fiscal Detail and Notes

This bill establishes a process which authorizes the establishment of charter schools in the State. The requirement that all except up to 1% of state and local operating funds follow each student to the public charter school the student attends may result in a significant redistribution of state and local per-pupil allocation. The impact to individual school units can not be determined at this time. The additional cost to the Department of Education associated with implementing this legislation can be absorbed within existing budgeted resources.

This bill allows for teachers who are members of the Maine Public Employees Retirement System and take a leave of absence to teach in a charter school to continue to participate in the retirement system while on leave. Although this legislation is not clear who will be responsible for the cost, the employee and employer contribution rate for those teachers must continue to be paid.

The Department of Education will require a Federal Expenditures Fund allocation of $500 per year beginning in fiscal year 20110-12 to establish a base allocation for any federal grants that may be received by the Department for the charter school program. The amount of grants that may be received by the State can not be determined at this time.

Additional costs to the Maine State Retirement System associated with conducting the required review of retirement plans for participating local districts can be absorbed within the System's operating budget.

Additional costs to the Maine Labor Relations Board associated with this legislation can be absorbed within existing budgeted resources.