



# 125th MAINE LEGISLATURE

LD 1274

LR 29(01)

## An Act To Restore Equity in Education Funding

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Raye of Washington

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$18,302,800	\$22,852,100	\$23,245,156	\$23,644,973
<b>Appropriations/Allocations</b>				
General Fund	\$18,302,800	\$22,852,100	\$23,245,156	\$23,644,973

#### Fiscal Detail and Notes

In the aggregate, this legislation will increase the total cost of K-12 public education by \$39,621,308 in fiscal year 2011-12 and \$41,549,272 in fiscal year 2012-13. The General Purpose Aid for Local Schools program within the Department of Education will require General Fund appropriations totaling \$18,302,800 and \$22,852,100 in fiscal years 2011-12 and 2012-13, respectively, to fund the state's share.

Of that amount, excluding certain federal funds received by school administrative units from the calculation of essential programs and services will increase the total state and local cost of K-12 public education by \$39,187,007 in fiscal year 2011-12 and \$41,093,837 in fiscal year 2012-13. The cost to fund the State's share of this requirement is estimated to be \$18,102,178 in fiscal year 2011-12 and \$22,601,611 in fiscal year 2012-13.

Additionally, excluding benefit costs for teachers and other school-levels staff from the calculation of salary costs in the determination of the regional adjustment in the total operating allocation for school administrative units will increase the total state and local cost of K-12 public education by \$434,301 in fiscal year 2011-12 and \$455,434 in fiscal year 2012-13. The cost to fund the State's share of this requirement is estimated to be \$200,622 and \$250,489 in fiscal years 2011-12 and 2012-13, respectively.

This preliminary fiscal impact statement assumes that the proposals for funding K-12 public education in fiscal year 2011-12 in Part C of LD 1043, the Governor's budget for the 2012-2013 biennium, including the transition percentage of 97% and the State's contribution percentage of 46.19% is approved by the Legislature during the first regular session of the 125th Legislature.

	Fiscal Year 2011-12	Fiscal Year 2012-13
Increase to total cost of K-12 Education <sup>1</sup>	\$ 40,846,709	\$ 41,549,272
Transition %	97%	100%
Total cost adjusted for transition %	\$ 39,621,308	\$ 41,549,272
State share (%)	46.19%	55.00%
State share (\$)	\$ 18,302,800	\$ 22,852,100
Local share (\$)	\$ 21,318,508	\$ 18,697,172

<sup>1</sup> Based on fiscal year 2011-12 federal funding anticipated to be received by school administrative units, increased by Real Personal Income growth of 1.72% per year per Title 20-A, §15671.