



# 127th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2015

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Legislative Document

No. 235

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H.P. 167

House of Representatives, February 3, 2015

**An Act To Adjust Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of the Department of Education, the Maine Arts Commission and the Maine State Museum and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2015**

(EMERGENCY)

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Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative ROTUNDO of Lewiston. (GOVERNOR'S BILL)  
Cosponsored by Senator HAMPER of Oxford.



1	<b>FEDERAL EXPENDITURES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
2	<b>FUND</b>			
3	Personal Services	\$5,598	\$0	\$0
4				
5	FEDERAL EXPENDITURES FUND	<u>\$5,598</u>	<u>\$0</u>	<u>\$0</u>
6	TOTAL			

7	<b>EDUCATION, DEPARTMENT OF</b>			
8	<b>DEPARTMENT TOTALS</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
9				
10	<b>FEDERAL EXPENDITURES</b>	<b>(\$5,598)</b>	<b>\$0</b>	<b>\$0</b>
11	<b>FUND</b>			
12				
13	<b>DEPARTMENT TOTAL - ALL</b>	<u><b>(\$5,598)</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
14	<b>FUNDS</b>			

15 **PART B**

16 **Sec. B-1. Appropriations and allocations.** The following appropriations and  
 17 allocations are made to provide funding for approved reclassifications and range changes.

18 **EDUCATION, DEPARTMENT OF**  
 19 **General Purpose Aid for Local Schools 0308**

20 Initiative: Provides funding for approved reclassifications and range changes.

21	<b>GENERAL FUND</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
22	Personal Services	\$14,578	\$0	\$0
23	All Other	(\$14,578)	\$0	\$0
24				
25	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

26 **PK-20, Adult Education and Federal Programs Team Z081**

27 Initiative: Provides funding for approved reclassifications and range changes.

28	<b>GENERAL FUND</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
29	Personal Services	\$11,227	\$0	\$0
30	All Other	(\$11,227)	\$0	\$0
31				
32	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

33 **School Finance and Operations Z078**

1 Initiative: Provides funding for approved reclassifications and range changes.

2	<b>GENERAL FUND</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
3	Personal Services	\$6,662	\$0	\$0
4	All Other	(\$6,662)	\$0	\$0
5				
6	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

7	<b>OTHER SPECIAL REVENUE</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
8	<b>FUNDS</b>			
9	Personal Services	\$2,243	\$0	\$0
10	All Other	(\$2,243)	\$0	\$0
11				
12	OTHER SPECIAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
13	FUNDS TOTAL			

14	<b>EDUCATION, DEPARTMENT OF</b>			
15	<b>DEPARTMENT TOTALS</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
16				
17	GENERAL FUND	\$0	\$0	\$0
18	OTHER SPECIAL REVENUE	\$0	\$0	\$0
19	FUNDS			
20				
21	DEPARTMENT TOTAL - ALL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
22	FUNDS			

23 **PART C**

24 **Sec. C-1. 20-A MRSA §2413, sub-§3** is enacted to read:

25 **3. Funding for public charter schools authorized by the Maine Charter School**  
26 **Commission.** Beginning with fiscal year 2015-16, this section does not apply to those  
27 **public charter schools authorized by the commission.**

28 **Sec. C-2. 20-A MRSA §2413-A** is enacted to read:

29 **§2413-A. Funding for public charter schools authorized by the commission**

30 **Beginning with fiscal year 2015-16, this section applies to public charter schools**  
31 **authorized by the commission.**

32 **1. Pupil count.** Students enrolled in and attending public charter schools must be  
33 **reported to the department for attendance and funding purposes as provided in section**  
34 **15683-B, subsection 2 and department rules.**

1           **2. Revenue provisions.** State allocation funds follow each student to the public  
2 charter school attended by the student.

3           A. For each public charter school, the total allocation must be determined as follows.

4           (1) The total allocation must be calculated pursuant to section 15683-B, based on  
5 the student's grade level and adjusted as appropriate for economically  
6 disadvantaged students and limited English proficiency students pursuant to  
7 section 15675, subsections 1 and 2. Debt service and capital outlays may not be  
8 included in the calculation of these allocations. The department shall adopt rules  
9 governing how to calculate per-pupil allocations, including those for targeted  
10 funds for assessment, technology and kindergarten to grade 2 programs.

11           (2) For students attending public charter schools, the payments for public charter  
12 schools must be made pursuant to section 15683-B, subsection 6.

13           (3) For transportation expenses, the transportation operating allocation must be  
14 the statewide per-pupil essential programs and services transportation operating  
15 allocation multiplied by pupil counts determined under section 15683-B,  
16 subsection 2, paragraph A multiplied by a percentage established by the  
17 commission for the public charter school based on the cost of transportation  
18 services provided by the public charter school to the student, but not to exceed  
19 100%.

20           (4) The department shall pay to the public charter school any additional  
21 allocation assigned to the public charter school for gifted and talented students  
22 pursuant to section 15681-A, subsection 5 in the year in which the allocation is  
23 assigned.

24           B. The following provisions govern special education funding.

25           (1) For each enrolled special education student, a public charter school must  
26 receive the average additional allocation calculated by the department under  
27 section 15681-A, subsection 2 for the public charter school's special education  
28 students. These allocations must be paid on the same basis as the per-pupil  
29 allocations for operating funds.

30           (2) The department shall pay directly to a public charter school any federal or  
31 state aid attributable to a student with a disability attending the public charter  
32 school in proportion to the level of services for the student with a disability that  
33 the public charter school provides directly or indirectly.

34           (3) The department shall pay to a public charter school any additional allocation  
35 assigned to the public charter school because of a high-cost in-district special  
36 education placement in accordance with section 15681-A, subsection 2,  
37 paragraph B in the year in which the allocation is assigned as an adjustment to  
38 the public charter school's state contribution.

39           (4) The department shall pay to a public charter school any additional allocation  
40 assigned to the school administrative unit because of a high-cost out-of-district  
41 special education placement in accordance with section 15681-A, subsection 2,  
42 paragraph C in the year in which the allocation is assigned.

1           C. Except as otherwise provided in this chapter, the State shall send applicable  
2           federal funds directly to public charter schools attended by eligible students. Public  
3           charter schools with students eligible for funds under Title I of the federal Elementary  
4           and Secondary Education Act of 1965, 20 United States Code, Section 6301 et seq.  
5           must receive and use these funds in accordance with federal and state law. During  
6           the first year of operation, a public charter school must receive Title I funds on the  
7           basis of an estimated enrollment of eligible students, as determined by its authorizer.

8           D. A public charter school may receive gifts and grants from private sources in any  
9           manner that is available to a school administrative unit.

10          E. A public charter school may not levy taxes or issue bonds secured by tax  
11          revenues.

12          F. Any money received by a public charter school from any source and remaining in  
13          the school's accounts at the end of any budget year remains in the school's accounts  
14          for use by the school during subsequent budget years and may not revert to the  
15          authorizer or to the State.

16          G. Nothing in this chapter may be construed to prohibit any person or organization  
17          from providing funding or other assistance for the establishment or operation of a  
18          public charter school. The governing board of a public charter school may accept  
19          gifts, donations or grants of any kind made to the school and expend or use such gifts,  
20          donations or grants in accordance with the conditions prescribed by the donor except  
21          that a gift, donation or grant may not be accepted if subject to a condition that is  
22          contrary to any provision of law or term of the charter contract.

23          H. A public charter school may receive payment for students residing in the  
24          unorganized territory pursuant to paragraph A based on the state average EPS per-  
25          pupil rate as defined in section 15672, subsection 7-A. A special education student  
26          residing in the unorganized territory must be treated the same as a resident student  
27          from a school administrative unit for special education costs pursuant to paragraph B.  
28          The responsibility for providing a free, appropriate public education for a special  
29          education student passes to the charter school in which the student enrolls. As with  
30          other resident school administrative units, the department shall pay for high-cost in-  
31          district students.

32          **Sec. C-3. 20-A MRSA §15683-B** is enacted to read:

33          **§15683-B. Public charter schools; calculation of total allocation and state**  
34          **contribution**

35          Beginning with fiscal year 2015-16, this section applies to public charter schools  
36          authorized by the Maine Charter School Commission, established under Title 5, section  
37          12004-G, subsection 10-D, in accordance with the funding provisions established in  
38          section 2413-A.

39          **1. Calculation of EPS per-pupil rates.** If there is only one school administrative  
40          unit sending students to a public charter school in a school year, the commissioner shall  
41          use that resident school administrative unit's EPS per-pupil rate. If there is more than one

1 school administrative unit sending students to the public charter school, the commissioner  
2 shall calculate a public charter school's EPS per-pupil rate for each year as follows.

3 A. When there are elementary students from outside of a single resident school  
4 administrative unit sending students to an elementary public charter school, the EPS  
5 per-pupil rate for elementary grades is calculated by multiplying the number of  
6 students from a resident school administrative unit attending the public charter school  
7 by that resident school administrative unit's elementary EPS per-pupil rate to find the  
8 total cost for elementary students enrolled in the public charter school in that resident  
9 school administrative unit, then adding the total cost for elementary students enrolled  
10 in the public charter school from each resident school administrative unit. The result  
11 is divided by the total number of elementary students in the public charter school.

12 B. When there are secondary students from outside of a single resident school  
13 administrative unit sending students to a public charter school, the EPS per-pupil rate  
14 for secondary grades is calculated by multiplying the number of students from a  
15 resident school administrative unit attending the public charter school by that resident  
16 school administrative unit's secondary EPS per-pupil rate to find the total cost for  
17 secondary students enrolled in the public charter school in that resident school  
18 administrative unit, then adding the total cost for secondary students enrolled in the  
19 public charter school from each resident school administrative unit. The result is  
20 divided by the total number of secondary students in the public charter school.

21 **2. Pupil counts.** Notwithstanding section 15674, the commissioner shall determine  
22 a public charter school's student counts for each year as follows.

23 A. The basic student count for a public charter school is the pupil count for October  
24 1st of the most recent calendar year prior to the year of funding.

25 B. The number of economically disadvantaged students for each public charter  
26 school is determined by multiplying the number of pupils by the most recent  
27 available elementary free or reduced-price meals percentage for that public charter  
28 school. The elementary free or reduced-price meals percentage may be applied to  
29 determine the number of economically disadvantaged students in the public charter  
30 school secondary grades. If the public charter school does not operate elementary  
31 grades, the most recent available secondary free or reduced-price meals percentage  
32 must be used in place of the elementary free or reduced-price meals percentage.

33 C. The number of limited English proficiency students for each public charter school  
34 is the number of limited English proficiency students in the most recent October pupil  
35 count prior to the year of funding.

36 D. The number of special education students for each public charter school is the  
37 number of special education students in the most recent October pupil count prior to  
38 the year of funding.

39 **3. Operating allocation.** The commissioner shall determine a public charter  
40 school's operating allocation for each year as the sum of:

41 A. The base allocation, which is the pupil count pursuant to subsection 2, paragraph  
42 A multiplied by the public charter school's EPS per-pupil rates calculated pursuant to  
43 subsection 1;

1 B. The economically disadvantaged student allocation, which is the pupil count  
2 determined pursuant to subsection 2, paragraph B multiplied by the additional weight  
3 for each economically disadvantaged student pursuant to section 15675, subsection 2;

4 C. The limited English proficiency student allocation, which is the pupil count  
5 pursuant to subsection 2, paragraph C multiplied by the additional weight for each  
6 limited English proficiency student pursuant to section 15675, subsection 1;

7 D. The targeted funds for standards-based system allocation, which is based on the  
8 per-pupil amount pursuant to section 15683, subsection 1, paragraph C multiplied by  
9 the pupil count pursuant to subsection 2, paragraph A;

10 E. The targeted funds for technology resource allocation, which is based on the per-  
11 pupil amount pursuant to section 15683, subsection 1, paragraph D multiplied by the  
12 pupil count in subsection 2, paragraph A; and

13 F. The targeted funds for public preschool to grade 2 student allocation, which is  
14 based on the preschool to grade 2 pupil count pursuant to subsection 2, paragraph A  
15 multiplied by the public charter school's elementary EPS per-pupil rates in subsection  
16 1.

17 **4. Other subsidizable costs allocation.** The commissioner shall determine a public  
18 charter school's other subsidizable costs allocation for each year as the sum of:

19 A. The gifted and talented allocation pursuant to section 2413-A, subsection 2,  
20 paragraph A, subparagraph (4);

21 B. The special education allocation pursuant to section 2413-A, subsection 2,  
22 paragraph B. The special education allocation may not be less than 90% of the public  
23 charter school base year expenditures for special education; and

24 C. The transportation operating allocation, which is the statewide per-pupil essential  
25 programs and services transportation operating allocation multiplied by a percentage  
26 established by the Maine Charter School Commission for that public charter school  
27 based on the cost of transportation services provided by the public charter school to  
28 the student but not to exceed 100% multiplied by the pupil count in subsection 2,  
29 paragraph A.

30 A public charter school is not entitled to career and technical education funding. The  
31 school administrative unit in which the public charter school student resides must pay the  
32 cost of attendance for a student at a career and technical education program.

33 **5. Total allocation and state contribution.** The commissioner shall determine a  
34 public charter school's total allocation as the sum of the school's operating allocation  
35 under subsection 3 and other subsidizable costs allocation under subsection 4. That total  
36 allocation is the state contribution, except that up to 3% of this amount must be withheld  
37 in accordance with section 2405, subsection 5, paragraph B and transferred to the Maine  
38 Charter School Commission account.

39 **6. Payment of state contribution.** The commissioner shall authorize state subsidy  
40 payments to be made in accordance with the same schedule of payments for school  
41 administrative units pursuant to section 15689-B.



1            **7. MaineCare seed.** The commissioner may deduct from a public charter school's  
2 state subsidy and pay on behalf of the public charter school allowable school-based costs  
3 that represent the public charter school's portion of MaineCare payments. A transfer of  
4 payment by the department to the Department of Health and Human Services must be  
5 made pursuant to a schedule agreed upon by the Department of Health and Human  
6 Services and the department and based on documentation of payments made from  
7 MaineCare funds.

8            **8. Curtailment adjustment.** In any funding year, if general purpose aid for local  
9 school funding is curtailed, then the public charter school state contribution under this  
10 chapter must be curtailed by the proportional percentage that school administrative units  
11 have been curtailed.

12            **9. Phase-in procedures for new or newly expanded public charter schools.** For  
13 new or newly expanded public charter schools, the commissioner shall make a  
14 preliminary calculation of total allocation based on the following:

15            A. Estimated student counts not to exceed the enrollment limit established by the  
16 Maine Charter School Commission;

17            B. Estimated rates and weights based on statewide averages; and

18            C. The preliminary calculation of total allocation, which must be replaced with  
19 actual student data once students have been enrolled for the new school year. The  
20 new or newly expanded public charter school must enroll new students no later than  
21 August 1st in a student information system maintained by the department.

22            **Sec. C-4. 20-A MRSA §15689-B, sub-§2-A** is enacted to read:

23            **2-A. Notification of state contribution to public charter schools.** The  
24 commissioner shall annually, prior to February 1st, notify the governing board of each  
25 public charter school of the estimated amount of state contribution to be allocated to the  
26 public charter school pursuant to section 15683-B.

27            **Sec. C-5. 20-A MRSA §15689-C, sub-§2, ¶A,** as enacted by PL 2005, c. 2, Pt.  
28 D, §61 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

29            A. The requested funding levels for the operating allocation under ~~section~~ sections  
30 15683 and 15683-B;

31            **Sec. C-6. 20-A MRSA §15689-D,** as amended by PL 2013, c. 368, Pt. C, §18, is  
32 further amended to read:

33            **§15689-D. Governor's recommendation for funding levels**

34            **1. Annual recommendations.** The Department of Administrative and Financial  
35 Services, Bureau of the Budget shall annually certify to the Legislature the funding levels  
36 that the Governor recommends under sections 15683, 15683-A, 15683-B, 15688-A,  
37 15689 and 15689-A and the amount for any other components of the total cost of funding  
38 public education from kindergarten to grade 12 pursuant to this chapter. The Governor's  
39 recommendations must be transmitted to the Legislature within the time schedules set

1 forth in Title 5, section 1666 and in the form and manner described in subsection 2. The  
2 commissioner may adjust, consistent with the Governor's recommendation for funding  
3 levels, per-pupil amounts not related to staffing pursuant to section 15680 and targeted  
4 funds pursuant to section 15681.

5 **2. Funding level computations.** The Governor's recommendations under  
6 subsection 1 must specify the amounts that are recommended for the total operating  
7 ~~allocation~~ allocations pursuant to section 15683 including the total allocation pursuant to  
8 section 15683-B, the total of other subsidizable costs pursuant to section 15681-A, the  
9 total debt service allocation pursuant to section 15683-A, the total costs of enhancing  
10 student performance and opportunity pursuant to section 15688-A, the total adjustments  
11 pursuant to section 15689, the total miscellaneous costs pursuant to section 15689-A, the  
12 amount for any other components of the total cost of funding public education from  
13 kindergarten to grade 12 and the total cost of funding public education from kindergarten  
14 to grade 12 pursuant to this chapter. The Governor's recommendations regarding the  
15 adjustments and miscellaneous costs components also must delineate each amount that is  
16 recommended for each subsection and paragraph under sections 15689 and 15689-A and  
17 the purposes for each cost in these sections. For each amount shown in the Governor's  
18 recommendations, the Governor's recommendations must also show the amount for the  
19 same component or purpose that is included in the most recently approved state budget,  
20 the differences between the amounts in the most recently approved state budget and the  
21 Governor's recommendations and the reasons for the changes.

22 **Sec. C-7. 20-A MRSA §15689-E, sub-§1, ¶B**, as amended by PL 2013, c. 368,  
23 Pt. C, §19, is further amended to read:

24 B. The state share of the total operating allocation and the total debt service  
25 allocation described in sections 15683 ~~and~~, 15683-A and 15683-B;

## 26 PART D

27 **Sec. D-1. PL 2013, c. 368, Pt. JJ, §1** is amended to read:

28 **Sec. JJ-1. Lease-purchase authorization; Maine learning technology**  
29 **initiative.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department  
30 of Education may enter into financing arrangements in fiscal years 2013-14, 2014-15, and  
31 2015-16 for the acquisition of portable computer devices for students and educators to  
32 support the operations of the Maine learning technology initiative. The financing  
33 agreements may not exceed 4 years in duration and ~~\$69,696,000~~ \$95,000,000 in principal  
34 costs for the Maine learning technology initiative. The interest rate may not exceed 8%  
35 and the total interest costs may not exceed ~~\$5,575,680~~ \$7,600,000. The annual principal  
36 and interest costs must be paid from the appropriate line category allocations in the  
37 Department of Education. The State is authorized to extend the provisions of the lease-  
38 purchase agreement on behalf of school administrative units as long as all costs of the  
39 extension are borne by the school administrative units.

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**PART E**

**Sec. E-1. Appropriations and allocations.** The following appropriations and allocations are made.

**ARTS COMMISSION, MAINE**

**Arts - Administration 0178**

Initiative: Provides one-time funding to meet payroll obligations.

<b>GENERAL FUND</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
Personal Services	\$76,435	\$0	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$76,435</b>	<b>\$0</b>	<b>\$0</b>

**PART F**

**Sec. F-1. Appropriations and allocations.** The following appropriations and allocations are made.

**MUSEUM, MAINE STATE**

**Maine State Museum 0180**

Initiative: Reorganizes 2 Museum Specialist I positions to Museum Education Specialist II positions; one part-time Museum Technician I position to a part-time Museum Education Specialist I position; and 2 part-time Museum Technician I positions to one full-time Museum Education Specialist I position funded by the elimination of one part-time Museum Technician I position.

<b>GENERAL FUND</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
POSITIONS - LEGISLATIVE COUNT	(0.500)	0.000	0.000
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Research and Collection - Museum 0174**

Initiative: Reorganizes one Museum Specialist II position to a Museum Specialist III position and reallocates the funding from 100% General Fund in the Maine State Museum program to 95% General Fund in the Maine State Museum program and 5% Other Special Revenue Funds in the Research and Collection - Museum program.



1 costs from up to \$5,575,680 to up to \$7,600,000. The amount has been revised to include  
2 those costs borne by the school administrative units.

3 **PART E**

4 This Part adjusts appropriations from the General Fund for the expenditures of the  
5 Maine Arts Commission for the fiscal year ending June 30, 2015.

6 **PART F**

7 This Part adjusts appropriations and allocations from the General Fund and other  
8 funds for the expenditures of the Maine State Museum for the fiscal year ending June 30,  
9 2015.