

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

S.P. 466 - L.D. 1103

**An Act Regarding Unallocated Balances in a School Administrative Unit
School Budget**

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

Sec. 1. 20-A MRSA §15689-B, sub-§6, as amended by PL 2021, c. 213, §1, is further amended to read:

6. Balance of allocations. Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances ~~in excess of 5% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy.~~ School boards may carry forward unallocated balances in excess of 5% of the previous year's school budget and disburse these funds in the next year or over a period not to exceed 3 years. ~~For fiscal years 2021-22, 2022-23, 2023-24 and 2024-25 only, unallocated~~ balances in excess of 9% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy ~~and school.~~ School boards may carry forward unallocated balances in excess of 9% of the previous fiscal year's school budget and disburse these funds in the next year or over a period not to exceed 3 years.