



129th MAINE LEGISLATURE

LD 259

LR 280(02)

An Act To Require the State To Meet the Mandatory 55 Percent Contribution to Schools

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$99,304,868	\$99,940,016	\$99,940,016	\$99,940,016
Appropriations/Allocations				
General Fund	\$99,304,868	\$99,940,016	\$99,940,016	\$99,940,016

Fiscal Detail and Notes

This bill sets the state share percentage of the statewide adjusted total cost of the components of essential programs and services at 55% for fiscal year 2019-20 and each fiscal year thereafter. The estimated cost of this provision is \$144,151,319 in fiscal year 2019-20 and \$188,212,121 in fiscal year 2020-21. LD 1001, the 2020-2021 biennial budget, proposes to increase funding for K-12 public education by \$44,846,451 and \$88,272,105 in fiscal years 2019-20 and 2020-21, respectively.

This bill includes additional General Fund appropriations of \$99,304,868 in fiscal year 2019-20 and \$99,940,016 in fiscal year 2020-21 to the General Purpose Aid to Local Schools program within the Department of Education necessary to reach the required state share percentage of 55%. Increasing the State's contribution to funding the total cost of K-12 public education will result in a corresponding decrease in the amount of funds required to be raised by local school administrative units (SAU'S). The impact to individual SAU's can not be determined at this time. The included appropriations assume the additional GPA funding in LD 1001 gets enacted as proposed. If that does not happen, the appropriations in this bill will need to be adjusted for the differences.

Repealing the section of law that requires the calculation of the annual targets for the state share percentage of the total cost of funding public education from kindergarten to grade 12 to include the State's contribution to funding the cost of the unfunded actuarial liability (UAL) of the Maine Public Employees Retirement System that are attributable to teachers, retired teachers' health insurance and retired teachers' life insurance in addition to the cost of the components of essential programs and services means the General Fund appropriations needed to reach the 55% target are higher than would be required if the costs of the UAL, health insurance and life insurance were included in the calculation.