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## **Resolve, To Clarify the Reporting of Debt Service Costs and the Allowance of Minor Capital School Improvement Projects Costs under Essential Programs and Services**

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

**Whereas,** many school administrative units have an immediate need to submit proposals for approval under the school funding formula for recognition of non-state-funded debt service expenditures incurred for minor capital school improvement projects; and

**Whereas,** it may be necessary to change the law to allow for reimbursement for these non-state-funded debt service expenditures; and

**Whereas,** a review of current law and state policy pertaining to the funding and reporting requirements for these projects must be initiated before the 90-day period expires in order that the study may be completed and a report submitted in time for submission to the next legislative session; 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

**Sec. 1 Review of essential programs and services requirements for non-state-funded debt service expenditures incurred for minor capital school improvement projects. Resolved:** That the Commissioner of Education shall convene a stakeholder group to review current state law related to recognizing, funding and approving non-state-funded debt service costs incurred for minor capital school improvement projects; and be it further

**Sec. 2 Stakeholder group. Resolved:** That the Commissioner of Education or the commissioner's designee is a member of the stakeholder group. The Commissioner of Education shall invite the participation of representatives of the following educational associations:

1. The Maine School Superintendents Association;
2. The Maine Association of School Business Officials; and
3. The Maine School Boards Association.

The commissioner may invite any other person the commissioner determines will contribute to the development of effective policies related to the issues to be reviewed by the stakeholder group; and be it further

**Sec. 3 Duties. Resolved:** That the Commissioner of Education and the stakeholder group shall review the provisions of the Essential Programs and Services Funding Act pertaining to funding and reporting requirements for approval for reimbursement of non-state-funded debt service costs incurred for minor capital school improvement projects. The stakeholder group shall develop recommendations

to change, as necessary, relevant provisions in the school funding formula to appropriately address these local expenditures. The recommendations must include, but are not limited to, recommendations relating to:

1. How school administrative unit expenditures for non-state-funded debt service costs incurred for minor capital school improvement projects should be recognized under the Essential Programs and Services Funding Act, particularly with respect to how these expenditures should be counted towards the amount of locally raised funds that meet or exceed the local cost share expectation as defined in the Maine Revised Statutes, Title 20A, section 15671-A, subsection 1, paragraph B;

2. The types of expenditures, including the replacement of windows, a boiler or a roof, that may be included as non-state-funded debt service costs incurred for minor capital school improvement projects that are recognized as part of the amount of locally raised funds that meet the local cost share expectation;

3. How school administrative units should report expenditures for non-state-funded debt service expenditures incurred for minor capital school improvement projects;

4. How to clarify the school funding formula requirements related to the adoption and approval of expenditures for non-state-funded debt service costs incurred for minor capital school improvement projects, including how to more effectively communicate to the public how these expenditures are reflected in the language that is included in school budget articles and explanations that are presented to the voters to adopt and approve the school budget; and

5. Any other policy issue pertaining to the recognition and funding of debt service costs that a majority of the stakeholder group determines to be necessary and useful to improving public policy related to the appropriate maintenance and improvement of school facilities in the State; and be it further

**Sec. 4 Report. Resolved:** That the Commissioner of Education shall present the findings and recommendations of the stakeholder group to the joint standing committee of the Legislature having jurisdiction over education matters by January 15, 2011.

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