



# 130th MAINE LEGISLATURE

LD 734

LR 713(01)

## An Act To Set a Minimum Wage for School Support Staff

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Collings of Portland

Committee: Labor and Housing

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund

Future biennium cost increase - local school administrative units

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Net Cost (Savings)</b>				
General Fund	\$80,000	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$80,000	\$0	\$0	\$0

#### Fiscal Detail and Notes

This bill establishes a minimum hourly wage of \$16 per hour for school support staff beginning with the 2022-2023 school year. The Department of Education will require a one-time General Fund appropriation of \$80,000 in fiscal year 2021-22 to the General Purpose Aid for Local Schools program to update its data collection system to allow for school administrative units to report hourly wage data for school support staff. Once collected, this data will be incorporated into the essential programs and services (EPS) funding model that is used to calculate the total cost of public education from kindergarten to grade 12.

Requiring a minimum hourly wage of \$16 per hour for school support staff will increase costs to local school administrative units (SAU's) beginning in fiscal year 2022-23. This bill requires the State to fund 100% of that cost for fiscal year 2022-23 only. No estimate of the cost of this provision for 2022-23 and future years can be made until SAU's provide the required wage information to the department by October 1, 2021.

After fiscal year 2022-23, SAU's will be responsible for funding 100% of the cost of this initiative until the hourly wage data for these school personnel can be collected and incorporated into the EPS funding model. For those components within the model that are expenditure driven, it will be 2 years before the salary increase will be reflected in the total cost of education as determined by the EPS funding model. Other components of the model that are not expenditure driven could be incorporated sooner, allowing for those costs to be reflected in the total cost of education for fiscal year 2022-23.

The increase in the minimum wage for school support staff may also increase costs to the child nutrition programs, which are not included in the calculation of the total cost of public education for kindergarten to grade 12 and do not receive state subsidy from the General Purpose Aid for Local Schools program. Unless General Fund appropriations are provided, SAU's will be responsible for 100% of this cost, as well.