



127th MAINE LEGISLATURE

LD 1635

LR 2636(03)

An Act Authorizing the Deorganization of Oxbow Plantation

**Fiscal Note for Bill as Engrossed with:
C "A" (H-572)
Committee: State and Local Government**

Fiscal Note

Contingent future biennium savings - General Fund

Fiscal Detail and Notes

This bill will become effective only if approved by the voters of Oxbow Plantation at the next general election to be held in November. If approved by the voters, and if a withdrawal agreement is executed with Maine School Administrative District (MSAD) 32, the deorganization of Oxbow Plantation would take effect on July 1, 2017. The Division of State Schools - Education in the Unorganized Territories program in the Department of Education will incur future General Fund expenditures to provide services to the Unorganized Territories. These ongoing expenditures would be to provide schooling to students from Oxbow Plantation. The General Fund would be fully reimbursed for these costs by higher collections made through the Municipal Cost Component program. The amount is estimated to be approximately \$38,478 annually.

The deorganization of Oxbow Plantation will result in savings to the General Purpose Aid for Local Schools program within the Department of Education. The amount of savings can not be determined at this time. Oxbow Plantation is estimated to receive approximately \$17,250 in subsidy in fiscal year 2016-17.

If the deorganization is approved by the voters of Oxbow North Township, the General Fund would also incur savings of \$25,000 beginning in fiscal year 2017-18 for reduced reimbursements through the Tree Growth Tax Reimbursement program.