



128th MAINE LEGISLATURE

LD 397

LR 423(01)

An Act To Ensure the 3 Percent Tax on Incomes over \$200,000 Is Distributed Proportionally Based on Student Counts

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Malaby of Hancock

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund
Redistribution of supplemental funds - local school administrative units

Fiscal Detail and Notes

Current laws allows for the Department of Education to utilize funds in the Fund to Advance Public Kindergarten to Grade 12 Education to support the costs to the Department to administer the Fund. Those costs include programming, data collection and monitoring of expenditures in order to meet the annual reporting requirements established in law. This legislation repeals that provision. As a result, the Department of Education will require General Fund appropriations beginning in fiscal year 2017-18 for these administrative costs.

Requiring that the amount of funds from the Fund to Advance Public Kindergarten to Grade 12 Education that each school administrative unit is to receive be determined utilizing a separate distribution methodology than the distribution methodology provided in current law will result in some school administrative units receiving more funding than they would have received under current law and some school administrative units receiving less. The impact to individual school administrative units can not be determined at this time.