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Date: (Filing No. H-)

EDUCATION AND CULTURAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 1460, L.D. 1963, “An Act To Create the General Purpose Aid Stabilization Fund”

Amend the bill by striking out the title and substituting the following:

'An Act To Create the Education Stabilization Fund'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 20-A MRSA §15698 is enacted to read:

§15698. Education Stabilization Fund

1. Fund established. The Education Stabilization Fund, referred to in this section as "the fund," is established as an Other Special Revenue Funds account within the department for the purposes specified in this section.

2. Nonlapsing. Any unexpended balances in the fund may not lapse but must be carried forward.

3. Fund purposes. Allocations from the fund must be used to prevent any reduction in the budgeted state share of essential programs and services pursuant to section 15671, subsection 7, paragraph B that would otherwise result from insufficient General Fund appropriations or any other shortage of funds.

4. Report by State Controller. The State Controller shall report at least annually on the fund on or before the 2nd Friday in November to the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs and education matters. The report must summarize the status of and activity in the fund.

5. Transfer for payments. Notwithstanding any provision of law to the contrary, the State Controller may transfer from the balance available in the fund an amount for essential programs and services payments to the department. Amounts transferred may be expended based on an allotment established by financial order upon recommendation by the State Budget Officer and approval by the Governor. The amounts transferred are considered

COMMITTEE AMENDMENT

1 adjustments to allocations. The Governor shall inform the Legislative Council and the joint
2 standing committees of the Legislature having jurisdiction over appropriations and
3 financial affairs and education matters immediately upon such a transfer from the fund.

4 **Sec. 2. Transfer from General Fund unappropriated surplus; Education**
5 **Stabilization Fund.** Notwithstanding any provision of law to the contrary, the State
6 Controller shall transfer \$30,000,000 from the unappropriated surplus of the General Fund
7 to the Education Stabilization Fund established in the Maine Revised Statutes, Title 20-A,
8 section 15698 on or before June 30, 2022.'

9 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
10 number to read consecutively.

11 **SUMMARY**

12 This amendment, which is the majority report of the committee, changes the name of
13 the fund to the Education Stabilization Fund and provides that the purpose of the fund is to
14 prevent any reduction in the budgeted state share of essential programs and services
15 pursuant to the Maine Revised Statutes, Title 20-A, section 15671, subsection 7, paragraph
16 B that would otherwise result from insufficient General Fund appropriations or any other
17 shortage of funds. The amendment also adds that the State Controller may transfer from
18 the balance available in the fund an amount for essential programs and services payments
19 to the Department of Education, that amounts transferred may be expended based on an
20 allotment established by financial order upon recommendation by the State Budget Officer
21 and approval by the Governor and that the amounts transferred are considered adjustments
22 to allocations. The Governor shall inform the Legislative Council and the joint standing
23 committees of the Legislature having jurisdiction over appropriations and financial affairs
24 and education matters immediately upon such a transfer from the fund. In addition, the
25 amendment requires the State Controller to transfer \$30,000,000 in fiscal year 2021-22
26 from the unappropriated surplus of the General Fund to the Education Stabilization Fund.

27 **FISCAL NOTE REQUIRED**

28 **(See attached)**