

122nd Legislature LD 1968 HP1378

Financial and Cultural Affairs

An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007. (GOVERNOR'S BILL).

Presented by Representative BRANNIGAN of Portland. **Public Hearing** 02/10/06. OTP-AM Accepted 03/29/06. **Amended by:** CA H-878, HD/CA H-901. **Final Disposition:** Emergency Enacted, Signed 03/29/06, PUBLIC LAWS, Chapter 519.

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-SECOND LEGISLATURE

SECOND SPECIAL SESSION
July 29, 2005

SECOND REGULAR SESSION
January 4, 2006 to May 24, 2006

THE GENERAL EFFECTIVE DATE FOR
SECOND SPECIAL SESSION
NON-EMERGENCY LAWS IS
OCTOBER 28, 2005

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
AUGUST 23, 2006

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TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2006

CHAPTER 519

H.P. 1378 - L.D. 1968

An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007

Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.

Emergency preamble. Whereas, acts 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 prior to June 30, 2006; 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. Supplemental appropriations and allocations. There are appropriated and allocated from various funds for the fiscal years ending June 30, 2006 and June 30, 2007, to the departments listed, the following sums.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Financial and Personnel Services - Division of 0713

Initiative: Provides funding for the Maine Developmental Disabilities Council program.

FEDERAL EXPENDITURES FUND	2005-06	2006-07
All Other	\$0	\$497,302

FEDERAL EXPENDITURES FUND TOTAL	\$0	\$497,302
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Capital Construction/Repairs/Improvements - Admin 0059

Initiative: Provides funding to the Bureau of General Services for repairs, capital improvements and other costs of managing the facilities operated by the Maine Military Authority in Limestone.

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
All Other	\$508,065	\$1,054,777

OTHER SPECIAL REVENUE FUNDS TOTAL	\$508,065	\$1,054,777
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Capital Construction/Repairs/Improvements - Admin 0059

Initiative: Allocates funding from private contributions that will be used solely for public improvements at state-owned facilities.

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
All Other	\$20,000	\$100,000

OTHER SPECIAL REVENUE FUNDS TOTAL	\$20,000	\$100,000
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Buildings and Grounds Operations 0080

Initiative: Provides funding for the increase in fuel and utility costs. Unobligated funds from this appropriation may be carried forward into fiscal year 2006-07 to be used for the same purpose.

GENERAL FUND	2005-06	2006-07
All Other	\$865,377	\$0

GENERAL FUND TOTAL	\$865,377	\$0
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Departments and Agencies - Statewide 0016

Initiative: Adjusts the allocation in the statewide account for retirement unfunded actuarial liability amortization to partially offset the deallocation in Public Law 2005, chapter 12, Part R. Certain program accounts in the Other Special Revenue Funds could not achieve their allocated pro rata share of the retirement unfunded actuarial liability savings and therefore were exempted.

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
Personal Services	\$406,001	\$432,666

OTHER SPECIAL REVENUE FUNDS TOTAL	\$406,001	\$432,666
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Departments and Agencies - Statewide 0016

Initiative: Adjusts the allocation in the statewide account for health insurance negotiated plan savings to partially offset the deallocation in Public Law 2005, chapter 12, Part II. Certain program accounts in the Other Special Revenue Funds could not achieve their allocated pro rata share of the health insurance negotiated plan savings and therefore were exempted.

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
Personal Services	\$66,764	\$198,070

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

Bureau of Medical Services 0129

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(6.000)	(6.000)

INLAND FISHERIES AND WILDLIFE, DEPARTMENT OF

Maine Outdoor Heritage Fund 0829

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)

LABOR, DEPARTMENT OF

Safety Education and Training Programs 0161

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(2.000)	(2.000)

MARINE RESOURCES, DEPARTMENT OF

Division of Community Resource Development 0043

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)

PUBLIC SAFETY, DEPARTMENT OF

State Police 0291

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(2.000)	(2.000)

Sec. JJ-6. Appropriations and allocations. The following appropriations and allocations are made to eliminate 2 vacant positions, resulting in elimination of .211 FTE headcount in fiscal years 2005-06 and 2006-07.

TRANSPORTATION, DEPARTMENT OF

Island Ferry Services Fund 0326

ISLAND FERRY SERVICES FUND	2005-06	2006-07
POSITIONS - FTE COUNT	(0.211)	(0.211)

Sec. JJ-7. Appropriations and allocations. The following appropriations and allocations are made to eliminate one vacant position, resulting in elimination of 1.000 legislative headcount in fiscal years 2005-06 and 2006-07.

CORRECTIONS, DEPARTMENT OF

State Prison 0144

PRISON INDUSTRIES FUND	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)

Sec. JJ-8. Appropriations and allocations. The following appropriations and allocations are made to eliminate one vacant position, resulting in elimination of .827 FTE headcount in fiscal years 2005-06 and 2006-07.

AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF

Seed Potato Board 0397

SEED POTATO BOARD FUND	2005-06	2006-07
POSITIONS - FTE COUNT	(0.827)	(0.827)

Sec. JJ-9. Appropriations and allocations. The following appropriations and allocations are made to eliminate one vacant position, resulting in elimination of 1.000 legislative headcount in fiscal years 2005-06 and 2006-07.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Lottery Operations 0023

STATE LOTTERY FUND	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)

PART KK

Sec. KK-1. Transfer to Maine Clean Election Fund. On or before September 30, 2006, the State Controller shall transfer an additional \$1,200,000 from undedicated General Fund revenue to the Maine Clean Election Fund in addition to the transfers authorized pursuant to the Maine Revised Statutes, Title 21-A, section 1124.

PART LL

Sec. LL-1. 20-A MRSA §15671, sub-§6, as amended by PL 2005, c. 12, Pt. UU, §1 and affected by §§12 and 13 and Pt. WW, §18, is further amended to read:

6. Targeted funds. Funds for technology, ~~assessment~~ implementation of a standards-based system and the costs of additional investments in educating children in kindergarten to grade 2 as described in section 15681 must be provided as targeted allocations. School administrative units shall submit a plan for the use of these funds and ~~shall~~ receive funding based on approval of the plan by the commissioner.

Sec. LL-2. 20-A MRSA §15681, sub-§2, as enacted by PL 2003, c. 504, Pt. A, §6, is repealed.

Sec. LL-3. 20-A MRSA §15681, sub-§2-A is enacted to read:

2-A. Targeted funds to implement a standards-based system. For targeted funds to implement a standards-based system, the commissioner shall calculate an amount to be made available to address the components of a standards-based system.

PART MM

Sec. MM-1. Calculation and transfer; General Fund health insurance savings; negotiated plan. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in section 2 that applies against each General Fund account for all departments and agencies except legislative branch departments and agencies from additional savings in the cost of health insurance and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal year 2006-07. The State Budget Officer shall provide the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amounts no later than November 1, 2006.

Sec. MM-2. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

Departments and Agencies - Statewide 0016

Initiative: Reduces funding to reflect additional savings to the State for the cost of health insurance through negotiated plan savings.

GENERAL FUND	2005-06	2006-07
Personal Services	\$0	(\$4,466,803)
GENERAL FUND TOTAL	\$0	(\$4,466,803)

PART NN

Sec. NN-1. PL 2005, c. 386, Pt. Q, §2 is amended to read:

Sec. Q-2. Transfer from General Fund Salary Plan; Governor Baxter School for the Deaf. Notwithstanding the Maine Revised Statutes, Title 5, section 1676 or any other provision of law, in fiscal year 2005-06 and fiscal year 2006-07 the Governor Baxter School for the Deaf may receive transfers from the General Fund Salary Plan for the costs of collective bargaining agreements for employees of the Governor Baxter School for the Deaf in amounts not to exceed ~~\$97,247 in fiscal year 2005-06~~

~~and \$197,411 in fiscal year 2006-07 \$294,658 for the 2006-2007 biennium.~~

PART OO

Sec. OO-1. 25 MRSA §1534 is enacted to read:

§1534. Consolidated Emergency Communications Fund

The Consolidated Emergency Communications Fund is created as an enterprise fund for the deposit of any payments made by municipal, county and state governmental entities in Kennebec County. The fund may not lapse but must be carried forward to carry out the purposes of this chapter.

Sec. OO-2. Transfer budget and positions. Notwithstanding any other provision of law, the State Budget Officer at the request of the Commissioner of Public Safety and the Maine Communications System Policy Board may transfer position counts and available balances by financial order to the Emergency Services Communication Bureau within the Department of Public Safety. These transfers are considered adjustments to authorized position counts, appropriations and allocations in fiscal year 2006-07. The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amounts no later than September 1, 2006.

Sec. OO-3. Establish positions. Notwithstanding any other provision of law, the Emergency Services Communication Bureau within the Department of Public Safety may establish positions by financial order when municipal, county and state governmental entities in Kennebec County voluntarily consolidate communications systems with the bureau's communications systems. The financial order must identify the entity entering the consolidation and the position or positions being eliminated by that entity. In order for a position that is established by financial order to become permanent, it must be presented to the next session of the Legislature through the normal budgetary process. These positions must be funded by the entity and reimbursement funds for Personal Services, All Other and Capital Expenditures must be made to the Consolidated Emergency Communications Fund established in the Maine Revised Statutes, Title 25, section 1534.

PART PP

Sec. PP-1. 22 MRSA §1714-B, as amended by PL 2005, c. 342, §1 and affected by §2, is further amended to read:

§1714-B. Critical access hospital reimbursement

§2804-K. Law enforcement training for state judicial marshals and state judicial deputy marshals

As a condition to the continued employment of any person as a full-time ~~court security officer~~ state judicial marshal or state judicial deputy marshal, that person must successfully complete, within the first 12 months of employment, the training required under section 2803-A, subsection 8-B. Thereafter, as a condition of continued employment as a full-time ~~court security officer~~ state judicial marshal or state judicial deputy marshal, the ~~officer marshal~~ must satisfactorily maintain the ~~court security officer~~ state judicial marshal or state judicial deputy marshal certification by completing recertification requirements prescribed by the board. The board, under extenuating and emergency circumstances in individual cases, may extend that period for not more than 90 days.

PART YYY

Sec. YYY-1. Sustainable passenger rail service. It is the policy of the Legislature that passenger rail service must be supported by the State.

1. Findings. The people of the State find that the passenger rail service system:

A. Benefits freight services, supports economic development in service center communities, creates jobs, generates millions of dollars in annual business sales and improves access to Boston and other major markets;

B. Addresses Maine's changing demographics and shifting population and is accessible to the persons with impaired mobility;

C. Is an important tool in energy conservation and the reduction of greenhouse gasses, which help to achieve climate change goals; and

D. Is a viable alternative to the costs associated with the widening of major highways and a necessary alternative during emergencies.

Sec. YYY-2. Report to the Legislature; Department of Transportation. The Commissioner of Transportation shall identify financial resources and develop a plan to establish sustainable funding for passenger rail service. The commissioner shall present findings and recommendations including implementing legislation to the First Regular Session of the 123rd Legislature and to the joint standing committees of the Legislature having jurisdiction over transportation matters and appropriations and financial affairs.

PART ZZZ

Sec. ZZZ-1. Managed behavioral health care services system. The following provisions apply to the managed behavioral health care services initiative to be undertaken by the Department of Health and Human Services pursuant to Public Law 2005, chapter 457, Part PP through an administrative service organization or managed care organization:

1. Prior to implementation of administration or management of services, savings projected to be achieved by the managed behavioral health care services system may not be achieved through reductions in provider rates below their levels on January 1, 2006 or through eliminations of categories of services provided by community providers or consumer groups; and

2. With regard to any contracts with administrative services organizations or managed care organizations entered into by the department in the implementation of managed behavioral health care:

A. Except for treatment provided at the River-view Psychiatric Center and the Dorothea Dix Psychiatric Center, any contract for administrative or managed behavioral health care services must include all adult and children's mental health services funded under the MaineCare program and no services may be excluded, delayed, carved out or administered under separate contract;

B. Any contractual agreement for administrative or managed behavioral health care services must include utilization review functions for all categories of services;

C. The administrative services organization or managed care organization may perform rate-setting functions without regard to current levels of reimbursement for providers of services; and

D. During the first year of any contract, the administrative services organization or managed care organization shall contract with all providers of mental health services that meet departmental requirements and receive MaineCare funding as of June 30, 2006.

PART AAAA

Sec. AAAA-1. 20-A MRSA §13013-A is enacted to read:

§13013-A. Salary supplement for national board-certified teachers

1. Salary supplement. Notwithstanding any other provision of law, the Department of Education

shall provide a public school teacher who has attained certification from the National Board for Professional Teaching Standards, or its successor organization, as of July 1, 2006 or thereafter with an annual national board certification salary supplement of \$3,000 for the life of the certificate. The salary supplement must be added to the teacher's base salary and must be considered in the calculation for contributions to the Maine State Retirement System. If a nationally certified teacher becomes no longer employed as a classroom teacher in the field of that teacher's national certification, the supplement ceases.

2. Local filing; certification. On or before October 15th annually, the superintendent of schools of a school administrative unit shall file with the commissioner a certified list of national board-certified teachers eligible to receive the salary supplement pursuant to subsection 1.

3. Payment. The department shall provide the salary supplement to eligible teachers no later than February 15th of each year.

Sec. AAAA-2. 20-A MRSA §15671-A, sub-§5, as amended by PL 2005, c. 12, Pt. WW, §3 and affected by §18, is further amended to read:

5. Exceeding maximum state and local spending target. If the sum of a school administrative unit's required local contribution determined pursuant to section 15688, subsection 3-A plus the state contribution as calculated pursuant to section 15688, subsection 3-A, paragraph D, plus any state funds resulting from a transition adjustment pursuant to section 15686, plus any additional local amount proposed to be raised pursuant to section 15690, subsection 3 exceeds the school administrative unit's maximum state and local spending target established pursuant to subsection 4, the following provisions govern approval of that additional amount.

A. The article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B. Notwithstanding section 1304, subsection 6; section 1701, subsection 7; Title 30-A, section 2528, subsection 5, or any other provision of law, municipal charter provision or ordinance, voter approval of the article, whether in town meeting, district meeting or other voting process established by law, municipal charter or ordinance, including, but not limited to, any vote on the article initiated by voter petition, must be by referendum or written ballot.

B. In a municipality where the responsibility for final adoption of the school budget is vested by the municipal charter in a council, this paragraph applies, except that the petition and referendum

provisions apply only if the municipal charter does not otherwise provide for or prohibit a petition and referendum process with respect to the matters described in this paragraph.

(1) A majority of the entire membership of the school board or committee must approve the additional amount in a regular budget meeting.

(2) An article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B and be approved by a majority of the entire membership of the council in a vote taken in accordance with section 15690, subsection 5 or, if the council votes not to approve the article, by a majority of voters voting in a referendum called pursuant to subparagraph (4).

(3) If an article is approved by the council pursuant to subparagraph (2), the voters may petition for a referendum vote on the same article in accordance with subparagraph (4). If a petition is filed in accordance with subparagraph (4), the vote of the council is suspended pending the outcome of the referendum vote. Upon approval of the article by a majority of the voters voting in that referendum, the article takes effect. If the article is not approved by a majority of the voters voting in that referendum, the article does not take effect. Subsequent to the vote, the school committee or board may again propose an additional amount, subject to the requirements of this section.

(4) If a written petition, signed by at least 10% of the number of voters voting in the last gubernatorial election in the municipality, requesting a vote on the additional amount is submitted to the municipal officers within 30 days of the council's vote pursuant to subparagraph (2), the article voted on by the council must be submitted to the legal voters in the next regular election or a special election called for the purpose. The election must be held within 45 days of the submission of the petition. The election must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the clerk to post a new list of voters and absentee ballots must be prepared and made available at least 14 days prior to the date of the referendum. For the purpose of registration of voters, the registrar of voters must be in session the secular day preceding the elec-

tion. The voters shall indicate by a cross or check mark placed against the word "Yes" or "No" their opinion on the article. The results must be declared by the municipal officers and entered upon the municipal records.

Sec. AAAA-3. 20-A MRSA §15672, sub-§2-B is enacted to read:

2-B. Debt service adjustment mill rate. "Debt service adjustment mill rate" is the mill rate derived by dividing 45% of the debt service costs by the property fiscal capacity for all school administrative units.

Sec. AAAA-4. 20-A MRSA §15672, sub-§22-A, as enacted by PL 2005, c. 2, Pt. D, §36 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is repealed and the following enacted in its place:

22-A. Predicted per-pupil transportation costs. "Predicted per-pupil transportation costs" means the greater of:

A. A pupil density model based on the net cost per resident pupil for each school administrative unit that is predicted by pupil density per mile of Class 1 to Class 5 roads in the school administrative unit and approved adjustments; and

B. The average of the pupil density model under paragraph A and an odometer miles model based on the gross cost per pupil conveyed for each school administrative unit that is predicted by the odometer miles traveled per pupil conveyed by the school administrative unit.

Approved adjustments include a per-mile rate equal to the state average gross transportation operating costs per mile driven for transportation associated with out-of-district special education programs, up to 2 round trips per day to each facility for transportation associated with career and technical education programs, and adjustments for expenditures for ferry services within a school administrative unit, transportation of homeless children in accordance with section 5205 and transportation costs of island school administrative units.

Sec. AAAA-5. 20-A MRSA §15675, sub-§1, ¶D, as enacted by PL 2005, c. 12, Pt. UU, §2 and affected by §§12 and 13 and Pt. WW, §18, is amended to read:

D. ~~Notwithstanding paragraphs A, B and C and for fiscal year 2005-06 only,~~ a school administrative unit that receives an allocation for limited English proficiency students and that has more than 15 and fewer than 26 limited English proficiency students is eligible for an adjustment to its allocation for limited English proficiency stu-

dents that is the difference between the amount that the school unit would have received under the calculation described in paragraph B and the amount that is calculated when the school unit receives for the first 15 students a weight of .50 instead of .30 as otherwise required under paragraph B. This paragraph is repealed ~~June 30, 2006~~ June 30, 2008.

Sec. AAAA-6. 20-A MRSA §15680, sub-§4, as enacted by PL 2003, c. 504, Pt. A, §6, is repealed.

Sec. AAAA-7. 20-A MRSA §15681, sub-§5, as enacted by PL 2003, c. 504, Pt. A, §6, is repealed.

Sec. AAAA-8. 20-A MRSA §15681-A, sub-§3, as amended by PL 2005, c. 12, Pt. UU, §3 and affected by §§12 and 13 and Pt. WW, §18, is repealed and the following enacted in its place:

3. Transportation costs. For fiscal year 2006-07, the commissioner, using information provided by a statewide education policy research institute, shall establish for each school administrative unit a predicted per-pupil transportation cost as defined in section 15672, subsection 22-A. The established predicted per-pupil transportation cost multiplied by the number of the school administrative unit's resident students for each school administrative unit must be no less than 90% of the most recent year's reported net transportation expenditures. Beginning in fiscal year 2007-08, and for each subsequent fiscal year, the per-pupil transportation costs for each school administrative unit are its predicted per-pupil transportation cost for the most recent year adjusted by the Consumer Price Index or other comparable index, except that the established predicted per-pupil transportation cost multiplied by the number of the school administrative unit's resident students for each school administrative unit must be no less than 90% of the most recent year's reported net transportation expenditures. The commissioner shall develop an appeals procedure for established per-pupil transportation costs for school administrative units;

Sec. AAAA-9. 20-A MRSA §15682, as amended by PL 2005, c. 2, Pt. D, §46 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

§15682. Regional adjustment

The commissioner shall make a regional adjustment in the total operating allocation for each school administrative unit determined pursuant to section 15683. The regional adjustment must be based on the regional differences in teacher salary costs within labor market areas in the State, as computed by a statewide education policy research institute, and must

be applied only to appropriate teacher salary and benefits costs as calculated under section 15678 and salary and benefit costs of other school-level staff who are not teachers as calculated under section 15679. ~~Beginning in fiscal year 2006-07, and at least every 2 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the regional adjustment amounts under this section and shall submit any recommended changes to the state board for approval.~~

Sec. AAAA-10. 20-A MRSA §15683, sub-§1, ¶F, as enacted by PL 2005, c. 2, Pt. D, §47 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

F. An isolated small unit adjustment. A school administrative unit is eligible for an isolated small school adjustment when the unit meets the size and distance criteria as established by the commissioner ~~and approved by the state board.~~ The amount of the adjustment is the result of adjusting the necessary student-to-staff ratios determined in section 15679, subsection 2, the per-pupil amount for operation and maintenance of plant in section 15680, subsection 1, paragraph B or other essential programs and services components in chapter 606-B, as recommended by the commissioner.

Sec. AAAA-11. 20-A MRSA §15686, sub-§2 is enacted to read:

2. Adjustment in fiscal year 2006-07. A school administrative unit is eligible for a transition adjustment in fiscal year 2006-07 to mitigate a significant increase in state-certified property valuation according to the provisions of this subsection.

A. A school administrative unit is eligible under this subsection if it meets the following tier 1 criteria:

(1) The school administrative unit's state subsidy for fiscal year 2006-07, including the transition adjustment under this section, is less than the state subsidy the school administrative unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service; and

(2) The school administrative unit's state-certified valuation's increase from 2004 to 2005 is greater than the increase in state-wide state-certified valuation during the same period.

School administrative units meeting the criteria in subparagraphs (1) and (2) are eligible to re-

ceive a transition adjustment amount equal to the result of the unit's valuation over the state average increase in valuation up to 4% multiplied by the statewide mill expectation established for fiscal year 2006-07 that may not result in a state share greater than the unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service.

B. A school administrative unit is eligible under this subsection if it meets the following tier 2 criteria:

(1) The school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section, is less than the state subsidy the school administrative unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service;

(2) The school administrative unit's adjusted mill expectation is below the statewide mill expectation established for fiscal year 2006-07;

(3) The school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section, is less than the school administrative unit's fiscal year 2004-05 state share of its total allocation, including the minimum state share of its total allocation pursuant to section 15689, subsection 1 and the adjustment for geographic isolation pursuant to former section 15612, subsection 2 and including the adjustment due to reduced expenditures for buses, debt service, special education, gifted and talented education and career and technical education;

(4) The school administrative unit's state subsidy in fiscal year 2005-06 did not include a transition adjustment; and

(5) The school administrative unit operates an elementary or secondary school.

School administrative units meeting all the criteria in this paragraph are eligible to receive a transition adjustment in an amount equal to the difference between the following: the school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section; and the fiscal year 2004-05 state share of the school administrative unit's total allocation, including the minimum state share of its total allocation pursuant to section 15689, subsection 1 and the adjustment for geographic isolation pursuant to former section 15612.

subsection 2 and including the adjustment due to reduced expenditures for buses, debt service, special education, gifted and talented education and career and technical education plus 5%.

Sec. AAAA-12. 20-A MRSA §15686-A is enacted to read:

§15686-A. Review of essential programs and services components

1. Components to be reviewed beginning in fiscal year 2006-07. Beginning in fiscal year 2006-07, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services student-to-staff ratios, salary and benefits matrices, transportation, small schools adjustments, labor markets and gifted and talented components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

2. Components to be reviewed beginning in fiscal year 2007-08. Beginning in fiscal year 2007-08, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services career and technical education, special education, specialized student populations, system administration and operations and maintenance components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

3. Components to be reviewed beginning in fiscal year 2008-09. Beginning in fiscal year 2008-09, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services professional development, student assessment, technology, leadership support, cocurricular and extra-curricular activities and supplies and equipment components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

Sec. AAAA-13. 20-A MRSA §15689, sub-§1, as affected by PL 2005, c. 12, Pt. WW, §18 and amended by c. 457, Pt. I, §1, is further amended to read:

1. Minimum state allocation. Each school administrative unit must be guaranteed a minimum state share of its total allocation that is an amount equal to the greater of the following:

A. The sum of the following calculations:

(1) Multiplying 5% of each school administrative unit's essential programs and services per-pupil elementary rate by the average number of resident kindergarten to grade 8 pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1); and

(2) Multiplying 5% of each school administrative unit's essential programs and services per-pupil secondary rate by the average number of resident grade 9 to grade 12 pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1); and

B. The school administrative unit's special education costs as calculated pursuant to section 15681-A, subsection 2 multiplied by the following transition percentages:

(1) In fiscal year 2005-06, 84%;

(2) In fiscal year 2006-07, 84%;

(3) In fiscal year 2007-08, 95%; and

(4) In fiscal year 2008-09 and succeeding years, 100%.

These funds must be an adjustment to the school administrative unit's state and local allocation after the state and local allocation has been adjusted for debt service pursuant to subsection 2. Beginning July 1, 2007, these funds must be an adjustment to the school administrative unit's state and local allocation in addition to the state and local allocation that has been adjusted for debt service pursuant to subsection 2.

Sec. AAAA-14. 20-A MRSA §15689, sub-§1-A is enacted to read:

1-A. Adjustments to state contributions to member municipalities in certain school districts. Beginning in fiscal year 2007-08, the minimum state allocation provisions of subsection 1 are applicable for each case when one or more member municipalities, but not all the district's member municipalities, have a local contribution that is below the mill rate expectation established pursuant to section 15671-A. For each school district eligible under this subsection, the minimum state allocation provisions of subsection 1 are applicable for each member municipality that has a local contribution that is below the mill rate expectation established pursuant to section 15671-A, except that the transition percentages in section 15689, subsection 1, paragraph B must be multiplied by the percentage of calendar year resident pupils in the member municipality.

Sec. AAAA-15. 20-A MRSA §15689, sub-§2, ¶B, as enacted by PL 2003, c. 712, §17, is amended to read:

B. The amount of the adjustment is the difference, but not less than zero, between the state share of the total allocation under this chapter and the amount computed as follows.

(1) The school administrative unit's state share of the total allocation if the local share was the sum of the following:

(a) The local share amount for the school administrative unit calculated as the lesser of the total allocation excluding debt service costs and the school administrative unit's fiscal capacity multiplied by the mill rate expectation established in section 15671-A less .50 mills; and

(b) The local share amount for the school administrative unit calculated as the lesser of the debt service costs and the school administrative unit's fiscal capacity multiplied by .50 mills.

This subparagraph is repealed June 30, 2007.

(2) Beginning July 1, 2007, the school administrative unit's state share of the total allocation if the local share was the sum of the following:

(a) The local share amount for the school administrative unit calculated as the lesser of the total allocation excluding debt service costs and the school administrative unit's fiscal capacity multiplied by the mill rate expectation established in section 15671-A less the debt service adjustment mill rate defined in section 15672, subsection 2-B; and

(b) The local share amount for the school administrative unit calculated as the lesser of the debt service costs and the school administrative unit's fiscal capacity multiplied by the debt service adjustment mill rate defined in section 15672, subsection 2-B.

Sec. AAAA-16. 20-A MRSA §15689-A, sub-§12 is enacted to read:

12. National board certification salary supplement. The commissioner may pay annual payments to public school teachers who have attained

certification from the National Board for Professional Teaching Standards.

Sec. AAAA-17. 20-A MRSA §15690, sub-§3, ¶A, as amended by PL 2005, c. 12, Pt. WW, §6 and affected by §18, is further amended to read:

A. If the amount of the additional funds does not result in the unit's exceeding its maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the following form must be used when a school administrative unit is considering the appropriation of additional local funds:

(1) "Article: To see what sum the (municipality or district) will raise and to appropriate the sum of (Recommend \$.....) in additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690. (Recommend \$.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the school administrative unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual debt service payment on ~~previously approved non-state-funded school construction projects and the non-state funded portion of school construction projects and minor capital projects~~ debt service that will help achieve the (municipality's or district's) budget for educational programs."

Sec. AAAA-18. 20-A MRSA §15690, sub-§3, ¶B, as enacted by PL 2005, c. 2, Pt. D, §62 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

B. If the amount exceeds the unit's maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the following form must be used when a school administrative unit is considering an appropriation of additional local funds.

(1) "Article: Shall (name of municipality or district) raise and appropriate \$..... in additional local funds, which exceeds the State's Essential Programs and Services funding allocation model by \$..... as required to fund the budget recommended by the (school committee or board of directors)?"

The (school committee or board of directors) recommends \$..... for additional local funds and gives the following reasons (state reasons) for exceeding the State's Essential Programs and Services funding model by \$.....:

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the school administrative unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual ~~debt service~~ payment on non-state-funded ~~school construction projects or the non-state-funded portion of a school construction project~~ debt service that will help achieve the (municipality's or district's) budget for educational programs."

Sec. AAAA-19. PL 2003, c. 712, §21 is repealed.

Sec. AAAA-20. Gifted and talented education. To ensure greater equity of education opportunities and efficiency in the use of approved gifted and talented education resources, beginning no later than fiscal year 2007-08, approved gifted and talented education costs must be included in the essential programs and services operating cost calculations.

Sec. AAAA-21. Career and technical education. To ensure greater equity of education opportunities and efficiency in the use of approved career and technical education resources, beginning no later than fiscal year 2008-09, approved career and technical education costs must be included in the essential programs and services operating cost calculations.

Sec. AAAA-22. Transition adjustments; special education costs of minimum state allocation receivers. The following transition adjustments apply to eligible school administrative districts and community school districts.

1. For fiscal year 2006-07, eligible school administrative districts and community school districts must receive transition adjustments to the member municipalities' local contributions and the districts' state contributions.

A. A school administrative district or community school district is eligible for these adjustments if it meets the following eligibility criteria.

(1) One or more member municipalities, but not all the district's member municipalities, have a local contribution that is below the mill rate expectation established pursuant to the Maine Revised Statutes, Title 20-A, section 15671-A for fiscal year 2006-07.

(2) A member municipality's local contribution pursuant to Title 20-A, section 15688 is 5% greater than that municipality's local share would have been under its existing local cost-sharing formula.

B. A school administrative district or community school district that meets the eligibility criteria in paragraph A must receive a transition adjustment to the state contribution equal to the following.

(1) For each municipality in the district that meets the eligibility criteria in paragraph A, the sum of each municipality's special education allocation as determined in paragraph D multiplied by 0.35.

C. A school administrative district or community school district that meets the eligibility criteria in paragraph A must have its local contribution adjusted as follows.

(1) For each municipality in the district that meets the eligibility criteria in paragraph A, the municipality's local contribution as determined pursuant to Title 20-A, section 15688 must be reduced by an amount equal to the municipality's special education allocation as determined in paragraph D multiplied by 0.35.

D. Each member municipality's special education allocation is the special education allocation pursuant to Title 20-A, section 15681-A, subsection 2 for the district multiplied by the percentage of calendar year resident pupils in each municipality.

This section is repealed June 30, 2007.

Sec. AAAA-23. Transition adjustments; school districts with significant increase in property valuation. The following transition adjustments apply to eligible school administrative districts and community school districts.

1. For fiscal year 2006-07, eligible school administrative districts and community school districts must receive transition adjustments to the member municipalities' local contributions and the districts' state contributions.

A. A school administrative district or community school district is eligible for these adjustments if it meets the following eligibility criteria.

(1) One or more member municipalities must have a local contribution that is at the established mill expectation.

(2) A member municipality's local contribution pursuant to the Maine Revised Statutes, Title 20-A, section 15688 is at least 15% greater than that municipality's local share would have been under its existing local cost-sharing formula and that member municipality experiences a growth in state-certified valuation of more than 2.5% over the state average from the 2004 state-certified valuation and the 2005 state-certified valuation.

B. A school administrative district or community school district that meets the eligibility criteria in paragraph A must receive a transition adjustment to the state contribution equal to the following.

(1) For each municipality in the district that meets the eligibility criteria in paragraph A, the results of the 2.5% of that municipality's 2004 state-certified valuation times the established mill expectation.

C. A school administrative district or community school district that meets the eligibility criteria in paragraph A must have its local contribution adjusted as follows.

(1) For each municipality in the district that meets the eligibility criteria in paragraph A, the municipality's local contribution as determined pursuant to Title 20-A, section 15688 must be reduced by an amount equal to the transition amount determined in paragraph B.

This section is repealed June 30, 2007.

Sec. AAAA-24. Appropriations and allocations. The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

Teacher Retirement 0170

Initiative: Appropriates funds for the normal cost component for the additional funds provided to each public school teacher in Maine who has attained certification from the National Board for Professional Teaching Standards as of July 1, 2006 or thereafter for the life of the certification.

GENERAL FUND	2005-06	2006-07
All Other	\$0	\$17,033

GENERAL FUND TOTAL	\$0	\$17,033
EDUCATION, DEPARTMENT OF		
DEPARTMENT TOTALS	2005-06	2006-07
GENERAL FUND	\$0	\$17,033
DEPARTMENT TOTAL - ALL FUNDS		
	\$0	\$17,033
FINANCE AUTHORITY OF MAINE		
Student Financial Assistance Programs 0653		
Initiative: Provides additional one-time funds for the Educators for Maine program for Maine residents pursuing careers in education.		
GENERAL FUND	2005-06	2006-07
All Other	\$0	\$300,000
GENERAL FUND TOTAL		
	\$0	\$300,000
FINANCE AUTHORITY OF MAINE		
DEPARTMENT TOTALS	2005-06	2006-07
GENERAL FUND	\$0	\$300,000
DEPARTMENT TOTAL - ALL FUNDS		
	\$0	\$300,000
SECTION TOTALS	2005-06	2006-07
GENERAL FUND	\$0	\$317,033
SECTION TOTAL - ALL FUNDS		
	\$0	\$317,033

PART BBBB

Sec. BBBB-1. 34-B MRSA §3801, sub-§4, ¶¶B and C, as enacted by PL 1983, c. 459, §7, are amended to read:

B. A substantial risk of physical harm to other persons as manifested by recent evidence of homicidal or other violent behavior or recent evidence that others are placed in reasonable fear of violent behavior and serious physical harm to them and, after consideration of less restrictive treatment settings and modalities, a determination that community resources for his the person's care and treatment are unavailable; or

C. A reasonable certainty that severe physical or mental impairment or injury will result to the person alleged to be mentally ill as manifested by recent evidence of his the person's actions or behavior ~~which demonstrate his that demonstrates the person's~~ inability to avoid or protect himself the person from such impairment or injury, and, after consideration of less restrictive treatment settings and modalities, a determination that suitable community resources for his the person's care are unavailable; or

"Enacted with amendments H-878 and H-901 as P.L. 2005, c.519
Pts. J, 1 to 3, LL, 1 to 3, XX -5 and AAAA, 1 to 15"



122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 1968

H.P. 1378

House of Representatives, January 19, 2006

**An Act To Make Supplemental Appropriations and Allocations for
the Expenditures of State Government and To Change Certain
Provisions of the Law Necessary to the Proper Operations of State
Government for the Fiscal Years Ending June 30, 2006 and June 30,
2007**

(EMERGENCY)

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BRANNIGAN of Portland. (GOVERNOR'S BILL)
Cosponsored by Senator ROTUNDO of Androscoggin.

2 A. The state board may approve projects as long as no
 4 project approval will cause debt service costs, as defined
 6 in section 15603 15672, subsection 8 2-A, paragraph A, to
 8 exceed the maximum limits specified in Table 1 in subsequent
 10 fiscal years.

Table 1

Fiscal year	Maximum Debt Service Limit
1990	\$ 48,000,000
1991	\$ 57,000,000
1992	\$ 65,000,000
1993	\$ 67,000,000
1994	\$ 67,000,000
1995	\$ 67,000,000
1996	\$ 67,000,000
1997	\$ 67,000,000
1998	\$ 67,000,000
1999	\$ 69,000,000
2000	\$ 72,000,000
2001	\$ 74,000,000
2002	\$ 74,000,000
2003	\$ 80,000,000
2004	\$ 80,000,000
2005	\$ 84,000,000
2006	\$ 90,000,000
2007	\$ 96,000,000
2008	\$100,000,000
2009	\$104,000,000
<u>2010</u>	<u>\$108,000,000</u>
<u>2011</u>	<u>\$126,000,000</u>

34 Sec. J-3. PL 2005, c. 12, Pt. C, §6 is enacted to read:

36 Sec. C-6. Transfer. Notwithstanding any other provision of
 38 law, the State Budget Officer may transfer by financial order
 40 upon approval of the Governor funds from the All Other line
 42 category of the General Purpose Aid for Local Schools General
 44 Fund account within the Department of Education to the Personal
 46 Services line category of the Management Information Services
General Fund account within the Department of Education
sufficient to support the Personal Services costs of one Clerk IV
position, one Statistician III position, one Education Specialist
II position and one Education Specialist III position for fiscal
year 2005-06.

48 **Sec. J-4. Mill expectation.** The mill expectation pursuant to
 50 the Maine Revised Statutes, Title 20-A, section 15671-A for
 fiscal year 2006-07 is 7.60.

2 **Sec. J-5. Total cost of funding public education from kindergarten to**
3 **grade 12.** The total cost of funding public education from
4 kindergarten to grade 12 for fiscal year 2006-07 is as follows:

	2006-07
	TOTAL
6	
8 Total Operating Allocation	
10 Total operating allocation pursuant to the	
11 Maine Revised Statutes, Title 20-A, section	
12 15683 without transition percentage	\$1,329,352,021
14 Total operating allocation pursuant to the	
15 Maine Revised Statutes, Title 20-A, section	
16 15683 with 90% transition percentage	\$1,196,416,819
18 Transition adjustments pursuant to the Maine	
19 Revised Statutes, Title 20-A, section 15686	\$8,100,000
20	
21 Total other subsidizable costs pursuant to	
22 the Maine Revised Statutes, Title 20-A,	
23 section 15681-A	\$354,628,374
24	<hr/>
25 Total Operating Allocation	
26	
27 Total operating allocation pursuant to the	
28 Maine Revised Statutes, Title 20-A, section	
29 15683 with 90% transition percentage plus	
30 transition adjustment pursuant to Title	
31 20-A, section 15686 and total other	
32 subsidizable costs pursuant to Title	
33 20-A, section 15681-A	\$1,559,145,193
34	
35 Total Debt Service Allocation	
36	
37 Total debt service allocation pursuant to	
38 the Maine Revised Statutes, Title 20-A,	
39 section 15683-A	\$86,741,023
40	
41 Total Adjustments and Miscellaneous Costs	
42	
43 Total adjustments and miscellaneous costs	
44 pursuant to the Maine Revised Statutes,	
45 Title 20-A, sections 15689 and 15689-A	\$52,788,351
46	<hr/>
47	
48 Total Cost of Funding Public Education from	
Kindergarten to Grade 12	

2 Total cost of funding public education
3 from kindergarten to grade 12 for fiscal
4 year 2006-07 pursuant to the Maine Revised
5 Statutes, Title 20-A, chapter 606-B \$1,698,674,567
6

7 **Sec. J-6. Local and state contributions to total cost of funding public**
8 **education from kindergarten to grade 12.** The local contribution and
9 the state contribution appropriation provided for General Purpose
10 Aid for Local Schools for the fiscal year beginning July 1, 2006
11 and ending June 30, 2007 is calculated as follows:
12

	2006-07	2006-07
	LOCAL	STATE
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20 Local and state contributions to
21 the total cost of funding public
22 education from kindergarten to
23 grade 12 pursuant to the Maine
24 Revised Statutes, Title 20-A,
25 section 15683 \$783,768,445 \$914,906,122
26

27 **Sec. J-7. Limit of State's obligation.** If the State's continued
28 obligation for any individual component contained in section 5
29 and section 6 of this Part exceeds the level of funding provided
30 for that component, any unexpended balances occurring in other
31 programs may be applied to avoid proration of payments for any
32 individual component. Any unexpended balances from sections 5
33 and 6 of this Part may not lapse but must be carried forward for
34 the same purpose.

35 **Sec. J-8. Authorization of payments.** Sections 1, 2, 4, 5 and 6
36 of this Part may not be construed to require the State to provide
37 payments that exceed the appropriation of funds for General
38 Purpose Aid for Local Schools for the fiscal year beginning July
39 1, 2006 and ending June 30, 2007.
40

41 **Sec. J-9. Lease-purchase authorization.** Pursuant to the Maine
42 Revised Statutes, Title 5, section 1587, the Department of
43 Administrative and Financial Services on behalf of the Department
44 of Education may enter into financing arrangements in fiscal year
45 2006-07 for the acquisition of portable computer systems to
46 support the operations of the Maine Learning Technology
47 Initiative program. The financing agreements may not exceed 4
48 years in duration and \$41,292,000 in principal costs. The

2 interest rate may not exceed 7%, and the total interest costs may
not exceed \$3,108,000. The annual principal and interest costs
4 must be paid from the appropriate line category allocations in
the Department of Education.

6
8 **PART K**

10 **Sec. K-1. 5 MRSA §938, sub-§1-A, ¶B,** as enacted by PL 1995, c.
560, Pt. E, §2, is repealed.

12
14 **PART L**

16 **Sec. L-1. Carrying Account - Inland Fisheries and Wildlife.** On or
before June 30, 2006, the State Controller shall transfer
18 \$175,000 from the Carrying Account - Inland Fisheries and
Wildlife program to the Licensing and Registration account -
20 Inland Fisheries and Wildlife program to support costs associated
with the transfer of the MOSES program from MCI to the Department
of Administrative and Financial Services, Office of Information
22 Technology.

24
26 **PART M**

28 **Sec. M-1. Disproportionate Share - Riverview Psychiatric Center;**
lapsed balances. Notwithstanding any other provision of law,
\$252,577 of the unencumbered balance in fiscal year 2005-06 in
30 the Disproportionate Share - Riverview Psychiatric Center General
Fund account in the Department of Health and Human Services
32 lapses to the General Fund in fiscal year 2005-06.

34 **Sec. M-2. Disproportionate Share - Dorothea Dix Psychiatric Center;**
lapsed balances. Notwithstanding any other provision of law,
36 \$231,924 of the unencumbered balance in fiscal year 2005-06 in
the Disproportionate Share - Dorothea Dix Psychiatric Center
38 General Fund account in the Department of Health and Human
Services lapses to the General Fund in fiscal year 2005-06.

40 **Sec. M-3. Office of Management and Budget; Integrated System**
42 Team Leader, Rehabilitation Consultant, position. Notwithstanding any
other provision of law, the Department of Health and Human
44 Services is authorized to use salary savings through June 16,
2006 to cover costs associated with one Rehabilitation Consultant
46 position.

48 **Sec. M-4. Bureau of Medical Services; Public Service Coordinator II**
position. Notwithstanding any other provision of law, the
50 Department of Health and Human Services is authorized to

2 (2) The aggregate of pension benefits under employee
retirement plans included in the individual's federal
4 adjusted gross income, excluding military retirement
benefits under a military retirement plan for military
6 personnel retiring during any tax year beginning on or
after January 1, 2006.

8 For purposes of this paragraph, the following terms have the
following meanings. "Primary recipient" means the
10 individual upon whose earnings the employee retirement plan
benefits are based or the surviving spouse of that
12 individual. "Pension benefits" means employee retirement
plan benefits reported as pension or annuity income for
14 federal income tax purposes. "Employee retirement plan"
means a state, federal or military retirement plan or any
16 other retirement benefit plan established and maintained by
an employer for the benefit of its employees under the Code,
18 Section 401(a), Section 403 or Section 457(b), except that
distributions made pursuant to a Section 457(b) plan are not
20 eligible for the deduction provided by this paragraph if
they are made prior to age 55 and are not part of a series
22 of substantially equal periodic payments made for the life
of the primary recipient or the joint lives of the primary
24 recipient and that recipient's designated beneficiary.
"Employee retirement plan" does not include an individual
26 retirement account under Section 408 of the Code, a Roth IRA
under Section 408A of the Code, a rollover individual
28 retirement account, a simplified employee pension under
Section 408(k) of the Code or an ineligible deferred
30 compensation plan under Section 457(f) of the Code. Pension
benefits under an employee retirement plan do not include
32 distributions that are subject to the tax imposed by the
Code, Section 72(t). "Military retirement plan" means
34 benefits received as a result of service in the active or
reserve components of the Army, Navy, Air Force, Marines or
36 Coast Guard;

38 **PART LL**

40 **Sec. LL-1. 20-A MRSA §13405** is enacted to read:

42 **§13405. Minimum salaries for 2006-2007**

44 Each school administrative unit and state-operated school
46 shall establish a minimum starting salary of \$30,000 for
certified teachers for the school year starting after June 30,
48 2006.

2 Arsenal District National Historic Landmark. The refundable
credit is limited to \$500,000 per year and is allowed only for 4
consecutive tax years beginning in 2007.

4
6 **PART I**

8 Part I does the following.

10 It clarifies that the fee for each initial criminal history
record check is \$55, which includes a one-time fee for
12 fingerprinting, and each renewal criminal history record check is
\$24. The Part further reimburses \$31 to any person who has paid
14 \$55 for a renewal criminal history record check between September
17, 2005 and the effective date of the provision.

16 It amends the definition of "adult education" to add college
courses that adult education students take as a transition to
18 college.

20 It enacts law to provide reimbursement for college
transition courses provided by adult education at 75% of the cost
22 of salaries and fringe benefits and 50% of the cost of consumable
supplies and textbooks.

24
26 **PART J**

28 Part J does the following.

30 It provides the necessary language to implement the transfer
of funds for 4 positions from General Purpose Aid for Local
Schools to the Management Information Systems program.

32 It provides the necessary statutory language to establish
34 the maximum debt service limit for fiscal years 2009-10 and
2010-11 as required by Title 20-A, section 15905, subsection 1,
36 paragraph A-1.

38 It provides the necessary language for the Legislature to
enact the 2006-07 funding level for the local and state
40 contributions to the total cost of funding public education from
kindergarten to grade 12 pursuant to Title 20-A, section 15689-E.

42 It authorizes the Department of Administrative and Financial
44 Services to enter into lease-purchase financing arrangements on
behalf of the Department of Education for the acquisition of
46 portable computer systems to support the operations of the Maine
Learning Technology Initiative program.

48
50 **PART K**

2 also allowed a credit for Maine income tax directly related to
income generated by a certified media production activity.

4 **PART HH**

6 Part HH amends Public Law 2005, chapter 457, Part EE,
section 1 by changing the amount of the transfer to the General
8 Fund unappropriated surplus from the Efficient Delivery of Local
and Regional Services, Other Special Revenue Funds account, from
10 \$2,451,935 to \$1,451,935 in fiscal year 2006-07.

12 **PART II**

14 Part II transfers \$1,000,000 from the unappropriated surplus
of the General Fund to the Fund for the Efficient Delivery of
16 Educational Services, Other Special Revenue Funds account within
the Department of Education in fiscal year 2006-07.

18 **PART JJ**

20 Part JJ authorizes the State Budget Officer to eliminate 254
22 positions from the General Fund and other funds, representing a
reduction in position count of 200.071, as a result of the review
24 of vacant positions statewide. The State Budget Officer shall
eliminate the position counts by financial order upon approval of
26 the Governor before June 30, 2007.

28 **PART KK**

30 Part KK exempts from income tax military retirement plan
income received by any person who retires from the active or
32 reserve components of the Army, Navy, Air Force, Marines or Coast
Guard on or after January 1, 2007.

34 **PART LL**

36 Part LL does the following.

38 It increases the minimum starting salary for certified
40 teachers from \$15,500 to \$30,000 for the school year starting
after June 30, 2006.

42 It amends the Maine Revised Statutes, Title 20-A, chapter
44 606-B to reflect the work that has been done to implement the
system of learning results.

46 It provides that for fiscal year 2006-07 only, a portion of
48 targeted funds to implement a standards-based system must be
dedicated to the achievement of a minimum teacher starting salary
50 of \$30,000 per year beginning in the school year starting after
June 30, 2006.

MAINE LEGISLATURE
ALBANY MAINE

L.D. 1968

DATE: 3/24/06

(Filing No. H-878)

APPROPRIATIONS AND FINANCIAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
122ND LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1378, L.D. 1968, Bill, "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007"

Amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.

Emergency preamble. Whereas, acts 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 prior to June 30, 2006; 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,

COMMITTEE AMENDMENT

2 school completion courses; college transition courses; and basic
literacy courses.

4 **Sec. I-4. 20-A MRSA §8607-A, sub-§8** is enacted to read:

6 **8. College transition courses.** College transition courses
are reimbursed at a rate of 75% of the cost of required
8 instructional salaries and fringe benefits for those courses and
50% of the cost of consumable supplies and textbooks used in
10 those courses.

12 **PART J**

14 **Sec. J-1. 20-A MRSA §15672, sub-§1-C**, as enacted by PL 2005,
16 c. 2, Pt. D, §36 and affected by §§72 and 74 and c. 12, Pt. WW,
§18, is amended to read:

18 **1-C. Bus purchase costs.** "Bus purchase costs" includes
20 expenditures for bus purchases purchase payments approved by the
commissioner and made during the year prior to the allocation
22 year. For bus purchases approved in fiscal year 2004-05 only,
50% of first year approved payments must be allocated in fiscal
24 year 2006-07 and 50% of first year approved payments must be
allocated in fiscal year 2007-08.

26 **Sec. J-2. 20-A MRSA §15689-A, sub-§10**, as enacted by PL 2005,
28 c. 12, Pt. D, §3, is amended to read:

30 **10. Data management and support services for essential**
programs and services. The commissioner may pay costs attributed
32 to system maintenance and staff support necessary to implement
the requirements of the Essential Programs and Services Funding
34 Act. A transfer of All Other funds from the General Purpose Aid
for Local Schools account to Personal Services in the Management
36 Information Systems account for 5 positions that provide
38 professional and administrative support to general purpose aid
for local schools in the department's management information
40 systems program may occur annually by financial order upon
recommendation of the State Budget Officer and approval of the
42 Governor.

44 **Sec. J-3. 20-A MRSA §15905, sub-§1, ¶A**, as amended by PL 2003,
c. 673, Pt. N, §2, is further amended to read:

46 A. The state board may approve projects as long as no
project approval will cause debt service costs, as defined
48 in section ~~15603~~ 15672, subsection 8 2-A, paragraph A, to
exceed the maximum limits specified in Table 1 in subsequent
50 fiscal years.

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Table 1

Fiscal year	Maximum Debt Service Limit
1990	\$ 48,000,000
1991	\$ 57,000,000
1992	\$ 65,000,000
1993	\$ 67,000,000
1994	\$ 67,000,000
1995	\$ 67,000,000
1996	\$ 67,000,000
1997	\$ 67,000,000
1998	\$ 67,000,000
1999	\$ 69,000,000
2000	\$ 72,000,000
2001	\$ 74,000,000
2002	\$ 74,000,000
2003	\$ 80,000,000
2004	\$ 80,000,000
2005	\$ 84,000,000
2006	\$ 90,000,000
2007	\$ 96,000,000
2008	\$100,000,000
2009	\$104,000,000
<u>2010</u>	<u>\$108,000,000</u>
<u>2011</u>	<u>\$126,000,000</u>

Sec. J-4. PL 2005, c. 12, Pt. C, §6 is enacted to read:

Sec. C-6. Transfer. Notwithstanding any other provision of law, the State Budget Officer may transfer by financial order upon approval of the Governor funds from the All Other line category of the General Purpose Aid for Local Schools General Fund account within the Department of Education to the Personal Services line category of the Management Information Services General Fund account within the Department of Education sufficient to support the Personal Services costs of one Clerk IV position, one Statistician III position, one Education Specialist II position and one Education Specialist III position for fiscal year 2005-06.

Sec. J-5. Mill expectation. The mill expectation pursuant to the Maine Revised Statutes, Title 20-A, section 15671-A for fiscal year 2006-07 is 7.60.

Sec. J-6. 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 2006-07 is as follows:

2		2006-07
4	Total Operating Allocation	TOTAL
6	Total operating allocation pursuant to the	
8	Maine Revised Statutes, Title 20-A, section	
	15683 without transition percentage	\$1,326,135,418
10	Total operating allocation pursuant to the	
12	Maine Revised Statutes, Title 20-A, section	
	15683 with 90% transition percentage	\$1,193,521,876
14	Transition adjustments pursuant to the Maine	
16	Revised Statutes, Title 20-A, section 15686	\$10,712,943
18	Total other subsidizable costs pursuant to	
	the Maine Revised Statutes, Title 20-A,	
20	section 15681-A	\$354,628,374
22	Total Operating Allocation	<hr/>
24	Total operating allocation pursuant to the	
26	Maine Revised Statutes, Title 20-A, section	
28	15683 with 90% transition percentage plus	
30	transition adjustment pursuant to Title	
	20-A, section 15686 and total other	
	subsidizable costs pursuant to Title	
	20-A, section 15681-A	\$1,558,863,193
32	Total Debt Service Allocation	
34	Total debt service allocation pursuant to	
	the Maine Revised Statutes, Title 20-A,	
36	section 15683-A	\$86,741,023
38	Total Adjustments and Miscellaneous Costs	
40	Total adjustments and miscellaneous costs	
	pursuant to the Maine Revised Statutes,	
42	Title 20-A, sections 15689 and 15689-A	\$51,570,351
44	Total Cost of Funding Public Education from	
46	Kindergarten to Grade 12	
48	Total cost of funding public education	
	from kindergarten to grade 12 for fiscal	
50	year 2006-07 pursuant to the Maine Revised	
	Statutes, Title 20-A, chapter 606-B	\$1,697,174,567

2 **Sec. J-7. Local and state contributions to total cost of funding public**
 4 **education from kindergarten to grade 12.** The local contribution and
 6 the state contribution appropriation provided for General Purpose
 Aid for Local Schools for the fiscal year beginning July 1, 2006
 and ending June 30, 2007 is calculated as follows:

	2006-07	2006-07
	LOCAL	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	\$783,076,345	\$914,098,222

22 **Sec. J-8. Limit of State's obligation.** If the State's continued
 24 obligation for any individual component contained in section 6
 and section 7 of this Part exceeds the level of funding provided
 26 for that component, any unexpended balances occurring in other
 programs may be applied to avoid proration of payments for any
 28 individual component. Any unexpended balances from sections 6
 and 7 of this Part may not lapse but must be carried forward for
 the same purpose.

30 **Sec. J-9. Authorization of payments.** Sections 2, 3, 5, 6 and 7
 32 of this Part may not be construed to require the State to provide
 payments that exceed the appropriation of funds for General
 34 Purpose Aid for Local Schools for the fiscal year beginning July
 1, 2006 and ending June 30, 2007.

36 **Sec. J-10. Lease-purchase authorization; Maine Learning**
 38 **Technology Initiative.** Pursuant to the Maine Revised Statutes,
 Title 5, section 1587, the Department of Administrative and
 40 Financial Services on behalf of the Department of Education may
 enter into financing arrangements in fiscal year 2006-07 for the
 42 acquisition of portable computer systems to support the
 operations of the Maine Learning Technology Initiative program.
 44 The financing agreements may not exceed 4 years in duration and
 \$37,025,160 in principal costs for the Maine Learning Technology
 46 Initiative program. The interest rate may not exceed 7%, and the
 total interest costs may not exceed \$2,786,884. The annual
 48 principal and interest costs must be paid from the appropriate
 line category allocations in the Department of Education. The

2 State is authorized to extend the provisions of the
lease-purchase agreement on behalf of school administrative units
4 as long as all costs of the extension are borne by the school
administrative unit. The financing agreements may not exceed 4
6 years in duration and \$20,000,000 in principal costs. The
interest rate may not exceed 7% and the total interest costs may
8 not exceed \$1,505,400. The annual principal and interest costs
must be paid from the appropriate line category allocations in
the Department of Education.

10
12 **Sec. J-11 Maine Learning Technology Initiative program; Phase I**
evaluation for implementation in grades 7 and 8. Notwithstanding any
14 other provision of law, the Commissioner of Education shall
conduct a comprehensive review of the Maine Learning Technology
16 Initiative and report to the joint standing committee of the
Legislature having jurisdiction over appropriations and financial
18 affairs and the joint standing committee of the Legislature
having jurisdiction over education matters on the progress and
20 results of the comprehensive review by February 15th of each year
beginning on February 15, 2007. In conducting the comprehensive
review, the Commissioner of Education shall:

22
24 1. Contract with a statewide education policy research
institute to validate the impact of the laptop program on student
26 performance in achieving the content standards and performance
indicators established by the statewide system of learning
28 results established in the Maine Revised Statutes, Title 20-A,
section 6209 utilizing valid, standardized assessment measures;

30 2. Identify high-need areas for improvements in learning
and skills;

32
34 3. Provide targeted training and professional development
of teachers at the 7th and 8th grade levels who participate in
the laptop program;

36
38 4. Contract with a statewide education policy research
institute to conduct a biennial audit to include an evaluation of
40 costs, effectiveness and achievement outcomes of the Maine
Learning Technology Initiative; and

42 5. Contract with a minimum of 3 external experts approved
44 by a statewide education policy research institute advisory board
to review and provide recommendations on the effectiveness of the
Maine Learning Technology Initiative.

46
48 The Commissioner of Education, with advice from the advisory
board established pursuant to Title 20-A, section 19109, shall
submit a report that includes findings and recommendations,

including suggested legislation to revise and update Title 20-A, chapters 606-B and 801, for presentation to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over education matters during the Second Regular Session of the 123rd Legislature no later than January 31, 2008.

Sec. J-12. Appropriations and allocations. The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

General Purpose Aid for Local Schools 308

Initiative: Deappropriates funds for laptops due to the expected cost being lower than originally anticipated.

GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$807,900)
GENERAL FUND TOTAL	\$0	(\$807,900)

PART K

Sec. K-1. 5 MRSA §938, sub-§1-A, ¶B, as enacted by PL 1995, c. 560, Pt. E, §2, is repealed.

PART L

Sec. L-1. Carrying Account - Inland Fisheries and Wildlife. On or before June 30, 2006, the State Controller shall transfer \$175,000 from the Carrying Account - Inland Fisheries and Wildlife program to the Licensing and Registration account - Inland Fisheries and Wildlife program to support costs associated with the transfer of the MOSES program from MCI to the Department of Administrative and Financial Services, Office of Information Technology.

Sec. L-2. Transfer of funds; Carrying Account - Inland Fisheries and Wildlife program. Notwithstanding any other provision of law, the State Controller shall transfer \$45,000 from the Carrying Account as established by the Maine Revised Statutes, Title 12, section 10202, subsection 5 in the Department of Inland Fisheries and Wildlife to the Specialty License Plate Fund Other Special Revenue Funds account within the Department of the Secretary of State by June 30, 2007.

CORRECTIONS, DEPARTMENT OF

2 **State Prison 0144**

4 **PRISON INDUSTRIES FUND** 2005-06 2006-07
6 POSITIONS - LEGISLATIVE COUNT (1.000) (1.000)

8 **Sec. JJ-8. Appropriations and allocations.** The following
10 appropriations and allocations are made to eliminate one vacant
12 position, resulting in elimination of .827 FTE headcount in
14 fiscal years 2005-06 and 2006-07.

14 **AGRICULTURE, FOOD AND RURAL RESOURCES,
DEPARTMENT OF**

16 **Seed Potato Board 0397**

18 **SEED POTATO BOARD FUND** 2005-06 2006-07
20 POSITIONS - FTE COUNT (0.827) (0.827)

22 **Sec. JJ-9. Appropriations and allocations.** The following
24 appropriations and allocations are made to eliminate one vacant
26 position, resulting in elimination of 1.000 legislative headcount
28 in fiscal years 2005-06 and 2006-07.

26 **ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

28 **Lottery Operations 0023**

30 **STATE LOTTERY FUND** 2005-06 2006-07
32 POSITIONS - LEGISLATIVE COUNT (1.000) (1.000)

34 **PART KK**

36 **Sec. KK-1. Transfer to Maine Clean Election Fund.** On or before
38 September 30, 2006, the State Controller shall transfer an
40 additional \$1,200,000 from undedicated General Fund revenue to
42 the Maine Clean Election Fund in addition to the transfers
authorized pursuant to the Maine Revised Statutes, Title 21-A,
section 1124.

44 **PART LL**

46 **Sec. LL-1. 20-A MRSA §15671, sub-§6,** as amended by PL 2005,
48 c. 12, Pt. UU, §1 and affected by §§12 and 13 and Pt. WW, §18, is
further amended to read:

2 health care services initiative to be undertaken by the
Department of Health and Human Services pursuant to Public Law
2005, chapter 457, Part PP through an administrative service
4 organization or managed care organization:

6 1. Prior to implementation of administration or management
of services, savings projected to be achieved by the managed
8 behavioral health care services system may not be achieved
through reductions in provider rates below their levels on
10 January 1, 2006 or through eliminations of categories of services
provided by community providers or consumer groups; and

12 2. With regard to any contracts with administrative
14 services organizations or managed care organizations entered into
by the department in the implementation of managed behavioral
16 health care:

18 A. Except for treatment provided at the Riverview
Psychiatric Center and the Dorothea Dix Psychiatric Center,
20 any contract for administrative or managed behavioral health
care services must include all adult and children's mental
22 health services funded under the MaineCare program and no
services may be excluded, delayed, carved out or
24 administered under separate contract;

26 B. Any contractual agreement for administrative or managed
behavioral health care services must include utilization
28 review functions for all categories of services;

30 C. The administrative services organization or managed care
organization may perform rate-setting functions without
32 regard to current levels of reimbursement for providers of
services; and

34 D. During the first year of any contract, the
36 administrative services organization or managed care
organization shall contract with all providers of mental
38 health services that meet departmental requirements and
receive MaineCare funding as of June 30, 2006.

40
42 **PART AAAA**

44 **Sec. AAAA-1. 20-A MRSA §13013-A is enacted to read:**

46 **§13013-A. Salary supplement for national board-certified teachers**

48 **1. Salary supplement. Notwithstanding any other provision**
of law, the Department of Education shall provide a public school
50 **teacher who has attained certification from the National Board**

2 for Professional Teaching Standards, or its successor
4 organization, as of July 1, 2006 or thereafter with an annual
6 national board certification salary supplement of \$3,000 for the
8 life of the certificate. The salary supplement must be added to
10 the teacher's base salary and must be considered in the
12 calculation for contributions to the Maine State Retirement
14 System. If a nationally certified teacher becomes no longer
16 employed as a classroom teacher in the field of that teacher's
18 national certification, the supplement ceases.

20 **2. Local filing; certification.** On or before October 15th
22 annually, the superintendent of schools of a school
24 administrative unit shall file with the commissioner a certified
26 list of national board-certified teachers eligible to receive the
28 salary supplement pursuant to subsection 1.

30 **3. Payment.** The department shall provide the salary
32 supplement to eligible teachers no later than February 15th of
34 each year.

36 **Sec. AAAA-2. 20-A MRSA §15671-A, sub-§5,** as amended by PL
38 2005, c. 12, Pt. WW, §3 and affected by §18, is further amended
40 to read:

42 **5. Exceeding maximum state and local spending target.** If
44 the sum of a school administrative unit's required local
46 contribution determined pursuant to section 15688, subsection 3-A
48 plus the state contribution as calculated pursuant to section
50 15688, subsection 3-A, paragraph D, plus any state funds
resulting from a transition adjustment pursuant to section 15686,
plus any additional local amount proposed to be raised pursuant
to section 15690, subsection 3 exceeds the school administrative
unit's maximum state and local spending target established
pursuant to subsection 4, the following provisions govern
approval of that additional amount.

A. The article approving the additional amount must conform
to the requirements of section 15690, subsection 3,
paragraph B. Notwithstanding section 1304, subsection 6;
section 1701, subsection 7; Title 30-A, section 2528,
subsection 5, or any other provision of law, municipal
charter provision or ordinance, voter approval of the
article, whether in town meeting, district meeting or other
voting process established by law, municipal charter or
ordinance, including, but not limited to, any vote on the
article initiated by voter petition, must be by referendum
or written ballot.

B. In a municipality where the responsibility for final
adoption of the school budget is vested by the municipal

2 charter in a council, this paragraph applies, except that
the petition and referendum provisions apply only if the
4 municipal charter does not otherwise provide for or prohibit
a petition and referendum process with respect to the
6 matters described in this paragraph.

8 (1) A majority of the entire membership of the school
board or committee must approve the additional amount
in a regular budget meeting.

10 (2) An article approving the additional amount must
12 conform to the requirements of section 15690,
subsection 3, paragraph B and be approved by a majority
14 of the entire membership of the council in a vote taken
in accordance with section 15690, subsection 5 or, if
16 the council votes not to approve the article, by a
majority of voters voting in a referendum called
18 pursuant to subparagraph (4).

20 (3) If an article is approved by the council pursuant
to subparagraph (2), the voters may petition for a
22 referendum vote on the same article in accordance with
subparagraph (4). If a petition is filed in accordance
24 with subparagraph (4), the vote of the council is
suspended pending the outcome of the referendum vote.
26 Upon approval of the article by a majority of the
voters voting in that referendum, the article takes
28 effect. If the article is not approved by a majority
of the voters voting in that referendum, the article
30 does not take effect. Subsequent to the vote, the
school committee or board may again propose an
32 additional amount, subject to the requirements of this
section.

34 (4) If a written petition, signed by at least 10% of
36 the number of voters voting in the last gubernatorial
election in the municipality, requesting a vote on the
38 additional amount is submitted to the municipal
officers within 30 days of the council's vote pursuant
40 to subparagraph (2), the article voted on by the
council must be submitted to the legal voters in the
42 next regular election or a special election called for
the purpose. The election must be held within 45 days
44 of the submission of the petition. The election must
be called, advertised and conducted according to the
46 law relating to municipal elections, except that the
registrar of voters is not required to prepare or the
48 clerk to post a new list of voters and absentee ballots
must be prepared and made available at least 14 days
50 prior to the date of the referendum. For the purpose

2 of registration of voters, the registrar of voters must
3 be in session the secular day preceding the election.
4 The voters shall indicate by a cross or check mark
5 placed against the word "Yes" or "No" their opinion on
6 the article. The results must be declared by the
7 municipal officers and entered upon the municipal
8 records.

10 **Sec. AAAA-3. 20-A MRSA §15672, sub-§2-B** is enacted to read:

12 2-B. Debt service adjustment mill rate. "Debt service
13 adjustment mill rate" is the mill rate derived by dividing 45% of
14 the debt service costs by the property fiscal capacity for all
15 school administrative units.

16 **Sec. AAAA-4. 20-A MRSA §15672, sub-§22-A**, as enacted by PL
17 2005, c. 2, Pt. D, §36 and affected by §§72 and 74 and c. 12, Pt.
18 WW, §18, is repealed and the following enacted in its place:

20 22-A. Predicted per-pupil transportation costs. "Predicted
21 per-pupil transportation costs" means the greater of:

22
23 A. A pupil density model based on the net cost per resident
24 pupil for each school administrative unit that is predicted
25 by pupil density per mile of Class 1 to Class 5 roads in the
26 school administrative unit and approved adjustments; and

27
28 B. The average of the pupil density model under paragraph A
29 and an odometer miles model based on the gross cost per
30 pupil conveyed for each school administrative unit that is
31 predicted by the odometer miles traveled per pupil conveyed
32 by the school administrative unit.

33
34 Approved adjustments include a per-mile rate equal to the state
35 average gross transportation operating costs per mile driven for
36 transportation associated with out-of-district special education
37 programs, up to 2 round trips per day to each facility for
38 transportation associated with career and technical education
39 programs, and adjustments for expenditures for ferry services
40 within a school administrative unit, transportation of homeless
41 children in accordance with section 5205 and transportation costs
42 of island school administrative units.

43
44 **Sec. AAAA-5. 20-A MRSA §15675, sub-§1, ¶D**, as enacted by PL
45 2005, c. 12, Pt. UU, §2 and affected by §§12 and 13 and Pt. WW,
46 §18, is amended to read:

47
48 D. Notwithstanding paragraphs A, B and C and-for-fiscal
49 year--2005-06--only, a school administrative unit that
50 receives an allocation for limited English proficiency

2 students and that has more than 15 and fewer than 26 limited
English proficiency students is eligible for an adjustment
4 to its allocation for limited English proficiency students
that is the difference between the amount that the school
6 unit would have received under the calculation described in
paragraph B and the amount that is calculated when the
8 school unit receives for the first 15 students a weight of
.50 instead of .30 as otherwise required under paragraph B.
This paragraph is repealed ~~June 30, 2006~~ June 30, 2008.

10 **Sec. AAAA-6. 20-A MRSA §15680, sub-§4,** as enacted by PL
12 2003, c. 504, Pt. A, §6, is repealed.

14 **Sec. AAAA-7. 20-A MRSA §15681, sub-§5,** as enacted by PL
2003, c. 504, Pt. A, §6, is repealed.

16 **Sec. AAAA-8. 20-A MRSA §15681-A, sub-§3,** as amended by PL
18 2005, c. 12, Pt. UU, §3 and affected by §§12 and 13 and Pt. WW,
§18, is repealed and the following enacted in its place:

20 **3. Transportation costs.** For fiscal year 2006-07, the
22 commissioner, using information provided by a statewide education
24 policy research institute, shall establish for each school
26 administrative unit a predicted per-pupil transportation cost as
28 defined in section 15672, subsection 22-A. The established
30 predicted per-pupil transportation cost multiplied by the number
32 of the school administrative unit's resident students for each
34 school administrative unit must be no less than 90% of the most
36 recent year's reported net transportation expenditures.
38 Beginning in fiscal year 2007-08, and for each subsequent fiscal
40 year, the per-pupil transportation costs for each school
administrative unit are its predicted per-pupil transportation
cost for the most recent year adjusted by the Consumer Price
Index or other comparable index, except that the established
predicted per-pupil transportation cost multiplied by the number
of the school administrative unit's resident students for each
school administrative unit must be no less than 90% of the most
recent year's reported net transportation expenditures. The
commissioner shall develop an appeals procedure for established
per-pupil transportation costs for school administrative units;

42 **Sec. AAAA-9. 20-A MRSA §15682,** as amended by PL 2005, c. 2,
44 Pt. D, §46 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is
further amended to read:

46 **§15682. Regional adjustment**

48 The commissioner shall make a regional adjustment in the
50 total operating allocation for each school administrative unit
determined pursuant to section 15683. The regional adjustment

2 must be based on the regional differences in teacher salary costs
within labor market areas in the State, as computed by a
4 statewide education policy research institute, and must be
applied only to appropriate teacher salary and benefits costs as
6 calculated under section 15678 and salary and benefit costs of
other school-level staff who are not teachers as calculated under
8 section 15679. ~~Beginning in fiscal year 2006-07, and at least
every 2 years thereafter, the commissioner, using information
provided by a statewide education policy research institute,
10 shall review the regional adjustment amounts under this section
and shall submit any recommended changes to the state board for
12 approval.~~

14 **Sec. AAAA-10. 20-A MRSA §15683, sub-§1, ¶F**, as enacted by PL
2005, c. 2, Pt. D, §47 and affected by §§72 and 74 and c. 12, Pt.
16 WW, §18, is amended to read:

18 F. An isolated small unit adjustment. A school
administrative unit is eligible for an isolated small school
20 adjustment when the unit meets the size and distance
criteria as established by the commissioner ~~and approved by
22 the state board~~. The amount of the adjustment is the result
of adjusting the necessary student-to-staff ratios
24 determined in section 15679, subsection 2, the per-pupil
amount for operation and maintenance of plant in section
26 15680, subsection 1, paragraph B or other essential programs
and services components in chapter 606-B, as recommended by
28 the commissioner.

30 **Sec. AAAA-11. 20-A MRSA §15686, sub-§2** is enacted to read:

32 2. Adjustment in fiscal year 2006-07. A school
administrative unit is eligible for a transition adjustment in
34 fiscal year 2006-07 to mitigate a significant increase in
state-certified property valuation according to the provisions of
36 this subsection.

38 A. A school administrative unit is eligible under this
subsection if it meets the following tier 1 criteria:

40 (1) The school administrative unit's state subsidy for
42 fiscal year 2006-07, including the transition
44 adjustment under this section, is less than the state
46 subsidy the school administrative unit received in
fiscal year 2005-06, including transition adjustments
and adjustments for the decline in debt service; and

48 (2) The school administrative unit's state-certified
valuation's increase from 2004 to 2005 is greater than

2 the increase in statewide state-certified valuation
3 during the same period.

4 School administrative units meeting the criteria in
5 subparagraphs (1) and (2) are eligible to receive a
6 transition adjustment amount equal to the result of the
7 unit's valuation over the state average increase in
8 valuation up to 4% multiplied by the statewide mill
9 expectation established for fiscal year 2006-07 that may not
10 result in a state share greater than the unit received in
11 fiscal year 2005-06, including transition adjustments and
12 adjustments for the decline in debt service.

13 B. A school administrative unit is eligible under this
14 subsection if it meets the following tier 2 criteria:

15 (1) The school administrative unit's state subsidy in
16 fiscal year 2006-07, including the transition
17 adjustment under this section, is less than the state
18 subsidy the school administrative unit received in
19 fiscal year 2005-06, including transition adjustments
20 and adjustments for the decline in debt service;

21 (2) The school administrative unit's adjusted mill
22 expectation is below the statewide mill expectation
23 established for fiscal year 2006-07;

24 (3) The school administrative unit's state subsidy in
25 fiscal year 2006-07, including the transition
26 adjustment under this section, is less than the school
27 administrative unit's fiscal year 2004-05 state share
28 of its total allocation, including the minimum state
29 share of its total allocation pursuant to section
30 15689, subsection 1 and the adjustment for geographic
31 isolation pursuant to former section 15612, subsection
32 2 and including the adjustment due to reduced
33 expenditures for buses, debt service, special
34 education, gifted and talented education and career and
35 technical education;

36 (4) The school administrative unit's state subsidy in
37 fiscal year 2005-06 did not include a transition
38 adjustment; and

39 (5) The school administrative unit operates an
40 elementary or secondary school.

41 School administrative units meeting all the criteria in this
42 paragraph are eligible to receive a transition adjustment in
43 an amount equal to the difference between the following:

2 the school administrative unit's state subsidy in fiscal
3 year 2006-07, including the transition adjustment under this
4 section; and the fiscal year 2004-05 state share of the
5 school administrative unit's total allocation, including the
6 minimum state share of its total allocation pursuant to
7 section 15689, subsection 1 and the adjustment for
8 geographic isolation pursuant to former section 15612,
9 subsection 2 and including the adjustment due to reduced
10 expenditures for buses, debt service, special education,
11 gifted and talented education and career and technical
12 education plus 5%.

13 **Sec. AAAA-12. 20-A MRSA §15686-A is enacted to read:**

14 **§15686-A. Review of essential programs and services components**

15 **1. Components to be reviewed beginning in fiscal year**
16 **2006-07.** Beginning in fiscal year 2006-07, and at least every 3
17 years thereafter, the commissioner, using information provided by
18 a statewide education policy research institute, shall review the
19 essential programs and services student-to-staff ratios, salary
20 and benefits matrices, transportation, small schools adjustments,
21 labor markets and gifted and talented components under this
22 chapter and shall submit to the joint standing committee of the
23 Legislature having jurisdiction over education matters any
24 recommended changes for legislative action.

25 **2. Components to be reviewed beginning in fiscal year**
26 **2007-08.** Beginning in fiscal year 2007-08, and at least every 3
27 years thereafter, the commissioner, using information provided by
28 a statewide education policy research institute, shall review the
29 essential programs and services career and technical education,
30 special education, specialized student populations, system
31 administration and operations and maintenance components under
32 this chapter and shall submit to the joint standing committee of
33 the Legislature having jurisdiction over education matters any
34 recommended changes for legislative action.

35 **3. Components to be reviewed beginning in fiscal year**
36 **2008-09.** Beginning in fiscal year 2008-09, and at least every 3
37 years thereafter, the commissioner, using information provided by
38 a statewide education policy research institute, shall review the
39 essential programs and services professional development, student
40 assessment, technology, leadership support, cocurricular and
41 extra-curricular activities and supplies and equipment components
42 under this chapter and shall submit to the joint standing
43 committee of the Legislature having jurisdiction over education
44 matters any recommended changes for legislative action.

2 **Sec. AAAA-13. 20-A MRSA §15689, sub-§1**, as affected by PL
3 2005, c. 12, Pt. WW, §18 and amended by c. 457, Pt. I, §1, is
4 further amended to read:

5 **1. Minimum state allocation.** Each school administrative
6 unit must be guaranteed a minimum state share of its total
7 allocation that is an amount equal to the greater of the
8 following:

9 A. The sum of the following calculations:

10 (1) Multiplying 5% of each school administrative
11 unit's essential programs and services per-pupil
12 elementary rate by the average number of resident
13 kindergarten to grade 8 pupils as determined under
14 section 15674, subsection 1, paragraph C, subparagraph
15 (1); and

16 (2) Multiplying 5% of each school administrative
17 unit's essential programs and services per-pupil
18 secondary rate by the average number of resident grade
19 9 to grade 12 pupils as determined under section 15674,
20 subsection 1, paragraph C, subparagraph (1); and

21 B. The school administrative unit's special education costs
22 as calculated pursuant to section 15681-A, subsection 2
23 multiplied by the following transition percentages:

24 (1) In fiscal year 2005-06, 84%;

25 (2) In fiscal year 2006-07, 84%;

26 (3) In fiscal year 2007-08, 95%; and

27 (4) In fiscal year 2008-09 and succeeding years, 100%.

28 These funds must be an adjustment to the school administrative
29 unit's state and local allocation after the state and local
30 allocation has been adjusted for debt service pursuant to
31 subsection 2. Beginning July 1, 2007, these funds must be an
32 adjustment to the school administrative unit's state and local
33 allocation in addition to the state and local allocation that has
34 been adjusted for debt service pursuant to subsection 2.

35 **Sec. AAAA-14. 20-A MRSA §15689, sub-§1-A** is enacted to read:

36 **1-A. Adjustments to state contributions to member**
37 **municipalities in certain school districts.** Beginning in fiscal
38 **year 2007-08, the minimum state allocation provisions of**
39 **subsection 1 are applicable for each case when one or more member**
40

2 municipalities, but not all the district's member municipalities,
3 have a local contribution that is below the mill rate expectation
4 established pursuant to section 15671-A. For each school
5 district eligible under this subsection, the minimum state
6 allocation provisions of subsection 1 are applicable for each
7 member municipality that has a local contribution that is below
8 the mill rate expectation established pursuant to section
9 15671-A, except that the transition percentages in section 15689,
10 subsection 1, paragraph B must be multiplied by the percentage of
11 calendar year resident pupils in the member municipality.

12 **Sec. AAAA-15. 20-A MRS §15689, sub-§2, ¶B,** as enacted by PL
13 2003, c. 712, §17, is amended to read:

14 B. The amount of the adjustment is the difference, but not
15 less than zero, between the state share of the total
16 allocation under this chapter and the amount computed as
17 follows.

18 (1) The school administrative unit's state share of
19 the total allocation if the local share was the sum of
20 the following:

21 (a) The local share amount for the school
22 administrative unit calculated as the lesser of
23 the total allocation excluding debt service costs
24 and the school administrative unit's fiscal
25 capacity multiplied by the mill rate expectation
26 established in section 15671-A less .50 mills; and

27 (b) The local share amount for the school
28 administrative unit calculated as the lesser of
29 the debt service costs and the school
30 administrative unit's fiscal capacity multiplied
31 by .50 mills.

32 This subparagraph is repealed June 30, 2007.

33 (2) Beginning July 1, 2007, the school administrative
34 unit's state share of the total allocation if the local
35 share was the sum of the following:

36 (a) The local share amount for the school
37 administrative unit calculated as the lesser of
38 the total allocation excluding debt service costs
39 and the school administrative unit's fiscal
40 capacity multiplied by the mill rate expectation
41 established in section 15671-A less the debt
42 service adjustment mill rate defined in section
43 15672, subsection 2-B; and

2 (b) The local share amount for the school
4 administrative unit calculated as the lesser of
6 the debt service costs and the school
 administrative unit's fiscal capacity multiplied
 by the debt service adjustment mill rate defined
 in section 15672, subsection 2-B.

8 **Sec. AAAA-16. 20-A MRSA §15689-A, sub-§12** is enacted to read:

10 **12. National board certification salary supplement.** The
12 commissioner may pay annual payments to public school teachers
14 who have attained certification from the National Board for
 Professional Teaching Standards.

16 **Sec. AAAA-17. 20-A MRSA §15690, sub-§3, ¶A,** as amended by PL
18 2005, c. 12, Pt. WW, §6 and affected by §18, is further amended
 to read:

20 A. If the amount of the additional funds does not result in
22 the unit's exceeding its maximum state and local spending
24 target established pursuant to section 15671-A, subsection
 4, an article in substantially the following form must be
 used when a school administrative unit is considering the
 appropriation of additional local funds:

26 (1) "Article: To see what sum the (municipality
28 or district) will raise and to appropriate the sum of
 (Recommend \$.....) in additional local funds for school
30 purposes under the Maine Revised Statutes, Title 20-A,
 section 15690. (Recommend \$.....)"

32 (2) The following statement must accompany the article
34 in subparagraph (1). "Explanation: The additional
36 local funds are those locally raised funds over and
 above the school administrative unit's local
38 contribution to the total cost of funding public
 education from kindergarten to grade 12 as described in
40 the Essential Programs and Services Funding Act and
 local amounts raised for the annual debt--service
42 payment on ~~previously-approved non-state-funded school~~
 ~~construction projects and the non-state funded portion~~
44 ~~of--school--construction--projects--and--minor--capital~~
 ~~projects~~ debt service that will help achieve the
46 (municipality's or district's) budget for educational
 programs."

2 **Sec. AAAA-18. 20-A MRSA §15690, sub-§3, ¶B**, as enacted by PL
3 2005, c. 2, Pt. D, §62 and affected by §§72 and 74 and c. 12, Pt.
4 WW, §18, is amended to read:

6 B. If the amount exceeds the unit's maximum state and local
7 spending target established pursuant to section 15671-A,
8 subsection 4, an article in substantially the following form
9 must be used when a school administrative unit is
10 considering an appropriation of additional local funds.

12 (1) "Article: Shall (name of municipality or
13 district) raise and appropriate \$..... in additional
14 local funds, which exceeds the State's Essential
15 Programs and Services funding allocation model by
16 \$..... as required to fund the budget recommended by
17 the (school committee or board of directors)?"

18 The (school committee or board of directors) recommends
19 \$..... for additional local funds and gives the
20 following reasons (state--reasons) for exceeding the
21 State's Essential Programs and Services funding model
22 by \$.....:

24 (2) The following statement must accompany the article
25 in subparagraph (1). "Explanation: The additional
26 local funds are those locally raised funds over and
27 above the school administrative unit's local
28 contribution to the total cost of funding public
29 education from kindergarten to grade 12 as described in
30 the Essential Programs and Services Funding Act and
31 local amounts raised for the annual ~~debt--service~~
32 ~~payment on non-state-funded school---construction~~
33 ~~projects--or--the--non--state--funded--portion--of--a--school~~
34 ~~construction--project~~ debt service that will help
35 achieve the (municipality's or district's) budget for
36 educational programs."

38 **Sec. AAAA-19. PL 2003, c. 712, §21** is repealed.

40 **Sec. AAAA-20. Gifted and talented education.** To ensure greater
41 equity of education opportunities and efficiency in the use of
42 approved gifted and talented education resources, beginning no
43 later than fiscal year 2007-08, approved gifted and talented
44 education costs must be included in the essential programs and
45 services operating cost calculations.

46 **Sec. AAAA-21. Career and technical education.** To ensure
47 greater equity of education opportunities and efficiency in the
48 use of approved career and technical education resources,
49 beginning no later than fiscal year 2008-09, approved career and
50

2 technical education costs must be included in the essential
programs and services operating cost calculations.

4 **Sec. AAAA-22. Transition adjustments; special education costs of**
6 **minimum state allocation receivers.** The following transition
adjustments apply to eligible school administrative districts and
community school districts.

8
10 1. For fiscal year 2006-07, eligible school administrative
districts and community school districts must receive transition
12 adjustments to the member municipalities' local contributions and
the districts' state contributions.

14 A. A school administrative district or community school
16 district is eligible for these adjustments if it meets the
following eligibility criteria.

18 (1) One or more member municipalities, but not all the
20 district's member municipalities, have a local
contribution that is below the mill rate expectation
22 established pursuant to the Maine Revised Statutes,
Title 20-A, section 15671-A for fiscal year 2006-07.

24 (2) A member municipality's local contribution
26 pursuant to Title 20-A, section 15688 is 5% greater
than that municipality's local share would have been
28 under its existing local cost-sharing formula.

30 B. A school administrative district or community school
district that meets the eligibility criteria in paragraph A
32 must receive a transition adjustment to the state
contribution equal to the following.

34 (1) For each municipality in the district that meets
36 the eligibility criteria in paragraph A, the sum of
each municipality's special education allocation as
38 determined in paragraph D multiplied by 0.35.

40 C. A school administrative district or community school
district that meets the eligibility criteria in paragraph A
42 must have its local contribution adjusted as follows.

44 (1) For each municipality in the district that meets
the eligibility criteria in paragraph A, the
46 municipality's local contribution as determined
pursuant to Title 20-A, section 15688 must be reduced
48 by an amount equal to the municipality's special
education allocation as determined in paragraph D
50 multiplied by 0.35.

2 D. Each member municipality's special education allocation
is the special education allocation pursuant to Title 20-A,
4 section 15681-A, subsection 2 for the district multiplied by
the percentage of calendar year resident pupils in each
6 municipality.

8 This section is repealed June 30, 2007.

10 **Sec. AAAA-23. Transition adjustments; school districts with
significant increase in property valuation.** The following transition
12 adjustments apply to eligible school administrative districts and
community school districts.

14 1. For fiscal year 2006-07, eligible school administrative
districts and community school districts must receive transition
16 adjustments to the member municipalities' local contributions and
the districts' state contributions.

18 A. A school administrative district or community school
20 district is eligible for these adjustments if it meets the
following eligibility criteria.

22 (1) One or more member municipalities must have a
24 local contribution that is at the established mill
expectation.

26 (2) A member municipality's local contribution
28 pursuant to the Maine Revised Statutes, Title 20-A,
section 15688 is at least 15% greater than that
30 municipality's local share would have been under its
existing local cost-sharing formula and that member
32 municipality experiences a growth in state-certified
valuation of more than 2.5% over the state average from
34 the 2004 state-certified valuation and the 2005
state-certified valuation.

36 B. A school administrative district or community school
38 district that meets the eligibility criteria in paragraph A
must receive a transition adjustment to the state
40 contribution equal to the following.

42 (1) For each municipality in the district that meets
the eligibility criteria in paragraph A, the results of
44 the 2.5% of that municipality's 2004 state-certified
valuation times the established mill expectation.

46 C. A school administrative district or community school
48 district that meets the eligibility criteria in paragraph A
must have its local contribution adjusted as follows.

50

2 (1) For each municipality in the district that meets
the eligibility criteria in paragraph A, the
4 municipality's local contribution as determined
pursuant to Title 20-A, section 15688 must be reduced
6 by an amount equal to the transition amount determined
in paragraph B.

8 This section is repealed June 30, 2007.

10 **Sec. AAAA-24. Appropriations and allocations.** The following
appropriations and allocations are made.

12 **EDUCATION, DEPARTMENT OF**

14 **Teacher Retirement 0170**

16 Initiative: Appropriates funds for the normal cost component for
18 the additional funds provided to each public school teacher in
Maine who has attained certification from the National Board for
20 Professional Teaching Standards as of July 1, 2006 or thereafter
for the life of the certification.

22	GENERAL FUND	2005-06	2006-07
24	All Other	\$0	\$17,033
26	GENERAL FUND TOTAL	<hr/> \$0	<hr/> \$17,033

28 **EDUCATION, DEPARTMENT OF**
DEPARTMENT TOTALS

30		2005-06	2006-07
32	GENERAL FUND	\$0	\$17,033
34	DEPARTMENT TOTAL - ALL FUNDS	<hr/> \$0	<hr/> \$17,033

36 **FINANCE AUTHORITY OF MAINE**

38 **Student Financial Assistance Programs 0653**

40 Initiative: Provides additional one-time funds for the Educators
for Maine program for Maine residents pursuing careers in
education.

42	GENERAL FUND	2005-06	2006-07
44	All Other	\$0	\$300,000
46	GENERAL FUND TOTAL	<hr/> \$0	<hr/> \$300,000

48 **FINANCE AUTHORITY OF MAINE**
DEPARTMENT TOTALS

50		2005-06	2006-07
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2	GENERAL FUND	\$0	\$300,000
4	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$300,000
6	SECTION TOTALS	2005-06	2006-07
8	GENERAL FUND	\$0	\$317,033
10	SECTION TOTAL - ALL FUNDS	\$0	\$317,033

PART BBBB

14 Sec. BBBB-1. 34-B MRSA §3801, sub-§4, ¶¶B and C, as enacted by
 16 PL 1983, c. 459, §7, are amended to read:

18 B. A substantial risk of physical harm to other persons as
 20 manifested by recent evidence of homicidal or other violent
 22 behavior or recent evidence that others are placed in
 24 reasonable fear of violent behavior and serious physical
 harm to them and, after consideration of less restrictive
 treatment settings and modalities, a determination that
 community resources for his the person's care and treatment
 are unavailable; or

26 C. A reasonable certainty that severe physical or mental
 28 impairment or injury will result to the person alleged to be
 30 mentally ill as manifested by recent evidence of his the
 32 person's actions or behavior which--demonstrate--his that
 34 demonstrates the person's inability to avoid or protect
 himself the person from such impairment or injury, and,
 after consideration of less restrictive treatment settings
 and modalities, a determination that suitable community
 resources for his the person's care are unavailable; or

36 Sec. BBBB-2. 34-B MRSA §3801, sub-§4, ¶D is enacted to read:

38 D. For the purposes of section 3873, subsection 5, in view
 40 of the person's treatment history, current behavior and
 42 inability to make an informed decision, a reasonable
 44 likelihood that deterioration of the person's mental health
will occur and that the person will in the foreseeable
future pose:

46 (1) A substantial risk of physical harm to the person
as manifested by evidence of recent threats of, or
attempts at, suicide or serious bodily harm;

48 (2) A substantial risk of physical harm to other
 50 persons as manifested by recent evidence of homicidal

2 It clarifies that the fee for each initial criminal history
4 record check is \$55, which includes a one-time fee for
6 fingerprinting, and each renewal criminal history record check is
8 \$24. The Part further reimburses \$31 to any person who has paid
10 \$55 for a renewal criminal history record check between September
12 17, 2005 and the effective date of the provision.

14 It amends the definition of "adult education" to add college
16 courses that adult education students take as a transition to
18 college.

20 It enacts law to provide reimbursement for college
22 transition courses provided by adult education at 75% of the cost
24 of salaries and fringe benefits and 50% of the cost of consumable
26 supplies and textbooks.

18 PART J

20 Part J does the following.

22 It gives the Department of Education the authority to meet
24 the deappropriation of bus funds pursuant to Public Law 2005,
26 chapter 457, Part I, section 4.

28 It provides the necessary language to implement the transfer
30 of funds for 5 positions from the General Purpose Aid for Local
32 Schools account to the Management Information Systems account.

34 It provides the necessary statutory language to establish
36 the maximum debt service limit for fiscal years 2009-10 and
38 2010-11 as required by Title 20-A, section 15905, subsection 1,
40 paragraph A-1.

42 It provides the necessary language for the Legislature to
44 enact the 2006-07 funding level for the local and state
46 contributions to the total cost of funding public education from
48 kindergarten to grade 12 pursuant to Title 20-A, section 15689-E.

50 It authorizes the Department of Administrative and Financial
Services to enter into lease-purchase financing arrangements on
behalf of the Department of Education for the acquisition of
portable computer systems to support the operations of the Maine
Learning Technology Initiative program.

It requires the Commissioner of Education, with advice from
the Advisory Board of the Maine Learning Technology Fund, to
submit a report that includes findings and recommendations,
including suggested legislation to revise and update Title 20-A,
chapters 606-B and 801, and present the findings to the joint

2 standing committee of the Legislature having jurisdiction over
appropriations and financial affairs and the joint standing
4 committee of the Legislature having jurisdiction over education
matters no later than January 31, 2008.

6 It requires the Commissioner of Education to conduct a
comprehensive review of the Maine Learning Technology Initiative
8 and to report to the joint standing committee of the Legislature
having jurisdiction over appropriations and financial affairs and
10 the joint standing committee of the Legislature having
jurisdiction over education matters on the progress and results
12 of the evaluation annually by February 15th of each year
beginning on February 15, 2007.

14
PART K

16 Part K removes the Director, Office of Management Services
18 position from those within the Department of Environmental
Protection that are major policy-influencing positions.
20

22
PART L

24 Part L does the following.

26 It requires the State Controller to transfer \$175,000 from
the Carrying Account - Inland Fisheries and Wildlife program to
28 the Licensing and Registration account - Inland Fisheries and
Wildlife program to support the costs associated with the
30 transfer of the MOSES program from MCI to the Department of
Administrative and Financial Services, Office of Information
32 Technology.

34 It requires the State Controller to transfer \$45,000 from
the Carrying Account - Inland Fisheries and Wildlife program to
36 the Specialty License Plate Fund Other Special Revenue Funds
account within the Department of the Secretary of State by June
38 30, 2007.

40 It requires the State Controller to transfer \$935,000 from
the Carrying Account - Inland Fisheries and Wildlife program to
42 the unappropriated surplus of the General Fund by June 30, 2007.

44
PART M

46 Part M does the following.

48 It lapses \$252,577 of the unencumbered balance in the
Disproportionate Share - Riverview Psychiatric Center General

PART FF

2
4 Part FF clarifies that certain former Department of
6 Corrections employees, now a part of the Department of
Administrative and Financial Services, remain eligible for the
1998 Special Plan.

PART GG

8
10 Part GG establishes tax benefits for media production
12 companies making productions in whole or in part in Maine. Under
the bill, a media production company that meets certain criteria
14 is allowed a reimbursement equal to 12% of certified media
production wages to resident employees and 10% to others. A
16 certified media production company is also allowed a credit for
Maine income tax directly related to income generated by a
18 certified media production activity.

PART HH

20 Part HH amends Public Law 2005, chapter 457, Part EE,
22 section 1 by changing the amount of the transfer to the General
Fund unappropriated surplus from the Fund for the Efficient
24 Delivery of Local and Regional Services, Other Special Revenue
Funds account, from \$2,451,935 to \$1,951,935 in fiscal year
26 2006-07.

PART II

28
30 Part II transfers \$300,000 from the unappropriated surplus
of the General Fund to the Fund for the Efficient Delivery of
32 Educational Services, Other Special Revenue Funds account within
the Department of Education in fiscal year 2006-07.

PART JJ

34
36 Part JJ eliminates 253 vacant positions, resulting in
38 elimination of 199.071 legislative and FTE head in accordance
with Public Law 2005, chapter 457, Pt. GGG, section 12.

PART KK

40
42 Part KK directs the State Controller to transfer an
44 additional \$1,200,000 from undedicated General Fund revenue to
the Maine Clean Election Fund.

PART LL

2 Part LL amends the Maine Revised Statutes, Title 20-A,
chapter 606-B to reflect the work that has been done to implement
4 the system of learning results.

6 **PART MM**

8 Part MM requires the State Budget Officer to calculate the
amount of savings in section 2 that apply against each General
10 Fund account for all departments and agencies except legislative
branch departments and agencies from additional savings in the
12 cost of health insurance and to transfer the amounts by financial
order upon the approval of the Governor. These transfers are
14 considered adjustments to appropriations in fiscal year 2006-07.
The State Budget Officer shall provide the joint standing
16 committee of the Legislature having jurisdiction over
appropriations and financial affairs a report of the transferred
18 amounts no later than November 1, 2006. This Part also adds an
appropriations and allocations section.

20 **PART NN**

22 Part NN amends Public Law 2005, chapter 386, Part Q, section
2 to allow the Governor Baxter School for the Deaf to receive
24 transfers from the General Fund Salary Plan for the costs of
collective bargaining agreements for employees of the Governor
26 Baxter School for the Deaf in an amount not to exceed \$294,658
for the 2006-2007 biennium.

28 **PART OO**

30 Part OO does the following:

32 It creates the Consolidated Emergency Communications Fund as
34 an enterprise fund for the deposit of any payments made by
municipal, county and state governmental entities in Kennebec
36 County. The fund may not lapse but must be carried forward to
carry out the purposes of this Part.

38 It authorizes the Commissioner of Public Safety and the
40 Maine Communications System Policy Board to transfer position
counts and available balances by financial order to the Emergency
42 Services Communication Bureau within the Department of Public
Safety.

44 It authorizes the Department of Public Safety, Emergency
46 Services Communication Bureau to establish positions by financial
order when municipal, county and state governmental entities in
48 Kennebec County voluntarily consolidate communication systems
with the bureau's communications systems.

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PART XX

Part XX provides that the Commissioner of Education may pay for costs for secondary students to take postsecondary courses at eligible institutions. It also provides that a student may take a postsecondary course if the student receives a recommendation from the student's school administration or from a teacher at the student's school.

PART YY

Part YY increases the level of the lease purchase authorization for the financing arrangement for the acquisition of laptop computer systems for fiscal years 2001-02 and 2002-03 to support the Maine Learning Technology Program.

PART ZZ

Part ZZ provides a General Fund appropriation of \$200,000 in fiscal year 2006-07 for the college transition program within the adult education program.

PART AAA

Part AAA requires the Department of Health and Human Services to provide emergency drug coverage to persons eligible for coverage of prescription medications under certain specific circumstances. It gives the department authority to use unspent Medicare Part D clawback funding for additional Medicare Part D wraparound services and authorizes the department to transfer funds related to the Medicare Part D prescription drug program between the Medical Care - Payments to Providers and Low-cost Drugs to Maine's Elderly accounts. It requires the department to provide regular reports to the joint standing committee of the Legislature having jurisdiction over health and human services matters regarding the status of the state-paid prescription drug coverage related to Medicare Part D. It also provides an appropriations and allocations section.

PART BBB

Part BBB provides a General Fund appropriation of \$52,231 in fiscal year 2006-07 for HIV and AIDS treatment and prevention programs.

PART CCC

Part CCC creates new rate-setting requirements for the mental retardation waiver initiative authorized under Public Law

entitles them to death benefits for officers who die in the line
of duty.

PART YYY

Part YYY reflects the intent of the Legislature to establish a means of financing sustainable passenger rail service in the State of Maine. The amendment also requires the Commissioner of Transportation to identify financial resources, to develop an implementation plan for the provision of sustainable passenger rail service and to submit a report to the Legislature.

PART ZZZ

Part ZZZ establishes additional requirements for the managed behavioral health care services system initiative authorized under Public Law 2005, chapter 457, Part PP.

PART AAAA

Part AAAA:

1. Provides for an annual stipend for each public school teacher in Maine who has attained certification from the National Board for Professional Teaching Standards as of July 1, 2006 or thereafter and provides funds to the Maine State Retirement System for the additional cost of the normal cost component;

2. Provides additional one-time funds for the Educators for Maine program administered by the Finance Authority of Maine for residents of the State who are pursuing careers in education;

3. Provides for the continuing implementation of essential programs and services, or "EPS," necessitated by current statutory requirements and makes changes designed to achieve the goals of the EPS funding model of adequacy and equity in the funding of education for kindergarten to grade 12;

4. Recognizes the special education costs of certain member municipalities that are determined to be minimum state allocation receivers pursuant to the Maine Revised Statutes, Title 20-A, section 15689, subsection 1 but delays the implementation of the adjustment proposed until fiscal year 2007-08;

5. Extends and modifies the adjustment provided by Private and Special Law 2005, chapter 23, section 1 for fiscal year 2005-06 to fiscal year 2006-07 for certain school administrative districts and community school districts that have member municipalities with local contributions that are below the maximum mill rate expectation but that are adversely affected as

2 a result of the cost-sharing mechanism established pursuant to
Title 20-A, section 15688. The amendment modifies the adjustment
4 in fiscal year 2006-07 to recognize 35% of the special education
costs of eligible school districts as compared to 25% of the
6 special education costs that were recognized by the adjustment
provided in fiscal year 2005-06; and

8 6. Provides a transition adjustment for fiscal year 2006-07
to provide additional state subsidy to those school
10 administrative units that have experienced a significant increase
in the property valuation as compared to the statewide average
12 increase in property valuation from 2004 to 2005.

14 **PART BBBB**

16 Part BBBB provides authority for the progressive treatment
program to increase outpatient treatment and decrease reliance on
18 hospitalization. The progressive treatment program will serve up
to 50 persons with severe mental illness who were involuntarily
20 hospitalized, 25 from Riverview Psychiatric Center and 25 from
the Dorothea Dix Psychiatric Center. Under the progressive
22 treatment program persons who are involuntarily committed to
Riverview Psychiatric Center and Dorothea Dix Psychiatric Center
24 could be ordered by a judge to participate in the program, which
would provide treatment and care through assertive community
26 treatment teams for up to 6 months. Successful participation in
the progressive treatment program results in termination of
28 progressive treatment services. Failure to fully participate and
follow the individualized treatment program that results in
30 deterioration of the person's mental health so that
hospitalization is in the person's best interest and the person
32 poses a likelihood of serious harm results in the treatment
team's applying for the person to be hospitalized under the
34 current emergency admission procedure. If the person is admitted
on an emergency basis, and if the superintendent of a state
36 mental health institute determines that continued hospitalization
is required, within 3 days of admission an application for
38 commitment must be filed with the court under the current
involuntary commitment law. The amendment contains a repeal date
40 for the progressive treatment program of July 1, 2010.

42 It requires the Department of Health and Human Services to
prepare education and training materials regarding mental health
44 treatment options, to undertake rulemaking regarding the
progressive treatment program and to report periodically on the
46 operation of the program to the joint standing committee of the
Legislature having jurisdiction over health and human services
48 matters.

**TESTIMONY
OF
SUSAN GENDRON, COMMISSIONER
DEPARTMENT OF EDUCATION**

Before the Joint Standing Committee on Appropriations and Financial Affairs
And the Joint Standing Committee on Education and Cultural Affairs

Hearing Date: February 6, 2006

“An Act Making Supplemental Appropriations and Allocations for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007.”

Senator Rotundo, Senator Mitchell, Representative Brannigan, Representative Norton, and distinguished Members of the Committees on Appropriations and Financial Affairs and Education and Cultural Affairs, my name is Susan Gendron, Commissioner of the Department of Education. I am here today to present testimony in support of those Departmental items presented in the Supplemental Budget Bill.

GENERAL PURPOSE AID TO LOCAL SCHOOLS

The first request for the Department begins on page 25 of L.D. 1968 and page 1 of our package. We are requesting an appropriation of \$42,103,178 in FY 07 in the General Purpose Aid to Local Schools Account. This request provides funding to realize the current required 50% state share of Essential Programs and Services. This increase is due to a higher than anticipated inflation rate, increased years of experience, and compensation

levels of local educational and professional staff, transition adjustments and less of a decline in student populations than was originally anticipated.

FHM-SCHOOL NURSE CONSULTANT

This request is on page 27 of the L.D. and on page 4 of our budget package. This request is necessary to cover the collective bargaining salary increase for the School Nurse Consultant position that is in this Fund for a Healthy Maine account.

LANGUAGE

Part I-1 is on page 100 of the L.D. and page 7 of our package. This Part amends the statute that establishes criminal history record check fees and clarifies that the initial fee for a criminal history record check is \$55 which includes a one-time charge for fingerprinting and that the renewal fee is \$24 each year of renewal.

Part I-2 is on page 101 of the L.D. and page 8 of our package. This Part amends the statutes that establishes criminal history record check fees and changes the fees charged for renewal criminal history record checks retroactively and reimburses \$31 to each individual who paid \$55 for a renewal criminal history record check between September 17, 2005 and the effective date of this section.

Part I-3 is on page 101 of the L.D. and page 9 of our package. This Part amends the definition of adult education to include college courses that adult education students take as a transition to college.

Part I-4 is on page 101 of the L.D. and page 10 of our package. This Part provides reimbursement language that the costs of college courses taken by adult education students as a transition to college are now eligible / allowable costs for adult education subsidy.

Part J is on page 101 of the L.D. and page 11 of our package. This Part provides the necessary language to complement the transfer of funds for 4 positions from the General Purpose Aid for Local Schools to the Management Information Systems program, language to establish the debt service limit for FY 10 & 11, establishes the mill expectation and language to enact the FY 07 funding level for the local and state contributions to the total cost of funding public education from kindergarten to grade 12. This language also authorizes the Department of Administrative and Financial Services to enter into lease-purchase arrangements on behalf of the Department of Education for the acquisition of portable computer systems to support the operations of the Maine Learning Technology Initiative Program.

Part II is on page 121 of the L.D. and page 12 of our package. This Part authorizes the State Controller to transfer \$1,000,000 from the unappropriated surplus of the General fund to the Fund for the Efficient Delivery of Educational Services Other Special Revenue Funds account in the Department of Education. Funds from this account are to be distributed

to school administrative units and municipalities that can demonstrate significant and sustainable savings in the costs of delivering educational services and improved student achievement through such things as changes in governance, purchasing alliances, collaborative delivery of services, etc.

Part LL is on page 122 of the LD and page 13 of our package. This Part establishes statute that establishes a minimum starting salary of \$30,000 for certified teachers for the school year starting after June 30, 2006. This will be the first time the minimum salary for teachers has been increased since 1985. Salaries for teachers in Maine whose salaries are less than \$30,000 will be increased to that amount. The statute will state that the State will pay the costs of that increase in FY 06 – 07 only. Finally, the statute will also provide that the assessment targeted funds are redefined to implement a standards-based system to reflect the work done to implement Maine's *Learning Results*.

That concludes the items for Public Hearing for the Department of Education.

2006-07 Total Cost of Funding Public Education from Kindergarten to Grade 12

			Original Estimate	Difference	State Share	Notes
Total Debt Service Allocation			TOTAL			
Approved Principal & Interest for School Construction Projects	\$78,849,256					
Approved Leases	\$1,557,873					
Approved Lease-Purchases	\$2,839,273					
Insured Value Factor	\$3,494,621					
Total Debt Service Allocation	\$86,741,023		\$88,100,270	(\$1,359,247)	(\$732,090)	Decrease due to: Less than anticipated principal & interest payments on approved school construction
Total Adjustments and Miscellaneous Costs						
Adjustments						
Debt Service Adjustment		No Change to Total Costs – Adjusts Local & State shares				
100% Special Education Adjustment		No Change to Total Costs – Adjusts Local & State shares				
Minimum State Allocation		No Change to Total Costs – Adjusts Local & State shares				
Miscellaneous Costs						
Special Education Cost for State Wards & State Agency Clients	\$37,420,034 *					Increase due to: Continuation of MS Laptops + \$10 million Higher Data Mgmt & EPS support +\$403,884 Higher EPS Contract for EPS review +100,000 GPA Team positions + 288,898 Higher St Wards & Clients +286,396
Long-Term Drug Treatment Center Adjustment	\$184,632					
Laptop Program	\$11,878,853					
Data Management & Support for EPS	\$450,000					
GPA Team positions PL 2005 Ch. 457	\$288,898					
Maine Policy Research Institute Contract	\$200,000					
EPS Contract	\$250,000					
Carpenter Bus Loan Payment	\$498,915					
Regionalization/Consolidation/Efficiency Assistance	\$200,000					
Learning Results Accountability	\$260,099					
Learning Results Implementation	\$1,156,920					
Total Adjustments and Miscellaneous Costs	\$52,788,351		\$41,709,173	\$11,079,178	\$5,967,245	
* The Department will investigate MaineCare reimbursement for these costs.						
Total Cost of Funding Public Education from Kindergarten to Grade 12 with 2nd Year Transition Adjustment			\$1,831,609,769	100% EPS		
			\$1,698,674,567	90% EPS		
Local Share Percentage		46.14%	Adjustment to meet 52.86%:		\$5,959,578	Increase due to: \$872 million did not meet the statutory requirement of 53.86%
Local Contribution	MIII Expectaton =	7.60				
		\$783,768,445				
State Contribution		53.86%			\$42,103,178	
		\$914,906,122				

Essential Programs & Services

PROJECTION - ESTIMATE ONLY

	Actual	RFL	PRELIMINARY	
			Estimate Only	
	2005-06	2006-07	2007-08	2008-09
Total Operating Allocation	102.4%		\$1,357,975,205	\$1,390,566,610
Current Calendar Year Average Pupils			200,938.0	196,533.0
Amount Per Student			\$6,758	\$7,075
Calendar Year Average Pupils (projected for FY05 to FY10)	204,106.0 (CYA 2004 Actual)	200,938.0 (CYA 2005 Prelim)	196,533.0 (CYA 2006 Est.Rvsd)	192,633.0 (CYA 2007 Est.Rvsd)
Adjusted Total Operating Allocation	\$1,293,837,503	\$1,326,147,661	\$1,328,205,421	\$1,362,972,212
Estimated Isolated Small Unit Adjustments	\$3,600,000	\$3,204,360	\$3,600,000	\$3,600,000
Adjusted Total Operating Allocation	\$1,297,437,503	\$1,329,352,021	\$1,331,805,421	\$1,366,572,212
EPS Transition Percentage Targets:	84.00%	90.00%	95.00%	100.00%
Adjusted Total Operating Allocation after Transition Adjustment:	\$1,089,847,503	\$1,196,416,819 10%	\$1,265,215,150 6%	\$1,366,572,212 8%
Transition Adjustment per 20-A MRSA Section 15686		\$8,100,000	\$0	\$0
Estimated Total Other Subsidizable Cost Allocation	\$339,867,236	\$354,628,374 4%	\$372,615,919 5%	\$381,294,701 2%
Estimated Total Debt Service Allocation (Per Debt Service Projections)	\$87,691,631	\$86,741,023 -1%	\$108,206,976 25%	\$112,162,248 4%
Estimated Total Adjustments	\$47,673,342	\$52,788,351 11%	\$52,086,620 -1%	\$53,101,655 2%
Adjustment to Minimum Spec. Ed. At 84% Efficiency Fund - Transition Appropriation	\$13,367,828 =	(\$2,941,959)	\$0	\$0
ESTIMATED TOTAL ALLOCATION:	\$1,578,447,540	\$1,698,674,567	\$1,798,124,665	\$1,913,130,816
State Share Percentage Targets at 84% EPS:	52.97%	53.86%	54.44%	55.00%
ESTIMATED TOTAL ALLOCATION at 100% EPS	\$1,786,037,540	\$1,831,609,769	\$1,864,714,936	\$1,913,130,816
State Share Percentage Targets at 100% EPS:	46.80%	50.00%	52.50%	55.00%
ESTIMATED STATE SHARE:	\$836,115,966	\$914,906,122	\$978,915,154	\$1,052,221,949
Amount over prior year	\$96,844,345	\$78,790,156	\$64,009,032	\$73,306,795
Percent over prior year	13.1%	9.42%	7.00%	7.48%
ESTIMATED LOCAL SHARE:	\$742,331,574	\$783,768,445	\$819,209,511	\$860,908,867
New Estimated State Share:	\$836,115,966	\$914,906,122	\$978,915,154	\$1,052,221,949
Current Appropriation or Previous Estimated State Share:	\$836,115,966	\$872,802,944	\$963,420,584	\$1,026,974,470
Difference:	\$0	\$42,103,177	\$15,494,570	\$25,247,478
Estimated State Valuation	\$102,007,400,000	\$115,429,620,000	\$126,972,582,000	\$139,669,840,200
Estimated Mill Expectation	8.26	7.60	7.45	7.16

State of Maine

Department of Education
School Facilities Services



School Facilities Priority List

Major Capital Improvement Program
Rating Cycle 2004-2005

Amended May 25, 2005

The Department of Education recommends the following list of School Facilities Priorities to the State Board of Education. This list is based on a rating of the overall needs of those school districts that submitted a Major Capital Improvement Applicatio

<u>Priority</u>	<u>District</u>	<u>Project Name</u>	<u>Points</u>
1	Portland School Dept.	Nathan Clifford School	136.70
2	SAD #6 - Buxton	Frank Jewett/Hanson School	135.94
3	Peninsula CSD - Winter Harbor	Winter Harbor Grammar School	131.85
4	Ellsworth School Dept.	Gen. Bryant E. Moore School	129.68
5	SAD #54 - Norridgewock	Norridgewock Central School	128.87
6	Lewiston School Dept.	Pettingill School	128.81
7	SAD #32 - Ashland	Ashland Central School	125.99
8	Brewer School Dept.	State Street School	125.11
9	Westbrook School Dept.	Fred C. Wescott School	124.35
10	Gorham School Dept.	White Rock School	123.63
11	Durham School Dept.	Durham Elementary School	123.00
12	Machias School Dept.	Machias Memorial High School	121.84
13	Brunswick School Dept.	Hawthorne School	121.53
14	Jefferson School Dept.	Jefferson Village School	120.82
15	Chelsea School Dept.	Chelsea Elementary School	119.94
16	Woolwich School Dept.	Woolwich Central School	119.21
17	SAD #22 - Hampden	Hampden Academy	119.12
18	SAD #9 - Farmington	Mt. Blue High School	118.80
19	Falmouth School Dept.	D. W. Lunt School	116.76
20	SAD #9 - Farmington	W. G. Mallett School	116.72
21	SAD #75 - Topsham	Mt. Ararat High School	116.65
22	Sanford School Dept.	Sanford High School/Regional Voc. Ctr.	115.55
23	Portland School Dept.	Howard C. Reiche Community School	115.24
24	Lewiston School Dept.	Martel School	114.67
25	SAD #48 - Newport	Nokomis Regional High School	112.77
26	SAD #32 - Ashland	Ashland Community High School	112.37
27	Lisbon School Dept.	Lisbon High School	111.65
28	Orono School Dept.	Orono Middle/High School	111.62
29	Portland School Dept.	Cliff Island School	111.31
30	Brewer School Dept.	Pendleton Street School	110.16
31	Brunswick School Dept.	Jordan Acres School	108.88
32	Brewer School Dept.	Capri Street School	108.31
33	Brewer School Dept.	Brewer Middle School	107.20
34	Falmouth School Dept.	Plummer-Motz School	105.16
35	Ellsworth School Dept.	Dr. Charles C. Knowlton School	104.60
36	Brewer School Dept.	Washington Street School	103.63
37	Lewiston School Dept.	Lewiston Middle School	103.57
38	Brunswick School Dept.	Longfellow School	103.49
39	Lamoine School Dept.	Lamoine Consolidated School	101.51
40	SAD #61 - Sebago	Sebago Elementary School	101.03
41	Flanders Bay CSD - Sullivan	Sumner Memorial High School	100.43
42	Portland School Dept.	Peaks Island School	99.12
43	SAD #61 - Naples	Lake Region High School/Regional Tech. Ctr.	98.43
44	Auburn School Dept.	Edward Little High School	98.35

<u>Priority</u>	<u>District</u>	<u>Project Name</u>	<u>Points</u>
45	SAD #6 - Buxton	Bonny Eagle High School	96.97
46	SAD #34 - Morrill	Gladys Weymouth Elementary School	96.79
47	SAD #57 - Waterboro	Shapleigh Memorial School	96.36
48	Portland School Dept.	Longfellow School	95.08
49	Portland School Dept.	West School	94.89
50	SAD #6 - Hollis	Hollis School	93.80
51	Scarborough School Dept.	Benjamin Wentworth Intermediate School	93.18
52	Greenville School Dept.	Greenville Middle/High School	92.87
53	Portland School Dept.	Harrison Lyseth Elementary School	91.52
54	SAD #28 - Rockport	Rockport Elementary School East	90.89
55	Portland School Dept.	Fred P. Hall School	90.86
56	SAD #51 - Cumberland	Greely High School	90.77
57	SAD #6 - Standish	Steep Falls Elementary School	89.68
58	Brunswick School Dept.	Brunswick Jr. High School	89.33
59	Brunswick School Dept.	Coffin School	88.24
60	Scarborough School Dept.	Scarborough Middle School	85.55
61	Portland School Dept.	Presumpscot School	85.39
62	SAD #28 - Rockport	Rockport Elementary School West	82.47
63	Lewiston School Dept.	Lewiston High School/Regional Tech. Ctr.	82.25
64	SAD #61 - Casco	Crooked River Elementary	76.71
65	Falmouth School Dept.	Falmouth Middle School	70.59
66	SAD #34 - Searsmont	Ames Elementary School	62.54

Commissioner's

Recommended Funding Level

Maine State Board of Education

Messalonskee Middle School - Oakland

December 14, 2005

Key Funding Level Assumptions

○ Essential Programs and Services Model

• Operating Costs

- Per Pupil Weights for Economically Disadvantaged, Limited English Proficiency, And K-2 Remain the Same as FY2005-06**
- Student to Staff Ratios Remain the Same as FY2005-06**
- Personnel Matrixes do not Change Except for Updating of Salaries**
- All Other Per Pupil Dollar Amounts Inflated One Year**
- An Adjustment for Isolated Small Schools Continues**

• Other Subsidizable Costs

- EPS Special Education Model As Defined in LD-1 Including the Requirement to Distribute at Least 84% to All Units in FY07**
- EPS Transportation Model As Defined in Chapter 606-B**
- Vocational Education and Gifted & Talented Continue Using Current Method Until EPS Model is Developed**

Key Funding Level Assumptions

○ Essential Programs and Services Model

- **Debt Service**

- *Continues to Include State Approved Major Capital Debt, Lease, Lease Purchase, and Insured Value Factor Costs*

- **Adjustments & Miscellaneous Costs**

- *Includes State Agency Clients and Wards*

○ State Local Share of K-12 Public Education

- **State Share per 20-A MRSA Chapter 606-B Requirements**

- *53.86% of Phased-in Amount of EPS Defined Costs*

- **Local Share per 20-A MRSA Chapter 606-B Requirements**

- *Mill Rate Required to Achieve 46.14% of Phased-in Amount of EPS Defined Costs*

Applying the EPS Model to FY2007

100% EPS Model

\$1,831,609,769
State & Local

Adjustments

\$52,788,351

State Agency Clients & Wards
Other Misc. Costs

3%

Debt Service

\$86,741,023

Major Capital Construction Debt
Temporary Lease Space
Purchase Conversions

5%

Other Subsidizable Costs

\$354,628,374

Special Education
Transportation
Vocational Education
Gifted & Talented

19%

Operating Costs

\$1,337,452,021

Salary and Benefits
System Administration
Operation & Maintenance
Supplies & Equipment
Other Instructional Support
Transition Adjustments

73%

20-A MRSA Chapter 606B

Applying EPS Phase-in to FY2007

90% EPS Model

\$1,698,674,567
State & Local

Adjustments

\$52,788,351

State Agency Clients & Wards
Other Misc. Costs

Debt Service

\$86,741,023

Major Capital Construction Debt
Lease Space

Other Subsidizable Costs

\$354,628,374

Special Education
Transportation
Vocational Education
Gifted & Talented

Operating Costs

\$1,204,516,819

Salary and Benefits
System Administration
Operation & Maintenance
Supplies & Equipment
Other Instructional Support
Transition Adjustments

No Reduction

Reduced to 90% of Total

The Cost of Funding Public Education K-12 for FY2006-07

Total Operating Allocation

	90%	100%
Operating Costs per 20-A MRSA Section 15683	\$1,196,416,819	\$1,329,352,021
Transition Adjustments per 20-A MRSA Section 15686	\$8,100,000	\$8,100,000
Other Subsidizable Costs per 20-A MRSA Section 15681-A	\$354,628,374	\$354,628,374
Total Operating Allocation	\$1,559,145,193	\$1,692,080,395
Total Debt Service Allocation	\$86,741,023	\$86,741,023
Total Adjustments and Miscellaneous	\$52,788,351	\$52,788,351
Total Cost of Funding Public Education from Kindergarten to Grade 12 for 2006-07	\$1,698,674,567	\$1,831,609,769

State Contribution @ 53.86%	\$914,906,122
Local Contribution @ 46.14%	\$783,768,445
Local Mill Expectation	7.60 Mills

The Cost of Funding Public Education K-12 for FY2006-07

Total Operating Allocation	TOTAL
Basic Allocation	
Kindergarten through Grade 8 Students	\$774,196,361
Grades 9 through 12 Students	\$402,580,894
Adult Education Courses Students	\$5,525,494
Equivalent Instruction Students	\$774,196
Weighted Counts Allocation	
Economically Disadvantaged Students	\$61,055,187
Limited English Proficiency Students	\$8,477,853
Targeted Funds	
Student Assessment Funds	\$20,495,676
Technology Resource Funds	\$28,519,442
Kindergarten to Grade 2 Students Funds	\$24,522,558
Isolated Small Schools Adjustment	\$3,204,360
Operating Allocation	\$1,329,352,021
Operating Allocation with EPS Transition at 90%	\$1,196,416,819
Transition Adjustment - 20-A MRSA Section 15686	\$8,100,000
Targeted Transition Adjustments for Small Isolated Elementary Schools to Achieve High Performance and Transition Adjustments directly related to the phase-in of Essential Programs & Services and the Local Cost Share Expectation Method under 20-A MRSA Section 15671-A	
Other Subsidizable Costs	
Gifted & Talented Allocation	\$7,922,526
Special Education -- EPS Allocation	\$224,233,364
Vocational Allocation	\$36,998,533
Transportation Operating -- EPS Allocation	\$79,788,042
Bus Purchases	\$5,685,909
	\$354,628,374
Total Operating Allocation	\$1,559,145,193

The Cost of Funding Public Education K-12 for FY2006-07

Total Debt Service Allocation

TOTAL

Approved Principal & Interest for School Construction Projects	\$78,849,256
Approved Leases	\$1,557,873
Approved Lease-Purchases	\$2,839,273
Insured Value Factor	\$3,494,621

Total Debt Service Allocation

\$86,741,023

Total Adjustments and Miscellaneous Costs

Adjustments

Debt Service Adjustment
 100% Special Education Adjustment
 Minimum State Allocation

No Change to Total Costs -- Adjusts Local & State shares
 No Change to Total Costs -- Adjusts Local & State shares
 No Change to Total Costs -- Adjusts Local & State shares

Miscellaneous Costs

Special Education Cost for State Wards & State Agency Clients	\$37,420,034 *
Long-Term Drug Treatment Center Adjustment	\$184,632
Laptop Program	\$11,878,853
Data Management & Support for EPS	\$450,000
GPA Team positions PL 2005 Ch. 457	\$288,898
Maine Policy Research Institute Contract	\$200,000
EPS Contract	\$250,000
Carpenter Bus Loan Payment	\$498,915
Regionalization/Consolidation/Efficiency Assistance	\$200,000
Learning Results Accountability	\$260,099
Learning Results Implementation	\$1,156,920

Total Adjustments and Miscellaneous Costs

\$52,788,351

* The Department will investigate MaineCare reimbursement for these costs.

Total Cost of Funding Public Education from Kindergarten to Grade 12 with 2nd Year Transition Adjustment

\$1,831,609,769	100%	EPS
\$1,698,674,567	90%	EPS

Local Share Percentage

46.14%

Local Contribution

Mill Expectaton = 7.60

\$783,768,445

State Contribution

53.86%

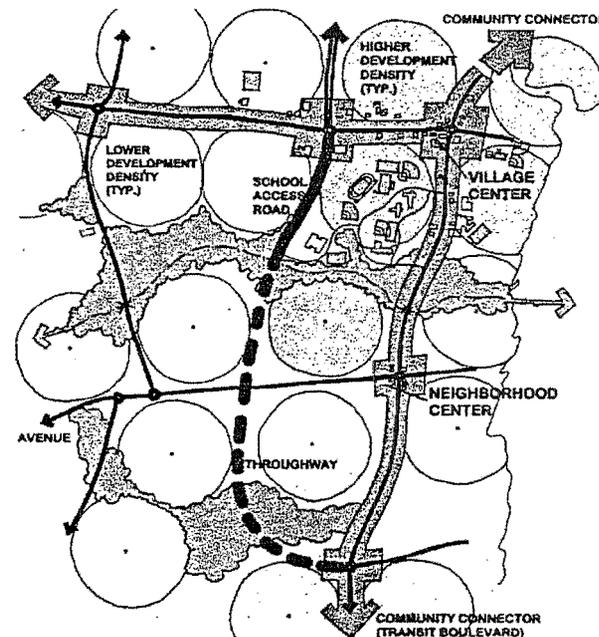
\$914,906,122



Vision

"People All Over Maine Are Thinking About How To Deliver Public Services More Efficiently." – State of the State Address 2005.

"Our Vision is to have Hampden and MSAD #22 be a model for the development of schools and village centers for Smart Growth in Maine."





Hampden and MSAD #22 Today

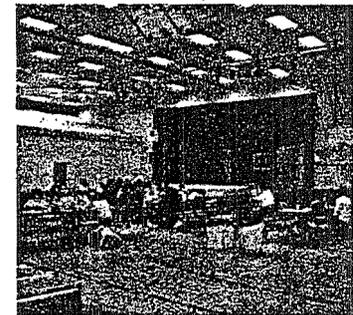
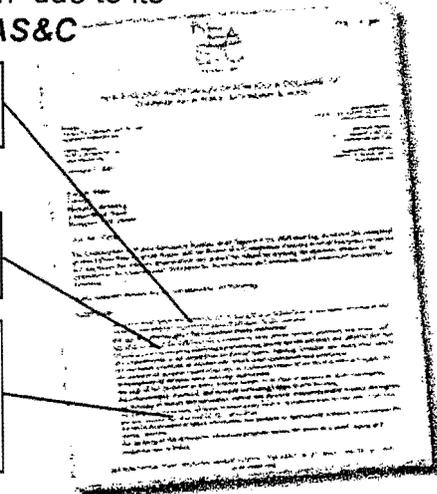
- MSAD #22 is one of four “High Performing / Moderate Cost” school districts in Maine. – *University of Southern Maine*
- MDOE stated that Hampden Academy was the second worst school site after Cony High School in Maine. - *MDOE*
- 12,000 trips per day bisect the MSAD #22 school campus of 2100 student/faculty population in Hampden. – *MDOT 2004 Traffic Counts*
- In order to properly plan for smart growth and avoid sprawl over the next century, Hampden must develop its Four Mile Square for mixed residential and commercial uses in accordance with its comprehensive plan.
- Hampden Academy will lose its national accreditation due to its substandard facilities unless they are replaced. – *NEAS&C*



“placed the school on warning status for concerns related to its adherence to the Commission’s standards. . . .”

“ Clearly, Hampden Academy has outgrown its aged and outdated facilities.”

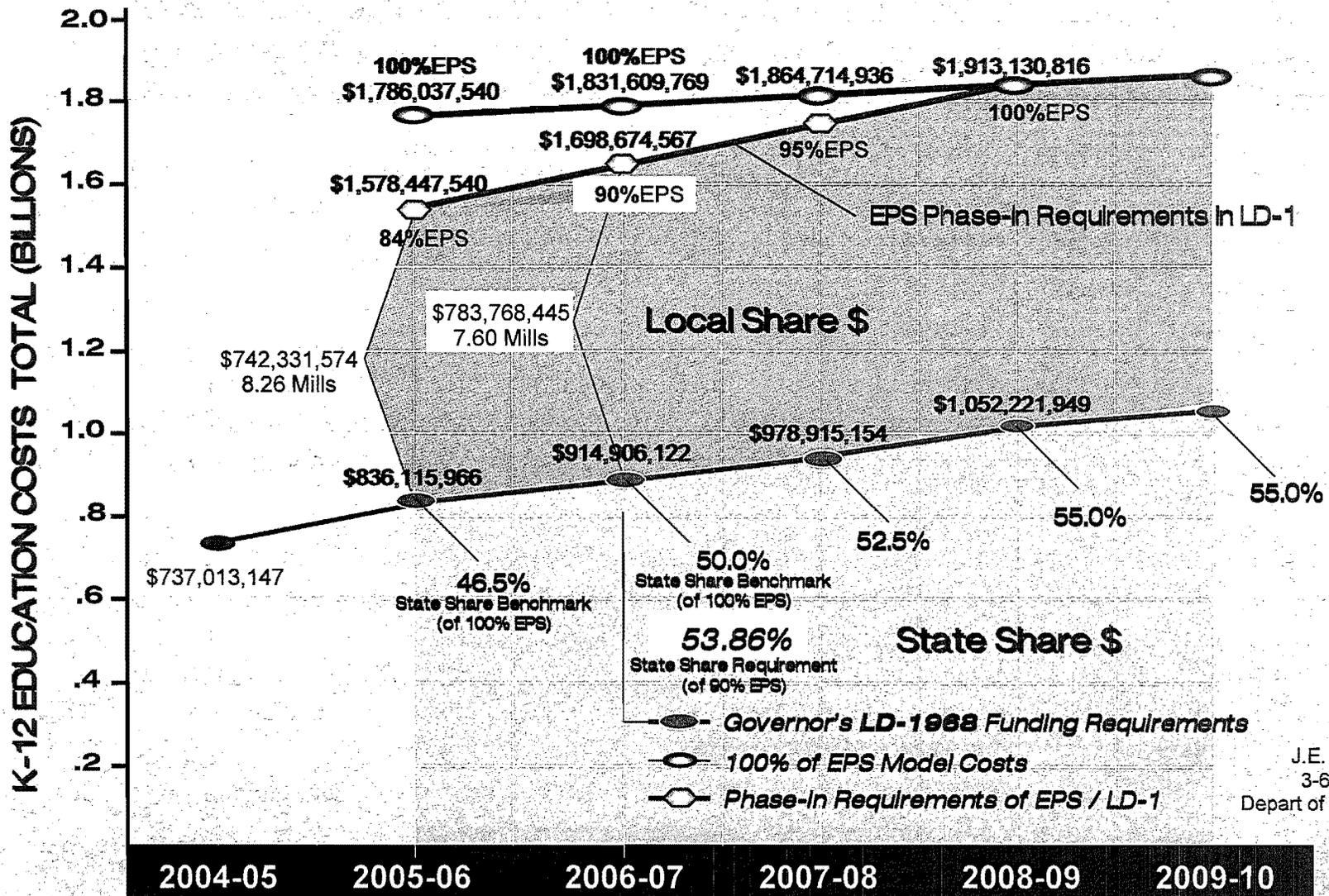
“ All of the individuals who occupy the campus on a daily basis deserve a safe facility that fully supports teaching and learning and provides an appropriate educational environment.”



Education Funding & Property Tax Relief

State / Local Share of Education Costs

LD-1968 FY2006-07 Funding Requirements



J.E. Rier
3-6-06
Department of Education

Essential Programs & Services

PROJECTION -- ESTIMATE ONLY

	PRELIMINARY			
	Actual	RFL	Estimate Only	
	2005-06	2006-07	2007-08	2008-09
Total Operating Allocation	102.4%		\$1,357,975,205	\$1,390,566,610
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Adjusted Total Operating Allocation after Transition Adjustment:	\$1,089,847,503	\$1,196,416,819 10%	\$1,265,215,150 6%	\$1,366,572,212 8%
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Estimated Total Other Subsidizable Cost Allocation	\$339,867,236	\$354,628,374 4%	\$372,615,919 5%	\$381,294,701 2%
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Adjustment to Minimum Spec. Ed. At 84% Efficiency Fund - Transition Appropriation	\$13,367,828 = {	(\$2,941,959)	\$0	\$0
		\$16,309,787	\$0	\$0
ESTIMATED TOTAL ALLOCATION:	\$1,578,447,540	\$1,698,674,567	\$1,798,124,665	\$1,913,130,816
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ESTIMATED LOCAL SHARE:	\$742,331,574	\$783,768,445	\$819,209,511	\$860,908,867
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Difference:	\$0	\$42,103,177	\$15,494,570	\$25,247,478
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Estimated Mill Expectation	8.26	7.60	7.45	7.16

Off Record Remarks

Senator **BROMLEY** of Cumberland was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

On motion by Senator **BRENNAN** of Cumberland,
RECESSED until 1:00 in the afternoon.

After Recess

Senate called to order by the President.

Out of order and under suspension of the Rules, the Senate considered the following:

ENACTORS

The Committee on **Engrossed Bills** reported as truly and strictly engrossed the following:

Emergency Measure

An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007

H.P. 1378 L.D. 1968
(H "D" H-901 to C "A" H-878)

THE PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Rotundo.

Senator **ROTUNDO:** Thank you, Madame President, men and women of the Senate. I ask you to support the supplemental budget that is before you. This supplemental budget was unanimously voted out by the Appropriations Committee and is a fiscally responsible use of the surplus of \$150 million which the state projects. The budget adds \$29 million to the state's savings account, bringing the total amount in the Budget Stabilization Fund to over \$100 million. It keeps our promises to our local communities by finding an additional \$41.3 million for K-12 education, keeping us on track for 55% funding in just two more years. It provides another \$17 million for its settlement funds for our local hospitals, and with the federal match our hospitals will receive approximately \$45 million more. The budget also provides \$10.9 million for a Medicare Part D wrap, insuring that seniors who receive prescription drug benefits under the state's Drugs for the Elderly Program will not lose critical medications or have to pay more under their new Medicare Part D program. The budget provides continued healthcare coverage for adults living in

poverty. It also absorbs federal cuts to the Maine Emergency Management Agency and the Maine Drug Enforcement Agency.

There are things in this budget that some will like and some will dislike. There are many worthy things that some of us would like very much to see in this document that are not there. None of us got everything we would have liked, that is the nature of compromise. When all is said and done, however, this is a sound and responsible budget. I'm very proud of the Appropriations Committee for their courage and willingness to craft a unanimous budget and I want to publicly thank them for their hard work. I thank the good Senator from Aroostook, Senator Martin, who forcefully advocated for his beliefs until the very end of the process. I also want to thank the good Senator from York, Senator Nass, whose resolve to see this budget through made a unanimous report possible. There were several critical points in the committee's process when everyone could have walked away, but his willingness to stick with the process enabled us to succeed with crafting a budget that all could agree to.

I've been struck by comments that people outside the State House have made to me and other members of the Appropriations Committee since we closed this budget. People, upon numerous occasions, have expressed appreciation for a 2/3 budget. One woman said our work made her proud to live in the state of Maine. I happen to know that this woman didn't see everything she would have liked in the budget. The message that she and others were delivering, I believe, was an appreciation for seeing legislators work through their differences and work together to address issues that face the people of Maine. Their pride comes from knowing that we, in Maine, still have the capacity to work together on behalf of the people that we serve. I hope you will join us in supporting the motion on the floor. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from York, Senator Nass.

Senator **NASS:** Thank you, Madame President, men and women of the Senate. My comments derive separately but are very similar. She stole my thunder, but it wasn't very thunderous anyways. To comment about this supplemental budget, the one thing that strikes me about this, now that we are, hopefully, coming to the end, is that it is small. It's what a supplemental budget should be if our prior work was almost right. I think it was. This is significant. The other thing is that we didn't have a lot of extra money to spend. There weren't a lot of adjustments to be made. I think this is reflective of what we're talking about today.

Second, I think, to me, the demonstration of the burden of leadership is with us today. The Senator from Androscoggin, Senator Rotundo, handled that in a magnificent fashion. She is just so patient. I've come to believe and understand why patience is often talked about and occasionally demonstrated. She certainly did that this time.

I also was surprised, and I won't talk about the specifics because our caucuses have dealt with the specifics in great detail I think at this point, about the number of people, some members of this Body and members of the other Body and the public, that came up to me and said that they were thankful. That is not an experience that I have had even when we had a 2/3 budget before. My sense is that there was a pent up demand for agreement. People were thankful about that. I haven't heard much of that from home because I haven't been home much, but it is about here and the people in Augusta who had a working

knowledge of what was going on. I'm not accustomed to pent up demands for agreement here. It's not something we brag about or mark down much because we don't have much of it. The sense is that we've done an important thing. The other sense is that normally compromise is a pretty messy affair. By the time we're done, collectively, all of us are slightly resentful, we're angry about something, and we're a little cranky about the results. Probably all of those things are still here, but I just want to note that there was a great deal of what I would characterize as pent up demand to agree on something. We've done that and we present that to you today. I urge that you support this and move on to other more difficult problems. Thank you, Madame President.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Bromley.

Senator **BROMLEY:** Thank you, Madame President and colleagues in the Senate. I, too, want to congratulate the budget makers: the members of the Appropriations Committee; the good Senator from Androscoggin, Senator Rotundo; the Senator from York, Senator Nass; the good Senator from Aroostook, Senator Martin; also the leadership on both sides of the aisle; and the staff members who worked diligently into the night and beyond. I, too, am hearing positive remarks from people in my community about coming together to support a budget that 2/3 of us can support. What I am most interested and encouraged to think about is how we can carry this unity into the next session when many of us will be returning, because even though this is a budget that 2/3 of us can support, there are some really important things that we've left out. I think it's important for us to mark them and say them out loud because there are people out listening to this and watching us pass the budget. When they don't see themselves in it they are going to wonder if we noticed. I want them to know that we did.

Maine is now the oldest state demographically in the United States. The needs of our aging citizens are not going to diminish any time soon. There is incredible pressure, in terms of taxes and other burdens, on elders and others in our communities that aren't going to lessen dramatically any time soon. It's really important for us to ask the question, how are we going to grow our economy? How are going to keep paying for things that we need to, the services that we all need, as well as how are we going to invest in our future? There is a formula that many of us in the Business, Research, and Economic Development Committee have come to understand. We are sure that this is a formula for a robust economy. I want to share it with you here today, once again, and have us again hold this structure in our thoughts and minds for the next time we are together to build a budget. Often we are asked to think about running government like a business. What business doesn't invest in itself? What business that wants to grow doesn't invest? The things that we so need to be investing in are higher education, innovation, and a predictable and solid infrastructure to support our emerging businesses and the new economy. We need to support that. When we look closely at this budget, because we had to do what we had to do, some of those things are missing. I want to flag how important it's going to be for us to support higher education, how important it's going to be for us to support research and development and innovation because as we continue to lose some of the businesses of past we must replace them with the businesses of the future. To do that we have to invest in higher

education and we have to invest in innovation and research and development. There are certainly tax reform pieces that are critical to all of that as well.

I want to, again, applaud the work of the Appropriations Committee, our leadership on both sides of the aisle, and the staff members of the Executive and others that put this together. It was no small effort. I'd like to say this new, emerging partnership that we're forging here today by passing this budget, I assume, needs to be carried into the work ahead because we haven't even begun to do the really important work that we need to do to build the economy of Maine. I will be pleased and proud to have my colleagues on the other side of the aisle, as well as this side, join us in that work in the future. Thank you, Madame President.

THE PRESIDENT: The Chair recognizes the Senator from Washington, Senator Raye.

Senator **RAYE:** Thank you, Madame President, men and women of the Senate. I rise to voice my reluctant opposition to the supplemental budget. While I understand and greatly respect the work that went into it and the significance of reaching an agreement that produced a bi-partisan budget, I cannot vote for the package before us. Chief among the concerns that makes it impossible for me to vote for a package that is otherwise fiscally responsible and acceptable is the fact that it leaves out vital funding for the priorities established by the Governor's Washington County Economic Development Taskforce and it fails to adequately fund higher education.

I want to acknowledge my heartfelt gratitude to the members of this Body for their strong support last year for two bills that would have allowed Washington County to move ahead under our own steam, to develop our economy through the establishment of a racino. Sadly, the Chief Executive ended that endeavor with his two vetoes last year. I cannot begin to tell you what a bitter pill those two vetoes were for the people of Washington County. In response, the Governor, by Executive Order, created the Washington County Economic Development Taskforce, and he dispatched David Flanagan to Washington County as his personal representative. The suggestions of Mr. Flanagan and the efforts of the taskforce resulted in specific recommendations. Rather than ask for a plethora of funding for a wide array of programs, we chose to go the route of a honed down, targeted, and modest package. Regrettably, these priorities were not included in the budget proposal submitted by the Governor nor were they added by the Appropriations Committee. This omission, if not corrected in some fashion between now and the end of session, leaves the past seven months of good faith effort and hard work on that taskforce as nothing more than an empty exercise and the latest in a long line of disappointments for Washington County and essentially a message that our long-time status of bearing the state's highest rate of unemployment, lowest per capita income, and highest poverty rate is not a priority for the state. Even worse, not only is not a priority but it doesn't warrant a single penny of the \$1.3 million package to address the conditions I just noted. I can tell you that when the taskforce voted unanimously to support funding for the boat school at Eastport, the Downeast Heritage Center at Calais, the Downeast Institute for Applied Marine Research at Beals Island which has been funded every year since 1988 until now, the Sunrise County Economic Counsel, and the Incubator Without Walls Program, there was not one person at that table who would have predicted

that none of these priorities would be deemed worthy of funding in the end.

For those who opposed the racino effort, this unhappy history, repeated again here today, is precisely why you see efforts like the Washington County Racino arise. We receive a lot of sympathetic words about our chronic economic difficulties, and last year in this chamber some Senators rose to say we didn't need a racino and should pursue other means to improve our economy. Well, we did. Again, pardon the choice of words, no dice. Here again, as it has been year after year, we are not prioritized for the resources and commitment to overcome those challenges and lift our economy, so we are left to do what we can do for ourselves.

I had intended to submit an amendment to fund the taskforce's priorities, but in the last hours it became evident that the amendment had no chance of passage so it will not be. I'll continue to push for those priorities that the taskforce has established and that are so important to our economy. I recognize that it is an up hill struggle because there is precious little money left on the table. Likewise, we need support from the Governor and his leadership and using the power of his office to insure the efforts of his own taskforce are honored between now and the end of session, otherwise the taskforce will have been an empty gesture.

As for the \$29 million going into the State's Rainy Day Fund, I understand a key priority for the Governor; I do understand the value of being prepared for hard times that may lie ahead. As I said last week, we're talking about a Rainy Day Fund and it is already raining cats and dogs in Washington County. Make no mistake about it, as the result of a lot of hard work, there are some good things in this package. I applaud the committee and the leadership for working hard to reach agreement on a host of crucial issues. I'm pleased with what it does for roads and hospitals, evaluation related inequities in the EPS school funding formula, and in improving the State's response to red tide among other issues. I'm sorely disappointed in the omission of those key priorities for Washington County, but my concerns go beyond the impact in my district.

As I mentioned a few moments ago, another flaw that makes it impossible for me to support this budget is one that just referenced by the good Senator from Cumberland, Senator Bromley. That is its impact on higher education in Maine. I know that the Senator from Aroostook, Senator Martin, proposed an amendment for additional funding during the committee's consideration of the supplemental budget and I applaud him for that. As with the Washington County Taskforce recommendations, I had filed amendments to add \$2 million to address the shortfall in the Maine Community College System and \$2.5 million to address the unmet need in the University of Maine System because I believe we are doing a disservice to higher education in this state. However, again it is clear that there was no chance of their passage, so I will not engage in yet another empty exercise and I regret that it would have been an empty exercise. For the first time in the history of our state the University of Maine System will derive more income from tuition than from State appropriations in the coming year because we have diminished higher education as a priority here in Maine. I believe that is a serious error and we all rue the day when we went down this road, especially with all the talk about the brain drain and how vital education is to our long term economic health, competitiveness, and the like. Likewise, we should afford greater emphasis to the Community College System and life changing

promise that an education in the trades means for so many of our citizens. I believe they deserve better. While I applaud all the good work that went into this budget and all the good things that are in it, I wish I was able to join arms with my other colleagues, but I cannot and I will cast my vote against the budget for the reasons I've outlined. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Schneider.

Senator **SCHNEIDER:** Thank you, Madame President and colleagues in the Senate. First, I want to thank everybody who worked day and night on the supplemental budget. I think the people of Maine would be proud of everybody for their efforts if they knew how hard, in a bi-partisan, people worked to reach a compromise. In the spirit of collaboration, I will be supporting the budget because I believe it is what the people of Maine would wish me to do. Yes, I am very grateful for the compromise, yet I share the same concerns, in many respects, of my colleague from Washington County; concerns about the minimal amount of funds applied to higher education and specifically to the University of Maine System. The request was roughly \$15 million of which \$2.2 million was appropriated. That said, I have high hopes that this Body, in the future, will make the commitment to higher education. It is, indeed, the key to raising prosperity in this state. I believe we have seen a failure at the federal level to address this very paramount concern and I hope that in the future we here, in the state, will do everything we can to support higher education so we may prosper as a state. Thank you very much, Madame President.

THE PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Martin.

Senator **MARTIN:** Thank you, Madame President and members of the Senate. Let me begin by congratulating my colleagues who stood through some of my comments during the discussion on the budget. I am a firm believer that if you believe in a 2/3 process it's never going to be all one sided and it never really going to happen that way. There are some things that are there that, frankly, some of you know that I believe shouldn't be in there. I firmly believe that money for transportation doesn't belong in the General Fund portion of the budget. That's why I offered the amendment to deal with education as I did. That having failed, however, does not mean that we simply don't vote for a 2/3 budget because I think that the people of Maine, over the years that I've been involved, have always been in the premise that the 2/3 budget is where we ought to go and what we ought to have. I do think, however, that there are some things that were left undone. I'm also a firm believer that until the legislature adjourns there is always hope because, you see, money can always be found if people have the will to find that money. I'm not abandoning hope today for the university or community colleges or for Washington County or for other projects that would benefit the state. I think that the 35 of us in the room have a responsibility to do what we can to achieve the things that we believe should be in a final budget before we adjourn. If there is anyone in this room who has been here any more than one term who doesn't know the words supplemental budget then they have missed the process and I'll teach the course. I am pleased to vote for this budget, but not as a final end in itself. It is but a beginning, from my point of view. For those of you who feel the

way that I do, you have to have faith and we are all brought up by hope with a little bit of teaching about the faith we ought to have about the future. That's why I will be voting in favor of this budget today and I'd ask the Senator from Washington, Senator Raye, to join us.

THE PRESIDENT: The Chair recognizes the Senator from Hancock, Senator Damon.

Senator **DAMON:** Thank you, Madame President, ladies and gentlemen of the Senate. Practically all that should be said has been said in regard to the process and the budget. I will thank publicly all of those who spent the tremendous time that they did to arrive at the compromise that we are faced with today, that being the 2/3 budget. It's a difficult process, but I think as you think as well, that it is a necessary process. The people of the state of Maine look at us as the State Senate. They look at us as the State House. They look at us as the State Legislature. They don't look at us as the Democrats, the Republicans, the Greens, or the Independents. We are here representing them. That's what we've done with this budget.

I couldn't let the moment pass without echoing my concern for a particular area that I think has been omitted. Notwithstanding my good colleague from Aroostook, Senator Martin's, remarks that some money from the General Fund shouldn't be in the Transportation Budget. I understand where he is coming from and I also know why it should be there. That money, in of itself, is not enough and it's not substantial to fix out immediate crisis when it comes to our roads and bridges. I underline immediate because I can't tell you how much a problem we have facing us with our transportation infrastructure in the state of Maine. To try to put that on a par with healthcare issues, with education issues, with technology issues, research and development and our future economy, is very difficult. They are important but I can't raise one above the other. The solution, which was crafted by a group that was convened by the Governor; a bi-partisan group of legislators and stakeholders within our transportation needs, included, among other things, the money that we see presently before us today in the General Fund budget, \$15 million. It also included a like portion from the Transportation Budget of \$15.8 million and it included a borrowing component of roughly \$60 million. Our agreements and our work towards getting us to a 2/3 budget precluded that borrowing. I understand it, I appreciate it, I respect it, but I don't agree with it. Having said that and having the opportunity, perhaps, to see that the current crisis gets addressed before the long-term crisis gets solved, I rise in support of the work that we've done and the support of this budget.

Of the comments that have come before us today on this discussion, I really think none ring deeper in my heart than those of my colleague, the good Senator from Washington, Senator Raye, in talking about the needs of that particular area. As my sister county, a little bit to the east of me, I see that with a vision that perhaps is only surpassed by him. Though we are not able to approach that in this budget, I hold hope still that this issue, and the other issues that we have addressed today for the people of the state of Maine, will continue to have our scrutiny, will continue to have our determination, and will continue to be solved by this Body and our sister down the hall. Thank you, Madame President.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Brennan.

Senator **BRENNAN:** Thank you, Madame President, men and women of the Senate. I definitely would like to thank the Senators from Androscoggin, Senator Rotundo; Aroostook, Senator Martin; York, Senator Nass; Waldo, Senator Weston; Piscataquis, Senator Davis; Kennebec, Senator Gagnon; and the good Senate President for all the work that they did on this budget. Going through this process, one of the most difficult parts was seeing the Senator from Piscataquis, Senator Davis, at 3:00 in the morning. He definitely presents better at 10:00 in the morning than he does at 3:00 in the morning. If anything represented this 2/3 budget it was our ability to work together at 1:00, 2:00, and 3:00 in the morning. For that, I really want to say that I am very grateful and I think it is very important for the people of Maine.

By the very nature of the way the legislature is established and the way that we do things here, we tend to have green lights and red lights that say you win and you lose. In this budget, and this budget process when getting to a 2/3, there are not winners or losers. In fact, the people of the State of Maine are the ones that win in this process. A number of people have talked about the some of the things that have been left out, but there are also a number of things that are in this budget. Fiscal year 1991, 15 years ago, was the last time the state was 50% funding for K-12 education. With this budget, in 2006 we will be back to 50% funding for General Purpose Aide to Education for the first time since the early 1990's. We have been, for the last 15 years, at 43%, 44%, and sometimes even at 45%. In one biennium we have gone from the low to mid 40's up to 50% and have now paved the way in the next biennium to get to 55%. That is good news for all the communities in the state of Maine, not only because we have the opportunity to do more with property tax relief, but it also meets our obligation to continue to fund K-12 and have a quality education system in the state of Maine. There is another part of the budget that is a little bit more hidden because it didn't require big numbers, but I think it's an important part of the budget because it will really provide educational opportunities for our young people in Maine in all the ways people have talked about up to this point. There is almost \$1 million in the budget for early college initiatives that will allow students who are in high school to take advantage of taking courses at the university and at the community college as well as continuing a program with the community college system that is identifying students who may not be likely to go on to college but will have the opportunity to do that. There is also a small amount of money, do to an initiative that the Senator from Kennebec, Senator Mitchell, put forward, that will allow for people to get the remedial help that they need in order to attend the community college. Small amounts of money, but they are going to make a big difference in people's lives and a big difference for this state.

On healthcare, there has been a lot of confusion about Medicare Part D. A lot of confusion mixed with a lot of people being very worried that they may not have the medications to address the health problems that they might have. We can all go home now and be able to reassure our most vulnerable citizens that the prescription drugs that they need will be available to them because of this budget. That is a huge step forward and that is a positive step forward. It's a little bit jargony that we talk about people and it's unfortunate that we talk about people this way, as non-categoricals. In the Mainecare System we have a category

called non-categoricals. There are roughly 1,200 people in this state that receive health insurance through that category. These are the poorest people in the state of Maine. These are the people that are most vulnerable in the state of Maine. These are the people that traditionally and typically in the last 50 years have had the least access to healthcare in the state of Maine. Those 1,200 people have been protected in this budget. The most vulnerable and the people that have had the least access to healthcare are still taken care of in this budget. We simultaneously were able to assist senior citizens through prescription drugs and at the same time protect thousands of people that traditionally did not have access to healthcare.

Lastly, we made savings in this budget. The Rainy Day Fund has been increased to \$100 million. That is significant because only three years ago, or two years ago, it was at zero. To go from zero to \$100 million in our Rainy Day Fund or Budget Stabilization Fund in order to protect us against future economic disruptions and also allow us to make some decisions about how we move forward in the future to address bonding and address some of our indebtedness is a very positive direction for us to move in.

This budget, and several people have already said this, is not an end point. It is, in fact, a starting point. It's a starting point because we have 2/3, because we've worked together, and it's a starting point for us to be able to move forward, addressing the needs of Maine's people, looking at higher education, looking at research and development, and looking at healthcare. I want to commend again all the people that were involved in this process, and again, I know that some people might look as this as winners and losers, but it's not. The people of Maine have won and this is an excellent starting point for us to be able to move forward. Thank you.

On further motion by same Senator, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The Chair recognizes the Senator from Piscataquis, Senator Davis.

Senator **DAVIS:** Thank you, Madame President. A few moments ago I called my good friend from Cumberland, Senator Brennan. Although we're four feet apart, we occasionally call each other on the telephone. I told him that I didn't think there was any need for either of us to get up, that we had said enough and perhaps what wasn't said didn't need to be said anyways. However, my good friend chose to ignore me, which isn't an uncommon occurrence. He rose, so I feel I must too.

I, too, would like to congratulate everyone that was involved in this. To say the very least, it was a long weekend. If my good friend from Cumberland thought I looked bad at 3:00 in the morning in the year 2006 perhaps the year 1986 at 3:00 in the morning, when I had a nightstick and handcuffs in my hand, perhaps I would have looked a bit worse to him. Maybe he wouldn't stand up afterwards.

I have listened carefully over the years to the good Senator from Aroostook, Senator Martin, on different things and you learn from those who have been there before. He's been there before us all numerous times. I've heard him talk about 2/3 budgets. I think that he's right about 2/3 budgets because 2/3 budgets means, hopefully, most of Maine is involved and most of the concerns of Maine are involved in the formulating of the budget. He told me one day that if you don't have a 2/3 budget then you

empower the fringe, so to speak. Those that never get enough money, should one group be in control, or those that it's always too much are the ones that carry the day. I think that the Senator from Aroostook, Senator Martin, is certainly correct about a 2/3 budget.

I've heard a number of people stand today and say that it doesn't have this or it doesn't have that. It certainly doesn't have this and that. While I certainly don't downplay my friend from Washington, Senator Raye's concerns about his county, I represent a very poor county. Piscataquis County is vastly rural. I have one town that has a dirt road going through it. Both parties have had control in the 60 years that the road has been there. I got half a mile of the road paved three or four years ago, but only then to hold the shoulders on the curve so they wouldn't have to come back every spring. It's our own fault. We have made priorities of a lot of things.

If a few weeks ago someone had told me that we're going to have a 2/3 budget, given that this is an election year and given that we have 20 or 30 people running for Governor and given that every seat in the legislature has been covered by somebody on both sides and the third side too, I would have said, 'No, I don't think so, I doubt it very much.' I was wrong and I'm glad I am. As I said earlier, the weekend was long. There were numerous times when I thought everything was going to fall all apart. I remember going to your office, Madame President, and telling you where I felt we should meet the next time and you agreed. Things kind of came back together after that and here we are. We have a 2/3 budget. I think it's good. I think it shows that we can work together and put Maine first. I think we did. There is disappointment and there is joy in this budget, but that is compromise. That's democracy and that's our government working. I would urge all of my colleagues, each and every one, to vote for this and move on. Thank you very much, Madame President.

THE PRESIDENT: The pending question before the Senate is Enactment. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#347)

YEAS: Senators: ANDREWS, BARTLETT, BRENNAN, BROMLEY, BRYANT, CLUKEY, COURTNEY, COWGER, DAMON, DAVIS, DIAMOND, DOW, GAGNON, HASTINGS, HOBBS, MARTIN, MAYO, MILLS, MITCHELL, NASS, NUTTING, PERRY, PLOWMAN, ROSEN, ROTUNDO, SAVAGE, SCHNEIDER, SNOWE-MELLO, STRIMLING, SULLIVAN, TURNER, WESTON, WOODCOCK, THE PRESIDENT - BETH G. EDMONDS

NAYS: Senator: RAYE

This being an Emergency Measure and having received the affirmative vote of 34 Members of the Senate, with 1 Senator having voted in the negative, and 34 being more than two-thirds of the entire elected Membership of the Senate, was **PASSED TO BE ENACTED** and having been signed by the President, was presented by the Secretary to the Governor for his approval.

Out of order and under suspension of the Rules, the Senate considered the following:

COMMUNICATIONS

The Following Communication: S.C. 573

**122ND LEGISLATURE
OFFICE OF THE PRESIDENT
AUGUSTA, MAINE 04333**

March 29, 2006

Joy J. O'Brien
Secretary of the Senate
3 State House Station
Augusta, ME 04333
Dear Secretary O'Brien,

Please be advised that I have appointed to the Committee of Conference on the disagreeing action between the two branches of the Legislature on Bill "An Act Making Improvements to the Laws Regarding Local Land Use Ordinances" (H.P. 1080) (L.D. 1535) the following conferees on the part of the Senate:

Senator Cowger of Kennebec County
Senator Martin of Aroostook County
Senator Snowe-Mello of Androscoggin County

Sincerely,

S/Beth Edmonds
President of the Senate

READ and ORDERED PLACED ON FILE.

Senator **WESTON** of Waldo was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

On motion by Senator **BRENNAN** of Cumberland, **ADJOURNED**, until Thursday, March 30, 2006, at 10:00 in the morning, in memory of and lasting tribute to Peter J. Wiley of Portland.