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An Act To Amend the Authorization Procedures for Certain Municipal and School Budgets

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §15690, first ¶, as enacted by PL 2005, c. 2, Pt. D, §62, affected by §§72 and 74 and affected by c. 12, Pt. WW, §18, is amended to read:

Beginning with the budget for the 2005-2006 school year and ending with the budget for the 2007-2008 school year, the following provisions apply to local appropriations for school purposes.

Sec. 2. 20-A MRSA §15690-A is enacted to read:

§ 15690-A. Local appropriations

Beginning with the budget for the 2008-2009 school year, the following provisions apply to local appropriations for school purposes.

1. Essential programs and services article. The legislative body of each school administrative unit must raise and appropriate a certain amount of local funds in order to support essential programs and services costs, as described in the Essential Programs and Services Funding Act, and be eligible for its full share of school subsidy from the State.

An article and explanation in substantially the following form must be used when considering the local contribution to essential programs and services costs.

"Article.....: To see what sum (municipality or district) will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (Recommend \$.....) and to see what sum the (municipality or district) will raise as the local contribution to these costs. (Recommend \$.....)"

"Explanation: Essential programs and services costs, or EPS costs, are those costs determined by the State to be necessary to meet the State's learning results standards. For fiscal year, total EPS costs for (municipality or district) are \$..... to be funded through a state allocation of \$..... and a local contribution of \$..... Support of this article is required in order to receive the full state subsidy."

2. Non-state-funded debt service article. For a school administrative unit's indebtedness previously approved by its legislative body for non-state-funded major capital school construction projects or non-state-funded portions of major capital school construction projects and minor capital projects, the legislative body of each school administrative unit may vote to raise and appropriate an amount up to the municipality's or district's annual payments for non-state-funded debt service.

An article in substantially the following form must be used.

"Article: To see what sum the (municipality or district) will raise and appropriate from local funds for the annual payments on debt service for non-state-funded school construction projects previously approved by voters or other legislative body. (Recommend \$.....)"

3. Additional local spending article. A school administrative unit may raise and appropriate local funds in excess of those raised and appropriated under subsections 1 and 2 if approved in a separate article in substantially the following form.

"Article: To see what sum the (municipality or district) will raise and appropriate from local funds in excess of essential programs and services costs and non-state-funded debt costs. (Recommend \$.....)"

The department shall develop guidelines for comparing essential programs and services and actual spending and distribute these guidelines to municipalities and school administrative units annually.

4. In excess of 5%. If the school administrative unit intends to raise and appropriate an additional local amount in excess of 5% of essential programs and services costs, as defined in the Essential Programs and Services Funding Act, the article under subsection 3 must be approved by written ballot and include a statement in substantially the following form.

"Explanation: This article seeks to obtain additional local funds in order to fund the following cost centers within the school budget at levels higher than provided in the essential programs and services school funding model:

1. System administration (Superintendent's office)

EPS - \$.....

Proposed budget \$.....

2. School administration

EPS - \$.....

Proposed budget \$.....

3. Instruction

EPS - \$.....

Proposed budget \$.....

4. Special education

EPS - \$.....

Proposed budget \$.....

5. Transportation

EPS - \$.....

Proposed budget \$.....

6. Cocurricular and extracurricular activities

EPS - \$.....

Proposed budget \$.....

7. Facilities operations

EPS - \$.....

Proposed budget \$.....

8. Other (specify)

EPS - \$.....

Proposed budget \$.....

All categories combined

EPS - \$.....

Proposed budget \$.....

5. Total budget article. A school administrative unit shall include a summary article indicating the total annual budget for funding public education from kindergarten to grade 12 in the school administrative unit, including the school administrative unit's contribution to essential programs and services costs, non-state-funded school construction projects, additional local funds, unexpended balances, tuition receipts, state subsidy and other receipts. The amount recommended must be the gross budget of the school system. This article does not provide money unless the other articles are approved.

An article in substantially the following form must be used.

"Article: To see what sum the (municipality or district) will authorize the school committee to expend for the fiscal year beginning (July 1,) and ending (June 30,) for all purposes. (Recommend \$.....)"

6. Municipal assessment article. In a school administrative unit that encompasses more than one municipality, the school administrative unit must allocate the local assessment among those municipalities encompassed by the unit. An article in substantially the following form must be used when allocating the local share across participating municipalities.

"Article.....: To accept state funding for schools in (district), and to see what sum the unit will assess as each participating municipality's contribution to the total cost of funding public education from kindergarten to grade 12. (Recommend amount set forth below):

Total school budget: (\$amount)

State contribution and other available funds: (\$amount)

Net local assessment: (\$amount)

Assessment to municipality A: (\$amount)

Assessment to municipality B: (\$amount)

Assessment to municipality C: (\$amount)

Total local assessment: (\$sum of A, B and C)"

7. Vote. Actions taken pursuant to subsections 1 to 6 must be taken by a recorded vote.

8. Administrative costs for units with no pupils. If a school administrative unit is required to pay administrative costs and has no allocation of state or local funds, that unit may raise and expend funds for administrative costs.

SUMMARY

This bill simplifies the articles that must be submitted to the voters of a school administrative unit to authorize the raising and appropriation of funds. It also makes more transparent the categories of spending in which any municipality or district may exceed essential programs and services costs.