

for any prior tax year as specifically provided by the United States Internal Revenue Code of 1986, as amended.

Part C

Sec. C-1. 20-A MRSA §15671, sub-§7, ¶B, as amended by PL 2019 c.343, Pt C, §1 is further amended to read:

The annual targets for the state share percentage of the statewide adjusted total cost of the components of essential programs and services are as follows.

- (1) For fiscal year 2005-06, the target is 52.60%.
- (2) For fiscal year 2006-07, the target is 53.86%.
- (3) For fiscal year 2007-08, the target is 53.51%.
- (4) For fiscal year 2008-09, the target is 52.52%.
- (5) For fiscal year 2009-10, the target is 48.93%.
- (6) For fiscal year 2010-11, the target is 45.84%.
- (7) For fiscal year 2011-12, the target is 46.02%.
- (8) For fiscal year 2012-13, the target is 45.87%.
- (9) For fiscal year 2013-14, the target is 47.29%.
- (10) For fiscal year 2014-15, the target is 46.80%.
- (11) For fiscal year 2015-16, the target is 47.54%.
- (12) For fiscal year 2016-17, the target is 48.14%.
- (13) For fiscal year 2017-18, the target is 49.14%.
- (14) For fiscal year 2018-19, the target is 49.77%.
- (15) For fiscal year 2019-20, the target is 50.78%.
- (16) For fiscal year 2020-21, the target is ~~51.78%~~ 51.83%.

Sec. C-2. 20-A MRSA §15671-A, sub-§2, ¶B, as amended by PL 2019, c. 343, §3 is further amended to read:

The commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation.

- (1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.

(2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.

(3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 46.49% statewide total local share in fiscal year 2007-08.

(4) For the 2008 property tax year, the full-value education mill rate is the amount necessary to result in a 47.48% statewide total local share in fiscal year 2008-09.

(4-A) For the 2009 property tax year, the full-value education mill rate is the amount necessary to result in a 51.07% statewide total local share in fiscal year 2009-10.

(4-B) For the 2010 property tax year, the full-value education mill rate is the amount necessary to result in a 54.16% statewide total local share in fiscal year 2010-11.

(4-C) For the 2011 property tax year, the full-value education mill rate is the amount necessary to result in a 53.98% statewide total local share in fiscal year 2011-12.

(5) For the 2012 property tax year, the full-value education mill rate is the amount necessary to result in a 54.13% statewide total local share in fiscal year 2012-13.

(6) For the 2013 property tax year, the full-value education mill rate is the amount necessary to result in a 52.71% statewide total local share in fiscal year 2013-14.

(7) For the 2014 property tax year, the full-value education mill rate is the amount necessary to result in a 53.20% statewide total local share in fiscal year 2014-15.

(8) For the 2015 property tax year, the full-value education mill rate is the amount necessary to result in a 52.46% statewide total local share in fiscal year 2015-16.

(9) For the 2016 property tax year, the full-value education mill rate is the amount necessary to result in a 51.86% statewide total local share in fiscal year 2016-17.

(10) For the 2017 property tax year, the full-value education mill rate is the amount necessary to result in a 50.86% statewide total local share in fiscal year 2017-18.

(11) For the 2018 property tax year, the full-value education mill rate is the amount necessary to result in a 50.23% statewide total local share in fiscal year 2018-19.

(12) For the 2019 property tax year, the full-value education mill rate is the amount necessary to result in a 49.22% statewide total local share in fiscal year 2019-20.

(13) For the 2020 property tax year, the full-value education mill rate is the amount necessary to result in a ~~48.22%~~ 48.17% statewide total local share in fiscal 2020-2021.

(14) For the 2021 property tax year and subsequent tax years, the full value education mill rate is the amount necessary to result in a 45% statewide total local share in fiscal year 2021-2022 and after.

Sec. C-3. Total cost of funding public education from kindergarten to grade 12. The total cost of funding public education from kindergarten to grade 12 for fiscal year 2020-21 is as follows:

	2020-21 TOTAL
Total Operating Allocation	
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683	\$1,507,865,971
Total adjustments to state subsidy pursuant to Title 20-A, section 15689 included in subsidizable costs and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$554,973,541
Total Operating Allocation and Subsidizable Costs	
Total operating allocation pursuant to Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$2,062,839,512
Total Debt Service Allocation	
Total debt service allocation pursuant to Title 20-A, section 15683-A	\$103,428,195
Total Adjustments and Targeted Education Funds	
Audit adjustments pursuant to Title 20-A, section 15689, subsection 4	\$250,000

Educating students in long-term drug treatment center adjustments pursuant to Title 20-A, section 15689, subsection 5	\$460,355
Minimum teacher salary adjustment pursuant to Title 20-A, section 15689, subsection 7-A	\$2,100,000
Regionalization, consolidation and efficiency assistance adjustments pursuant to Title 20-A, section 15689, subsection 9	\$6,161,789
Maine Care seed payments adjustments pursuant to Title 20-A, section 15689, subsection 14	\$1,334,776
Special education budgetary hardship adjustment pursuant to Title 20-A, section 15689, subsection 15	\$1,000,000
Total adjustments to the state share of total allocation pursuant to Title 20-A, section 15689	\$11,306,920
Targeted Education Funds pursuant to Title 20-A, section 15689-A	
Special education costs for state agency clients and state wards pursuant to Title 20-A, section 15689-A, subsection 1	\$33,737,998
Education of institutional residents pursuant to Title 20-A, section 15689-A, subsection 2	\$0
Essential programs and services components contract pursuant to Title 20-A, section 15689-A, subsection 3	\$300,000
Data management and support services for essential programs and services pursuant to Title 20-A, section 15689-A, subsection 10	\$7,974,245
Postsecondary course payments pursuant to Title 20-A, section 15689-A, subsection 11	\$6,500,000

National board certification salary supplement pursuant to Title 20-A, section 15689-A, subsection 12	\$307,551
Learning through technology program pursuant to Title 20-A, section 15689-A, subsection 12-A	\$16,114,960
Jobs for Maine's Graduates including college pursuant to Title 20-A, section 15689-A, subsection 13	\$3,545,379
Maine School of Science and Mathematics pursuant to Title 20-A, section 15689-A, subsection 14	\$3,615,347
Maine Educational Center for the Deaf and Hard of Hearing pursuant to Title 20-A, section 15689-A, subsection 15	\$8,913,765
Transportation administration pursuant to Title 20-A, section 15689-A, subsection 16	\$410,111
Special education for juvenile offenders pursuant to Title 20-A, section 15689-A, subsection 17	\$407,036
Comprehensive early college programs funding (bridge year program) pursuant to Title 20-A, section 15689-A, subsection 23	\$1,000,000
Community schools pursuant to Title 20-A, section 15689-A, subsection 25	\$200,000
Maine School for Marine Science, Technology, Transportation and Engineering pursuant to Title 20-A, section 15689-A, subsection 26	\$132,316
Instruments and Professional Development in rural schools pursuant to Title 20-A, section 15689-A, subsection 28	\$50,000
	\$83,208,708

Total targeted education funds pursuant to Title 20-A,
section 15689-A

**Enhancing student performance and opportunity pursuant
to Title 20-A, section 15688-A and section 15672, subsection
1-D**

Career and technical education costs pursuant to Title 20-A, section 15688-A, subsection 1	\$57,424,775
Career and technical education middle school costs pursuant to Title 20-A, section 15672, subsection 1-D	\$500,000
College transitions programs through adult education college readiness programs pursuant to Title 20-A, section 15688-A, subsection 2	\$450,000
New or expanded public preschool programs pursuant to Title 20-A, section 15688-A, subsection 4	\$0
National industry standards for career and technical education pursuant to Title 20-A, section 15688-A, subsection 6	\$2,000,000
Regional school leadership academy pursuant to Title 20-A, section 15688-A, subsection 9	\$0
Total enhancing student performance and opportunity pursuant to Title 20-A, section 15688-A and section 15672, subsection 1-D	\$60,374,775

**Total Cost of Funding Public Education from Kindergarten
to Grade 12**

Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, not including normal retirement costs	\$2,321,158,110
Total normal cost of teacher retirement	\$50,697,332

Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, including normal retirement costs	\$2,371,855,442
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Total cost of state contribution to unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423, excluding the normal cost of teacher retirement	\$228,931,183
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Total cost of funding public education from kindergarten to grade 12, plus state contributions to the unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423	\$2,600,786,625
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Sec. C-4. Local and state contributions to total cost of funding public education from kindergarten to grade 12. The local contribution and the state contribution appropriation provided for general purpose aid for local schools for the fiscal year beginning July 1, 2020 and ending June 30, 2021 is calculated as follows:

	2020-21 LOCAL	2020-21 STATE
Local and State Contributions to the Total Cost of Funding Public Education from Kindergarten to Grade 12		
Local and state contributions to the total cost of funding public education from kindergarten to grade 12 pursuant to the Maine Revised Statutes, Title 20-A, section 15683, subject to statewide distributions required by law	\$1,142,503,195	\$1,229,352,247
State contribution to the total cost of unfunded actuarial liabilities of the		\$228,931,183

Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance for fiscal year 2018-19 pursuant to Title 5, chapters 421 and 423 excluding the normal cost of teacher retirement

State contribution to the total cost of funding public education from kindergarten to grade 12 plus state contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance pursuant to Title 5, chapters 421 and 423

\$1,458,283,430

Sec. C-5. Authorization of payments. If the State's continued obligation for any individual component contained in those sections of this Act that set the total cost of funding public education from kindergarten to grade 12 and the local and state contributions for that purpose exceeds the level of funding provided for that component, any unexpended balances occurring in other programs may be applied to avoid proration of payments for any individual component. Any unexpended balances from this Act may not lapse but must be carried forward for the same purpose.

Sec. C-6. Limit of State's obligation. Those sections of this Act that set the total cost of funding public education from kindergarten to grade 12 and the local and state contributions for that purpose may not be construed to require the State to provide payments that exceed the appropriation of funds for general purpose aid for local schools for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

PART C SUMMARY

This Part does the following:

1. Revises the appropriation and authority to expend for postsecondary course payments pursuant to Title 20-A, section 15689-A, subsection 11 in the targeted education funds for fiscal year 2020-2021.

2. Revises the total cost of education from kindergarten to grade 12, the state contribution, and the annual target state share percentage for fiscal year 2020-2021.

PART D

Sec. D-1. 36 MRSA §5122, sub-§ 1, ¶MM is enacted to read:

MM. For each taxable year beginning after December 31, 2017 and before January 1, 2021, an amount equal to the taxpayer's excess business loss for the taxable year determined under the Code, section 461(l) applying subsection (1)(B) of that section to the calculation for the tax year, reduced by any amount of the loss included in Maine taxable income for a prior tax year pursuant to paragraph H of this subsection.

Sec. D-2. 36 MRSA §5122, sub-§2, ¶UU is enacted to read:

UU. An amount equal to the value of any prior year addition modification under subsection 1, paragraph MM, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income; and

(3) The taxpayer does not include the amount in computing any net operating loss carryback or carryover pursuant to the Code, section 172, for federal income tax purposes.

PART D SUMMARY

This Part requires an addition modification for federal excess business losses allowed to non-corporate taxpayers pursuant to the CARES Act for taxable years beginning after December 31, 2017 and before January 1, 2021 and a subtraction modification for the carryover and subtraction of this amount in future years.

PART E

Sec. E-1. 36 MRSA §5122, sub-§1, ¶NN is enacted to read:

NN. For taxable years beginning on or after January 1, 2019 and before January 1, 2021, the amount of the taxpayer's federal business interest deduction for the taxable year that exceeds the limitation for such deduction contained in the Code, section 163(j) applying a rate of 30 percent to adjusted taxable income for the purposes of the Code, section 163(j)(1)(B) without regard to the special rule described in the Code, section 163(j)(10)(A)(i).