



# 129th MAINE LEGISLATURE

LD 712

LR 343(02)

**An Act To Fully Fund After-school and Preschool Programs in the School Funding Formula, Increase the Economically Disadvantaged Student Factor in the School Funding Formula and Increase the School Construction Debt Service Limit**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Education and Cultural Affairs**

**Fiscal Note Required: Yes**

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## Fiscal Note

Future biennium cost increase - General Fund

### Fiscal Detail and Notes

Increasing the major capital maximum debt service limit for school construction projects from \$126 million to \$150 million beginning in fiscal year 2019-20 will not increase the total state and local cost of K-12 public education, or the State's share of that cost, in the 2020-2021 biennium. Sufficient lead time is not available to bring new projects online that would require funding for additional debt service payments in the 2020-2021 biennium.

The increase in the debt service limit for school construction may increase the total cost of K-12 public education in future biennia as a result of higher debt service costs. The impact can not be estimated and will depend on the number of projects approved and the debt service required for those projects. Unless additional funds are appropriated to cover the increased costs, the distribution of state subsidy to local school administrative units may be impacted.