



125th MAINE LEGISLATURE

LD 385

LR 327(01)

An Act To Amend the School Administrative Unit Consolidation Laws

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Johnson of Greenville

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2010-11	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)					
General Fund	\$3,612,507	\$4,300,000	\$0	\$0	\$0
Appropriations/Allocations					
General Fund	\$3,612,507	\$4,300,000	\$0	\$0	\$0

Fiscal Detail and Notes

The General Purpose Aid for Locals Schools program within the Department of Education will require a General Fund appropriation of \$3,612,507 in fiscal year 2010-11 for the cost associated with reimbursing nonconforming school administrative units for the amount that their fiscal year 2010-2011 state subsidy was reduced by for failing to comply with the laws governing school administrative unit reorganization. This preliminary fiscal impact statement assumes that, although this is an emergency bill, it will not be enacted in time for the Department of Education to recalculate the amount of subsidy to be distributed to local school administrative units (SAU's) in the 2010-2011 school year.

Additionally, the General Purpose Aid for Locals Schools program within the Department of Education will require a General Fund appropriation of \$4,300,000 in fiscal year 2011-12 for the cost associated with reimbursing nonconforming school administrative units for the amount that their fiscal year 2011-12 state subsidy was reduced for not complying with the laws governing school administrative unit reorganization. This preliminary fiscal impact statement assumes that, since the State's budget for fiscal year 2011-12 and the budgets of local SAU's for the 2011-2012 school year will be set well before this legislation becomes effective, a General Fund appropriation will be provided so those school administrative units who did comply with the school reorganization laws will not be negatively impacted.

If this legislation, in its final form, does not include a General Fund appropriation of \$4,300,000 in fiscal year 2011-12, the Department of Education will be required to recalculate the amount of subsidy to be distributed to local SAU's in the 2011-2012 school year. This redistribution will result in conforming SAU's receiving less subsidy from the State than originally budgeted and non-conforming SAU's receiving more. However, there would be no net impact to the General Fund.