

Section 5. Sub-section 7.  
State contributions to fund the cost  
of the unfunded actuarial liability  
for retired teachers.

GOVERNOR'S  
VETO  
OVERRIDDEN

MAY 1, 2014

CHAPTER

595

PUBLIC LAW

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND AND FOURTEEN

H.P. 1349 - L.D. 1858

**An Act To Achieve the Savings Required under Part F of the Biennial Budget  
and To Change Certain Provisions of the Law for Fiscal Years Ending June  
30, 2014 and June 30, 2015**

**Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the 90-day period may not terminate until after the beginning of the next fiscal year; and

**Whereas,** certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**PART A**

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Provides funding to fully offset the remaining statewide deappropriation included in Public Law 2013, chapter 368, Part F that was partially offset in Public Law 2013, chapter 502, Part F.

| SECTION TOTALS              | 2013-14              | 2014-15             |
|-----------------------------|----------------------|---------------------|
| GENERAL FUND                | (\$1,567,500)        | \$27,848,471        |
| FEDERAL EXPENDITURES FUND   | (\$2,458,074)        | \$28,490,191        |
| OTHER SPECIAL REVENUE FUNDS | \$0                  | (\$1,846,445)       |
| DIRIGO HEALTH FUND          | \$0                  | (\$71,478)          |
| SECTION TOTAL - ALL FUNDS   | <u>(\$4,025,574)</u> | <u>\$54,420,739</u> |

### PART C

**Sec. C-1. 20-A MRS §15671, sub-§7, ¶B**, as amended by PL 2013, c. 368, Pt. C, §7, is further amended to read:

B. 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 52.6%.
- (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%.

**Sec. C-2. 20-A MRS §15671, sub-§7, ¶C**, as amended by PL 2013, c. 368, Pt. C, §8, is further amended to read:

C. Beginning in fiscal year 2011-12, the annual targets for the state share percentage of the total cost of funding public education from kindergarten to grade 12 including the cost of the components of essential programs and services plus the state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance are as follows.

- (1) For fiscal year 2011-12, the target is 49.47%.
- (2) For fiscal year 2012-13, the target is 49.35%.
- (3) For fiscal year 2013-14, the target is 50.44%.
- (4) For fiscal year 2014-15 ~~and succeeding years~~, the target is ~~55%~~ 50.13%.
- (5) For fiscal year 2015-16 and succeeding years, the target is 55%.

**Sec. C-8. 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 2014-15 is as follows:

|   | <b>2014-15<br/>TOTAL</b> |
|---|--------------------------|
| <b>Total Operating Allocation</b>   |                          |
| Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A   | \$1,830,672,878          |
| <b>Total Debt Service Allocation</b>  |                          |
| Total debt service allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683-A   | \$90,854,708             |
| <b>Enhancing Student Performance and Opportunity</b>  | \$2,472,105              |
| <b>Total Adjustments and Miscellaneous Costs</b>  |                          |
| Total adjustments and miscellaneous costs pursuant to the Maine Revised Statutes, Title 20-A, sections 15689 and 15689-A  | \$62,816,943             |
| <b>Total Normal Cost of Teacher Retirement</b>  | \$29,791,982             |
|   | <hr/>                    |
| <b>Total Cost of Funding Public Education from Kindergarten to Grade 12</b>   |                          |
| Total cost of funding public education from kindergarten to grade 12 for fiscal year 2014-15 pursuant to the Maine Revised Statutes, Title 20-A, chapter 606-B  | \$2,016,608,616          |
| Total cost of the state contribution to teacher retirement, teacher retirement health insurance and teacher retirement life insurance for fiscal year 2014-15 pursuant to the Maine Revised Statutes, Title 5, chapters 421 and 423 excluding the normal cost of teacher retirement | \$176,943,723            |

|   |                 |
|---|-----------------|
| Adjustment pursuant to the Maine Revised Statutes,<br>Title 20-A, section 15683, subsection 2 | \$42,254,567    |
| Total cost of funding public education from<br>kindergarten to grade 12                       | \$2,235,806,906 |

**Sec. C-9. 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, 2014 and ending June 30, 2015 is calculated as follows:

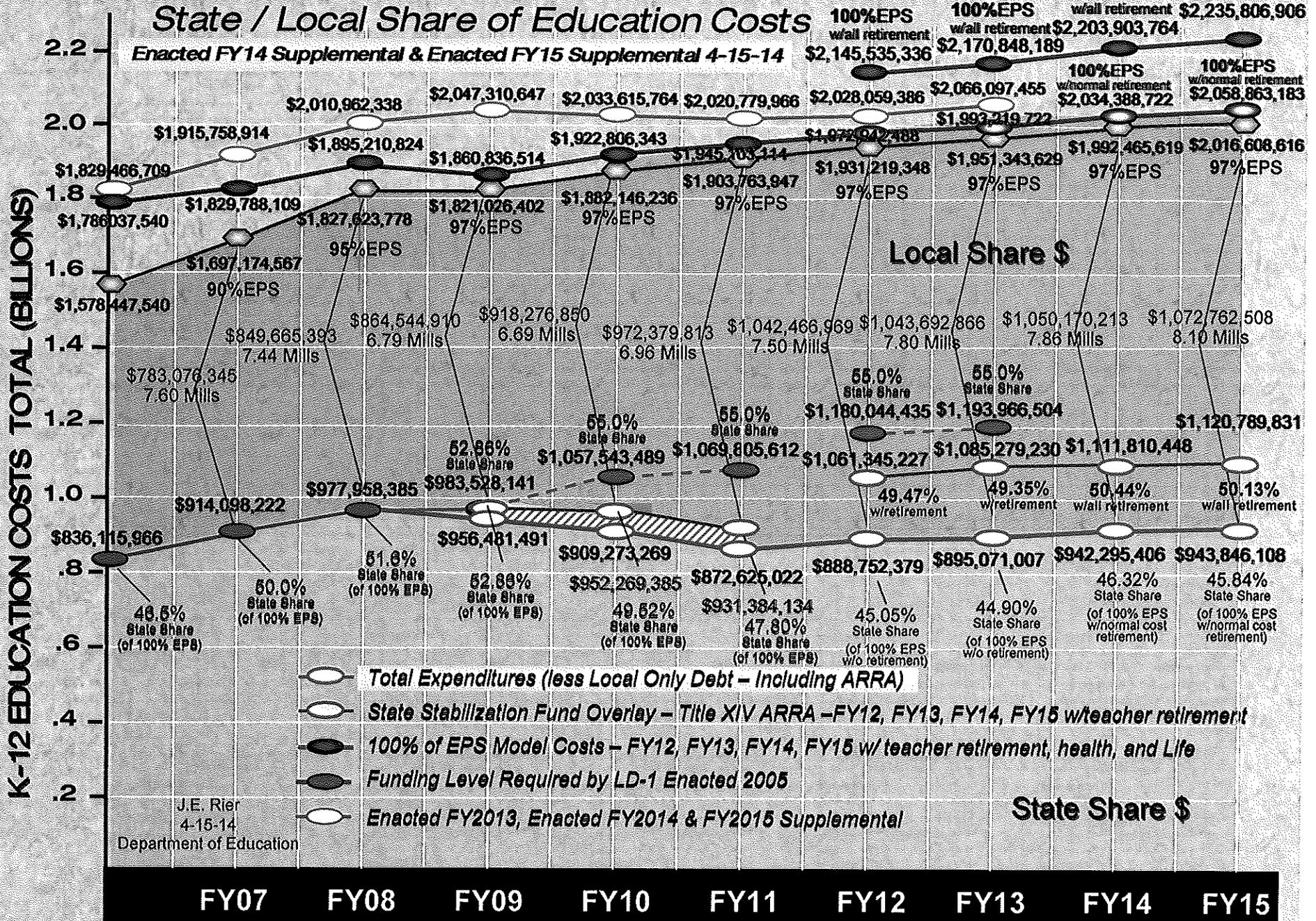
|  | 2014-15<br>LOCAL | 2014-15<br>STATE |
|--|------------------|------------------|
| <b>Local and State Contributions to the<br/>Total Cost of Funding Public Education<br/>from Kindergarten to Grade 12</b>   |                  |                  |
| Local and state contributions to the total<br>cost of funding public education from<br>kindergarten to grade 12 pursuant to the<br>Maine Revised Statutes, Title 20-A,<br>section 15683, subject to statewide<br>distributions required by law     | \$1,072,762,508  | \$943,846,108    |
| State contribution to the total cost of<br>teacher retirement, teacher retirement<br>health insurance and teacher retirement<br>life insurance for fiscal year 2014-15<br>pursuant to the Maine Revised Statutes,<br>Title 5, chapters 421 and 423 |                  | \$176,943,723    |
| State contribution to the total cost of<br>funding public education from<br>kindergarten to grade 12   |                  | \$1,120,789,831  |

**Sec. C-10. Limit of State's obligation.** If the State's continued obligation for any individual component contained in those sections of this Part 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 Part may not lapse but must be carried forward for the same purpose.

**Sec. C-11. Authorization of payments.** Those sections of this Part that set the total cost of funding public education from kindergarten to grade 12 and the local and

# Education Funding Law Implementation

## State / Local Share of Education Costs



J.E. Rier  
4-15-14  
Department of Education