

124th Legislature LD 353 HP0274

Appropriations And Financial Affairs

Original Title: An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011. **New Title:** An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011. **Presented by** Representative CAIN of Orono. **Public Hearings** 02/12/09, 02/17/09, 02/18/09, 02/19/09, 02/19/09, 02/23/09, 02/24/09, 02/25/09, 02/26/09, 02/27/09, 02/27/09, 03/03/09, 03/03/09, 03/04/09, 03/04/09, 03/04/09, 03/05/09, 03/06/09, 05/14/09, 05/18/09. OTP-AM Accepted 05/27/09. **Amended by:** CA (Changed Title) H-350, HE/CA H-408. **Final Disposition:** Emergency Enacted, Signed 05/28/09, PUBLIC LAWS, Chapter 213.

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

FIRST REGULAR SESSION
December 3, 2008 to June 13, 2009

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 12, 2009

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2009

19. **Certain incorporated nonprofit educational organizations.** Sales to incorporated nonprofit educational organizations that are receiving, or have received, funding from the Department of Education and that provide educational programs specifically designed for teaching young people how to make decisions about drugs, alcohol and interpersonal relationships at a residential youth camp setting;

Sec. B-33. Maine Revised Statutes headnote amended; revision clause. In the Maine Revised Statutes, Title 12, chapter 927, in the chapter headnote, the words "guides and trip leaders" are amended to read "guides and youth camp trip leaders" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

See title page for effective date.

CHAPTER 212

S.P. 422 - L.D. 1131

**An Act To Clarify the Law
Regarding the Passing of
School Buses by Bicyclists**

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

Sec. 1. 29-A MRSA §2063, sub-§9 is enacted to read:

9. **Passing a school bus.** A person operating a bicycle on a way, in a parking area or on school property, on meeting or overtaking a school bus from either direction when the bus has stopped with its red lights flashing to receive or discharge passengers, shall stop the bicycle before reaching the school bus. The person may not proceed until the school bus resumes motion or until signaled by the school bus operator to proceed.

The operator of a bicycle on a way separated by curbing or other physical barrier need not stop on meeting or passing a school bus traveling in a lane separated by the barrier from the lane in which that person is traveling.

See title page for effective date.

CHAPTER 213

H.P. 274 - L.D. 353

**An Act Making Unified
Appropriations and Allocations
for the Expenditures of State
Government, General Fund
and Other Funds, and
Changing Certain Provisions of
the Law Necessary to the
Proper Operations of State
Government for the Fiscal
Years Ending June 30, 2009,
June 30, 2010 and June 30,
2011**

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 and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

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

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

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

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

PART A

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

**ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF**

Accident - Sickness - Health Insurance 0455

Initiative: BASELINE BUDGET

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF			FUND FOR A HEALTHY MAINE	\$14,073	\$14,240
OTHER SPECIAL REVENUE FUNDS			OTHER SPECIAL REVENUE FUNDS	\$163,647	\$166,690
DEPARTMENT TOTALS	2009-10	2010-11	CONSOLIDATED EMERGENCY COMMUNICATIONS FUND	\$1,949,971	\$769,978
OTHER SPECIAL REVENUE FUNDS	\$5,271	\$7,771			
<hr/>			<hr/>		
DEPARTMENT TOTAL - ALL FUNDS	\$5,271	\$7,771	DEPARTMENT TOTAL - ALL FUNDS	\$2,127,691	\$950,908

PUBLIC SAFETY, DEPARTMENT OF
Consolidated Emergency Communications Z021

Initiative: RECLASSIFICATIONS

CONSOLIDATED EMERGENCY COMMUNICATIONS FUND	2009-10	2010-11
Personal Services	\$1,903,133	\$758,202
All Other	\$46,838	\$11,776
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CONSOLIDATED EMERGENCY COMMUNICATIONS FUND TOTAL	\$1,949,971	\$769,978

FHM - Fire Marshal 0964

Initiative: RECLASSIFICATIONS

FUND FOR A HEALTHY MAINE	2009-10	2010-11
Personal Services	\$14,073	\$14,240
<hr/>		
FUND FOR A HEALTHY MAINE TOTAL	\$14,073	\$14,240

Fire Marshal - Office of 0327

Initiative: RECLASSIFICATIONS

OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
Personal Services	\$163,647	\$166,690
<hr/>		
OTHER SPECIAL REVENUE FUNDS TOTAL	\$163,647	\$166,690

PUBLIC SAFETY, DEPARTMENT OF		
DEPARTMENT TOTALS	2009-10	2010-11

SECTION TOTALS	2009-10	2010-11
GENERAL FUND	\$0	\$0
FEDERAL EXPENDITURES FUND	\$47,588	\$45,205
FUND FOR A HEALTHY MAINE	\$14,073	\$14,240
OTHER SPECIAL REVENUE FUNDS	\$251,978	\$261,578
FEDERAL BLOCK GRANT FUND	\$60,791	\$15,725
FINANCIAL AND PERSONNEL SERVICES FUND	\$60,274	\$61,388
OFFICE OF INFORMATION SERVICES FUND	\$227,628	\$252,183
CONSOLIDATED EMERGENCY COMMUNICATIONS FUND	\$1,949,971	\$769,978
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND	\$0	\$0
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SECTION TOTAL - ALL FUNDS	\$2,612,303	\$1,420,297

PART C

Sec. C-1. 20-A MRSA §5401, sub-§3-A is enacted to read:

3-A. Waiver for transportation of public pre-school students. The commissioner shall waive the requirement for school administrative units to provide transportation for public preschool students.

Sec. C-2. 20-A MRSA §5806, sub-§2, as amended by PL 2007, c. 539, Pt. C, §2, is further amended to read:

2. Maximum allowable tuition. The maximum allowable tuition charged to a school administrative unit by a private school is the rate established under subsection 1 or the state average per public secondary student cost as adjusted, whichever is lower, plus an insured value factor. The insured value factor is computed by dividing 5% of the insured value of school buildings and equipment by the average number of pupils enrolled in the school on October 1st and April 1st of the year immediately before the school year for which the tuition charge is computed. ~~It may not exceed 10% of a school's legal tuition rate per student in any one year.~~ For the 2008-09 school year only, a school administrative unit is not required to pay an insured value factor greater than 5% of the school's tuition rate per student, unless the legislative body of the school administrative unit votes to authorize its school board to pay a higher insured value factor that is no greater than 10% of the school's tuition rate per student. Beginning in school year 2009-10, a school administrative unit is not required to pay an insured value factor greater than 5% of the school's tuition rate or \$500 per student, whichever is less, unless the legislative body of the school administrative unit votes to authorize its school board to pay a higher insured value factor that is no greater than 10% of the school's tuition rate per student.

Sec. C-3. 20-A MRSA §15671, sub-§7, ¶A, as amended by PL 2007, c. 539, Pt. C, §3, is further amended to read:

A. The base total calculated pursuant to section 15683, subsection 2 is subject to the following annual targets.

- (1) For fiscal year 2005-06, the target is 84%.
- (2) For fiscal year 2006-07, the target is 90%.
- (3) For fiscal year 2007-08, the target is 95%.
- (4) For fiscal year 2008-09, the target is 97%.
- (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~100%~~ 97%.
- (6) For fiscal year 2010-11 and succeeding years, the target is 100%.

Sec. C-4. 20-A MRSA §15671, sub-§7, ¶B, as amended by PL 2007, c. 539, Pt. C, §4, is further amended to read:

B. The annual targets for the state share percentage of the statewide adjusted total cost of the components of essential programs and services are as follows.

- (1) For fiscal year 2005-06, the target is 52.6%.

(2) For fiscal year 2006-07, the target is 53.86%.

(3) For fiscal year 2007-08, the target is 53.51%.

(4) For fiscal year 2008-09, the target is ~~54.01%~~ 52.52%.

(5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~55%~~ 50.95%.

(6) For fiscal year 2010-11 and succeeding years, the target is 55%.

Sec. C-5. 20-A MRSA §15671-A, sub-§2, ¶B, as amended by PL 2007, c. 668, §34, is further amended to read:

B. For property tax years beginning on or after April 1, 2005, the commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must decline over the period from fiscal year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation. Full-value education mill rates must be derived according to the following schedule.

(1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.

(2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.

(3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 45.56% statewide total local share in fiscal year 2007-08.

(4) For the 2008 property tax year, the full-value education mill rate is the amount necessary to result in a 45.99% statewide total local share in fiscal year 2008-09.

(4-A) For the 2009 property tax year ~~and subsequent tax years~~, the full-value education mill rate is the amount necessary to result in a ~~45.0%~~ 49.05% statewide total local share in fiscal year 2009-10 ~~and after~~.

(4-B) For the 2010 property tax year and subsequent tax years, the full-value education

mill rate is the amount necessary to result in a 45.0% statewide total local share in fiscal year 2010-11 and after.

Sec. C-6. 20-A MRSA §15682, as amended by PL 2005, c. 519, Pt. AAAA, §9, 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 for labor market areas ~~in the State in which the school administrative unit is located~~, as computed by a state-wide 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.

Sec. C-7. 20-A MRSA §15683-A, as amended by PL 2007, c. 539, Pt. C, §9, is further amended to read:

§15683-A. Total debt service allocation

For each school administrative unit, that unit's total debt service allocation is that unit's debt service costs as defined in section 15672, subsection 2-A. For the 2008-09 and 2009-10 funding year years only, for each school administrative unit, that unit's total debt service allocation is that unit's debt service costs as defined in section 15672, subsection 2-A excluding 80% of the insured value factor pursuant to section 15672, subsection 2-A, paragraph C. For the 2010-11 funding year only, each school administrative unit's total debt service allocation must include the portion of the tuition cost applicable to the insured value factor for the base year computed under section 5806 limited to an insured value factor no greater than 5% for each eligible student.

Sec. C-8. 20-A MRSA §15689, sub-§1, ¶B, as amended by PL 2007, c. 539, Pt. C, §10, is further amended to read:

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, 84%;
- (4) In fiscal year 2008-09, ~~50%~~ 45%; and
- (5) In fiscal year 2009-10 ~~and succeeding years, 84%.~~ 45%; and

(6) In fiscal year 2010-11 and succeeding years, 84%.

Sec. C-9. 20-A MRSA §15689, sub-§10 is enacted to read:

10. Innovative school construction project adjustment. For any fiscal year, if the appropriation for the state share of debt service exceeds the annual payments, the commissioner may expend and disburse the balance of funds to carry out the purposes of innovative school construction.

Sec. C-10. 20-A MRSA §15689-A, sub-§10, as amended by PL 2007, c. 539, Pt. W, §1, is further amended to read:

10. Data management and support services for essential programs and services. The commissioner may pay costs attributed to system maintenance and staff support consisting of 11 positions that provide professional and administrative support to general purpose aid for local schools necessary to implement the requirements of the Essential Programs and Services Funding Act. A transfer of All Other funds from the General Purpose Aid for Local Schools account to Personal Services in the Management Information Systems account for 11 positions that provide professional and administrative support to general purpose aid for local schools in the department's management information systems program may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

Sec. C-11. 20-A MRSA §15689-A, sub-§12-A, as amended by PL 2007, c. 539, Pt. C, §11, is further amended to read:

12-A. Learning through technology. The commissioner may pay costs attributed to staff support consisting of one Education Team and Policy Director position, 2 Education Specialist III positions, one Planning and Research Associate I position, one Director of Special Projects position and 2 Education Specialist II positions and system maintenance for a program that promotes learning through technology. A transfer of All Other funds from the General Purpose Aid for Local Schools account to ~~Personal Services and the All Other line categories category~~ in the Learning Through Technology General Fund nonlapsing account sufficient to support the ~~Personal Services and All Other costs of one Education Team and Policy Director position, 2 Education Specialist III positions, one Planning and Research Associate I position, one Director of Special Projects position, one Education Specialist II position, the General Fund share of one Education Specialist II position~~ and the agreement that provides one-to-one wireless computers for 7th grade, 8th grade and high school students and educators may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

Sec. C-12. 20-A MRSA §15689-A, sub-§16, as enacted by PL 2007, c. 539, Pt. C, §12, is amended to read:

16. Transportation administration. The commissioner may pay costs attributed to staff support one Education Specialist III position and system maintenance necessary to implement the transportation requirements of this chapter and chapter 215. ~~A transfer of All Other funds from the General Purpose Aid for Local Schools account to Personal Services and All Other line categories in the Support Systems General Fund account sufficient to support the Personal Services and All Other costs of one Education Specialist III position may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.~~

Sec. C-13. 20-A MRSA §15689-A, sub-§18, as reallocated by RR 2007, c. 2, §6, is amended to read:

18. Coordination of services for juvenile offenders. The commissioner may pay certain costs attributed to staff support consisting of 2 Education Specialist II positions and 2 Office Associate II positions and associated operating costs for providing coordination of education, treatment and other services for juvenile offenders at youth development centers in Charleston and South Portland. A transfer of All Other funds from the General Purpose Aid for Local Schools account to the Personal Services and All Other line categories category in the Learning Systems Special Services Team program General Fund account within the Department of Education sufficient to support 2 Education Specialist II positions and 2 Office Associate II positions ~~the All Other costs in this subsection~~ may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

Sec. C-14. 20-A MRSA §15689-A, sub-§19 is enacted to read:

19. Miscellaneous costs limitations. The amounts of the miscellaneous costs pursuant to this section are limited to the amounts appropriated by the Legislature for these costs.

Sec. C-15. 20-A MRSA §15689-B, sub-§6, as enacted by PL 2005, c. 2, Pt. D, §61 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

6. Balance of allocations. Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances in excess of 3% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy. School boards may carry

forward unallocated balances in excess of 3% of the previous year's school budget and disburse these funds in the next year or over a period not to exceed 3 years. For fiscal years 2008-09, 2009-10 and 2010-11 only, school administrative units may not be limited to 3% of the previous fiscal year's school budget.

Sec. C-16. 20-A MRSA §15690, sub-§1, as amended by PL 2007, c. 240, Pt. XXXX, §31 and amended by, c. 539, Pt. C, §15, is further amended to read:

1. School administrative unit contribution to total cost of funding public education from kindergarten to grade 12. The legislative body of each school administrative unit may vote to raise and appropriate an amount up to its required contribution to the total cost of education as described in section 15688, except that funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to a school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose aid as determined under this chapter must be used to lower the school administrative unit's required contribution to the total cost of education.

A. For a municipal school unit, an article in substantially the following form must be used when a single municipal school administrative unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article.....: To see what sum the municipality will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (Recommend \$.....) and to see what sum the municipality will raise as the municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688. (Recommend \$.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars."

B. For a school administrative district, a community school district or a regional school unit, an ar-

ticle in substantially the following form must be used when the school administrative district, community school district or regional school unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article: To see what sum the district will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the district will raise and assess as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth below):

Total Appropriated (by municipality):	Total raised (district assessments by municipality):
Town A (\$amount)	Town A (\$amount)
Town B (\$amount)	Town B (\$amount)
Town C (\$amount)	Town C (\$amount)
School District	School District
Total Appropriated (\$sum of above)	Total Raised (\$sum of above)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the district must raise and assess in order to receive the full amount of state dollars."

C. The state share of the total cost of funding public education from kindergarten to grade 12 as described in section 15688, excluding state-funded debt service for each school administrative unit, is limited to the same proportion as the local school administrative unit raises of its required contribution to the total cost of education as described in section 15688, excluding state-funded debt service costs. For school administrative units that annually demonstrate savings by purchasing supplies using an electronic bidding forum, the commissioner may suspend all or a portion of any adjustment to the unit's state contribution pursuant to this paragraph.

Sec. C-17. Mill expectation. The mill expectation pursuant to the Maine Revised Statutes, Title 20-A, section 15671-A for fiscal year 2009-10 is 6.73

and must be lowered to 6.37 as a result of funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to school administrative units in fiscal year 2009-10.

Sec. C-18. 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 2009-10 is as follows:

	2009-10 TOTAL
Total Operating Allocation	
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 without transitions percentage	\$1,355,336,908
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 with 97% transitions percentage	\$1,314,676,801
Total other subsidizable costs pursuant to the Maine Revised Statutes, Title 20-A, section 15681-A	\$393,441,473
Total Operating Allocation	<hr/>
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$1,708,118,274
Total Debt Service Allocation	
Total debt service allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683-A	\$99,167,267
Total Adjustments and Miscellaneous Costs	
Total adjustments and miscellaneous costs pursuant to the Maine Revised Statutes, Title 20-A, section 15689 and 15689-A	\$74,860,695
Total Cost of Funding Public Education from Kindergarten to Grade 12	<hr/>

Total cost of funding public education from kindergarten to grade 12 for fiscal year 2009-10 pursuant to the Maine Revised Statutes, Title 20-A, chapter 606-B \$1,882,146,236

Sec. C-19. Local and state contributions to total cost of funding public education from kindergarten to grade 12. The local contribution and the state contribution appropriation provided for general purpose aid for local schools for the fiscal year beginning July 1, 2009 and ending June 30, 2010 is calculated as follows:

	2009-10	2009-10
	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	\$923,174,744	\$958,971,492
Portion to be paid from Federal IDEA balance		(\$11,600,000)
Adjusted state contribution		\$947,371,492

Sec. C-20. Limit of State's obligation. If the State's continued obligation for any individual component contained in sections 18 and 19 of this Part exceeds the level of funding provided for that component, any unexpended balances occurring in other programs may be applied to avoid proration of payments for any individual component. Any unexpended balances from this Part may not lapse but must be carried forward for the same purpose.

Sec. C-21. Authorization of payments. Sections 18 and 19 of this Part may not be construed to require the State to provide payments that exceed the appropriation of funds for general purpose aid for local schools for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

Sec. C-22. Carrying balance; Management Information Systems program, General Fund account. Notwithstanding any other provision of law, any balance remaining from the \$3,500,000 appropriation in fiscal year 2007-08 to the Department of Education's Management Information Systems program, General Fund account in Public Law 2007, chapter 240, Part A, section 22 to provide statewide support for certain operational efficiencies, such as

GIS routing software and consolidated payroll and accounting systems, associated with school consolidation that carried forward to fiscal year 2008-09 pursuant to Public Law 2007, chapter 539, Part NN, section 1 does not lapse but must carry forward to June 30, 2011 to be used for the same purpose.

PART D

Sec. D-1. 20-A MRSA §253, sub-§6, as amended by PL 1985, c. 785, Pt. A, §78, is further amended to read:

6. Agricultural education consultant. The commissioner shall appoint, subject to the Civil Service Law, an Education Specialist III or higher or agricultural education consultant to be responsible for supervision of agricultural technical education, including agribusiness and agriculture's relation to the environment.

Sec. D-2. Rename Preschool Handicapped program. Notwithstanding any other provision of law, the Preschool Handicapped program within the Department of Education is renamed the Child Development Services program.

PART E

Sec. E-1. 36 MRSA §4062, sub-§1-A, ¶A, as repealed and replaced by PL 2005, c. 12, Pt. N, §1 and affected by §4, is amended to read:

A. For the estates of decedents dying after December 31, 2002, "federal credit" means the maximum credit against the tax on the federal taxable estate for state death taxes determined under the Code, Section 2011 as of December 31, 2002 exclusive of the reduction of the maximum credit contained in the Code, Section 2011(b)(2); the period of limitations under the Code, Section 2011(c); and the termination provision contained in the Code, Section 2011(f). ~~The federal taxable estate is to be determined using the applicable Code as of the date of the decedent's death, except that: The state death tax deduction contained in the Code, Section 2058 must be disregarded. The unified credit must be determined under the Code, Section 2010 as of December 31, 2000. The termination provision contained in the Code, Section 2210 must be disregarded. Notwithstanding any other provision of this Title to the contrary, the tax determined by this chapter for estates of decedents dying after December 31, 2009 must be determined in accordance with the law applicable to decedents dying during calendar year 2009; and~~

- (1) ~~The state death tax deduction contained in the Code, Section 2058 is to be disregarded;~~
- (2) ~~The unified credit is to be determined under the Code, Section 2010 as of December 31, 2000;~~

Enacted with amendments H-350 and H-408 as P.L. 09, c. 213.
Amendment H-408 was not relevant.



124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document No. 353
H.P. 274 House of Representatives, February 5, 2009

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011

(EMERGENCY)

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative CAIN of Orono. (GOVERNOR'S BILL)
Cosponsored by Senator DIAMOND of Cumberland and
Representatives: CONNOR of Kennebunk, FLOOD of Winthrop, MARTIN of Eagle Lake,
MILLER of Somerville, MILLETT of Waterford, NUTTING of Oakland, ROBINSON of
Raymond, ROTUNDO of Lewiston, WEBSTER of Freeport, Senators: CRAVEN of
Androscoggin, ROSEN of Hancock.

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

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

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

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

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

12 **PART A**

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

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

16 **Accident - Sickness - Health Insurance 0455**

17 Initiative: BASELINE BUDGET

18
19 **GENERAL FUND** **2009-10** **2010-11**
20 All Other \$810,393 \$810,393
21
22 **GENERAL FUND TOTAL** **\$810,393** **\$810,393**

23 **RETIREE HEALTH INSURANCE FUND** **2009-10** **2010-11**
24 All Other \$48,400,235 \$48,400,235
25
26 **RETIREE HEALTH INSURANCE FUND TOTAL** **\$48,400,235** **\$48,400,235**

27 **ACCIDENT, SICKNESS AND HEALTH** **2009-10** **2010-11**
28 **INSURANCE INTERNAL SERVICE FUND**
29 **POSITIONS - LEGISLATIVE COUNT** 14,000 14,000
30 Personal Services \$970,990 \$996,153
31 All Other \$953,473 \$953,473
32

33 **ACCIDENT, SICKNESS AND HEALTH** **\$1,924,463** **\$1,949,626**
34 **INSURANCE INTERNAL SERVICE FUND TOTAL**

1	Initiative: RECLASSIFICATIONS		
2			
3	OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
4	Personal Services	\$5,104	\$7,603
5	All Other	\$167	\$168
6			
7	OTHER SPECIAL REVENUE FUNDS TOTAL	\$5,271	\$7,771
8			
9	PROFESSIONAL AND FINANCIAL		
10	REGULATION, DEPARTMENT OF		
11	DEPARTMENT TOTALS	2009-10	2010-11
12	OTHER SPECIAL REVENUE FUNDS	\$5,271	\$7,771
13			
14	DEPARTMENT TOTAL - ALL FUNDS	\$5,271	\$7,771
15	PUBLIC SAFETY, DEPARTMENT OF		
16	Consolidated Emergency Communications Z021		
17	Initiative: RECLASSIFICATIONS		
18			
19	CONSOLIDATED EMERGENCY	2009-10	2010-11
20	COMMUNICATIONS FUND		
21	Personal Services	\$1,903,133	\$758,202
22	All Other	\$46,838	\$11,776
23			
24	CONSOLIDATED EMERGENCY	\$1,949,971	\$769,978
25	COMMUNICATIONS FUND TOTAL		
26	FHM - Fire Marshal 0964		
27	Initiative: RECLASSIFICATIONS		
28			
29	FUND FOR A HEALTHY MAINE	2009-10	2010-11
30	Personal Services	\$14,073	\$14,240
31			
32	FUND FOR A HEALTHY MAINE TOTAL	\$14,073	\$14,240
33	Fire Marshal - Office of 0327		
34	Initiative: RECLASSIFICATIONS		
35			

1	OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
2	Personal Services	\$163,647	\$166,690
3			
4	OTHER SPECIAL REVENUE FUNDS TOTAL	\$163,647	\$166,690
5			
6	PUBLIC SAFETY, DEPARTMENT OF		
7	DEPARTMENT TOTALS	2009-10	2010-11
8	FUND FOR A HEALTHY MAINE	\$14,073	\$14,240
9	OTHER SPECIAL REVENUE FUNDS	\$163,647	\$166,690
10	CONSOLIDATED EMERGENCY	\$1,949,971	\$769,978
11	COMMUNICATIONS FUND		
12			
13	DEPARTMENT TOTAL - ALL FUNDS	\$2,127,691	\$950,908
14			
15	SECTION TOTALS	2009-10	2010-11
16	GENERAL FUND	\$0	\$0
17	FEDERAL EXPENDITURES FUND	\$47,588	\$45,205
18	FUND FOR A HEALTHY MAINE	\$14,073	\$14,240
19	OTHER SPECIAL REVENUE FUNDS	\$246,132	\$255,208
20	FINANCIAL AND PERSONNEL SERVICES	\$60,274	\$61,388
21	FUND		
22	OFFICE OF INFORMATION SERVICES FUND	\$227,628	\$252,183
23	CONSOLIDATED EMERGENCY	\$1,949,971	\$769,978
24	COMMUNICATIONS FUND		
25	FIREFIGHTERS AND LAW ENFORCEMENT	\$0	\$0
26	OFFICERS HEALTH INSURANCE PROGRAM		
27	FUND		
28			
29	SECTION TOTAL - ALL FUNDS	\$2,545,666	\$1,398,202

PART C

Sec. C-1. 20-A MRSA §5401, sub-§3-A is enacted to read:

3-A. Waiver for transportation of public preschool students. The commissioner may waive the requirement for school administrative units to provide transportation for public preschool students.

Sec. C-2. 20-A MRSA §5806, sub-§2, as amended by PL 2007, c. 539, Pt. C, §2, is further amended to read:

1 2. **Maximum allowable tuition.** The maximum allowable tuition charged to a
2 school administrative unit by a private school is the rate established under subsection 1 or
3 the state average per public secondary student cost as adjusted, whichever is lower, plus
4 an insured value factor. The insured value factor is computed by dividing 5% of the
5 insured value of school buildings and equipment by the average number of pupils
6 enrolled in the school on October 1st and April 1st of the year immediately before the
7 school year for which the tuition charge is computed. It may not exceed 10% of a
8 school's legal tuition rate per student in any one year. For the 2008-09 and 2009-10
9 school year years only, a school administrative unit is not required to pay an insured
10 value factor greater than 5% of the school's tuition rate per student, unless the legislative
11 body of the school administrative unit votes to authorize its school board to pay a higher
12 insured value factor that is no greater than 10% of the school's tuition rate per student.

13 **Sec. C-3. 20-A MRSA §15671, sub-§7, ¶A,** as amended by PL 2007, c. 539, Pt.
14 C, §3, is further amended to read:

15 A. The base total calculated pursuant to section 15683, subsection 2 is subject to the
16 following annual targets.

- 17 (1) For fiscal year 2005-06, the target is 84%.
- 18 (2) For fiscal year 2006-07, the target is 90%.
- 19 (3) For fiscal year 2007-08, the target is 95%.
- 20 (4) For fiscal year 2008-09, the target is 97%.
- 21 (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~100%~~ 97%.
- 22 (6) For fiscal year 2010-11 ~~and succeeding years~~, the target is 100%.

23 **Sec. C-4. 20-A MRSA §15671, sub-§7, ¶B,** as amended by PL 2007, c. 539, Pt.
24 C, §4, is further amended to read:

25 B. The annual targets for the state share percentage of the statewide adjusted total
26 cost of the components of essential programs and services are as follows.

- 27 (1) For fiscal year 2005-06, the target is 52.6%.
- 28 (2) For fiscal year 2006-07, the target is 53.86%.
- 29 (3) For fiscal year 2007-08, the target is 53.51%.
- 30 (4) For fiscal year 2008-09, the target is ~~54.01%~~ 52.52%.
- 31 (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~55%~~ 51.01%.
- 32 (6) For fiscal year 2010-11 ~~and succeeding years~~, the target is 55%.

33 **Sec. C-5. 20-A MRSA §15671-A, sub-§2, ¶B,** as amended by PL 2007, c. 668,
34 §34, is further amended to read:

35 B. For property tax years beginning on or after April 1, 2005, the commissioner shall
36 calculate the full-value education mill rate that is required to raise the statewide total
37 local share. The full-value education mill rate is calculated for each fiscal year by
38 dividing the applicable statewide total local share by the applicable statewide

1 valuation. The full-value education mill rate must decline over the period from fiscal
2 year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-
3 06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill
4 rate must be applied according to section 15688, subsection 3-A, paragraph A to
5 determine a municipality's local cost share expectation. Full-value education mill
6 rates must be derived according to the following schedule.

7 (1) For the 2005 property tax year, the full-value education mill rate is the
8 amount necessary to result in a 47.4% statewide total local share in fiscal year
9 2005-06.

10 (2) For the 2006 property tax year, the full-value education mill rate is the
11 amount necessary to result in a 46.14% statewide total local share in fiscal year
12 2006-07.

13 (3) For the 2007 property tax year, the full-value education mill rate is the
14 amount necessary to result in a 45.56% statewide total local share in fiscal year
15 2007-08.

16 (4) For the 2008 property tax year, the full-value education mill rate is the
17 amount necessary to result in a 45.99% statewide total local share in fiscal year
18 2008-09.

19 (4-A) For the 2009 property tax year ~~and subsequent tax years~~, the full-value
20 education mill rate is the amount necessary to result in a ~~45.0%~~ 48.99% statewide
21 total local share in fiscal year 2009-10 ~~and after~~.

22 (4-B) For the 2010 property tax year and subsequent tax years, the full-value
23 education mill rate is the amount necessary to result in a 45.0% statewide total
24 local share in fiscal year 2010-11 and after.

25 **Sec. C-6. 20-A MRSA §15682,** as amended by PL 2005, c. 519, Pt. AAAA, §9, is
26 further amended to read:

27 **§15682. Regional adjustment**

28 The commissioner shall make a regional adjustment in the total operating allocation
29 for each school administrative unit determined pursuant to section 15683. The regional
30 adjustment must be based on the regional differences in teacher salary costs ~~within~~ for
31 labor market areas in the State in which the school administrative unit is located, as
32 computed by a statewide education policy research institute, and must be applied only to
33 appropriate teacher salary and benefits costs as calculated under section 15678 and salary
34 and benefit costs of other school-level staff who are not teachers as calculated under
35 section 15679.

36 **Sec. C-7. 20-A MRSA §15683-A,** as amended by PL 2007, c. 539, Pt. C, §9, is
37 further amended to read:

38 **§15683-A. Total debt service allocation**

39 For each school administrative unit, that unit's total debt service allocation is that
40 unit's debt service costs as defined in section 15672, subsection 2-A. For the 2008-09 and

1 ~~2009-10~~ funding year ~~years~~ only, for each school administrative unit, that unit's total debt
2 service allocation is that unit's debt service costs as defined in section 15672, subsection
3 2-A excluding 80% of the insured value factor pursuant to section 15672, subsection 2-A,
4 paragraph C.

5 **Sec. C-8. 20-A MRSA §15689, sub-§1, ¶B**, as amended by PL 2007, c. 539, Pt.
6 C, §10, is further amended to read:

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

- 9 (1) In fiscal year 2005-06, 84%;
10 (2) In fiscal year 2006-07, 84%;
11 (3) In fiscal year 2007-08, 84%;
12 (4) In fiscal year 2008-09, ~~50%~~ 45%; and
13 (5) In fiscal year 2009-10 ~~and succeeding years, 84%~~ 45%; and
14 (6) In fiscal year 2010-11 ~~and succeeding years, 84%~~.

15 **Sec. C-9. 20-A MRSA §15689, sub-§10** is enacted to read:

16 **10. Innovative school construction project adjustment.** For any fiscal year, if the
17 appropriation for the state share of debt service exceeds the annual payments, the
18 commissioner may expend and disburse the balance of funds to carry out the purposes of
19 innovative school construction.

20 **Sec. C-10. 20-A MRSA §15689-A, sub-§10**, as amended by PL 2007, c. 539,
21 Pt. W, §1, is further amended to read:

22 **10. Data management and support services for essential programs and services.**
23 The commissioner may pay costs attributed to system maintenance and staff support
24 consisting of 11 positions that provide professional and administrative support to general
25 purpose aid for local schools necessary to implement the requirements of the Essential
26 Programs and Services Funding Act. ~~A transfer of All Other funds from the General~~
27 ~~Purpose Aid for Local Schools account to Personal Services in the Management~~
28 ~~Information Systems account for 11 positions that provide professional and~~
29 ~~administrative support to general purpose aid for local schools in the department's~~
30 ~~management information systems program may occur annually by financial order upon~~
31 ~~recommendation of the State Budget Officer and approval of the Governor.~~

32 **Sec. C-11. 20-A MRSA §15689-A, sub-§12-A**, as amended by PL 2007, c. 539,
33 Pt. C, §11, is further amended to read:

34 **12-A. Learning through technology.** The commissioner may pay costs attributed
35 to staff support ~~consisting of one Education Team and Policy Director position, 2~~
36 ~~Education Specialist III positions, one Planning and Research Associate I position, one~~
37 ~~Director of Special Projects position and 2 Education Specialist II positions~~ and system
38 maintenance for a program that promotes learning through technology. A transfer of All

1 Other funds from the General Purpose Aid for Local Schools account to ~~Personal~~
2 ~~Services and the All Other line categories category~~ in the Learning Through Technology
3 General Fund nonlapsing account sufficient to support the ~~Personal Services and All~~
4 ~~Other costs of one Education Team and Policy Director position, 2 Education Specialist~~
5 ~~III positions, one Planning and Research Associate I position, one Director of Special~~
6 ~~Projects position, one Education Specialist II position, the General Fund share of one~~
7 ~~Education Specialist II position~~ and the agreement that provides one-to-one wireless
8 computers for 7th grade, 8th grade and high school students and educators may occur
9 annually by financial order upon recommendation of the State Budget Officer and
10 approval of the Governor.

11 **Sec. C-12. 20-A MRSA §15689-A, sub-§16**, as enacted by PL 2007, c. 539, Pt.
12 C, §12, is amended to read:

13 **16. Transportation administration.** The commissioner may pay costs attributed to
14 ~~staff support one Education Specialist III position~~ and system maintenance necessary to
15 implement the transportation requirements of this chapter and chapter 215. ~~A transfer of~~
16 ~~All Other funds from the General Purpose Aid for Local Schools account to Personal~~
17 ~~Services and All Other line categories in the Support Systems General Fund account~~
18 ~~sufficient to support the Personal Services and All Other costs of one Education~~
19 ~~Specialist III position may occur annually by financial order upon recommendation of the~~
20 ~~State Budget Officer and approval of the Governor.~~

21 **Sec. C-13. 20-A MRSA §15689-A, sub-§18**, as reallocated by RR 2007, c. 2,
22 §6, is amended to read:

23 **18. Coordination of services for juvenile offenders.** The commissioner may pay
24 certain costs attributed to staff support consisting of 2 Education Specialist II positions
25 and 2 Office Associate II positions and associated operating costs for providing
26 coordination of education, treatment and other services for juvenile offenders at youth
27 development centers in Charleston and South Portland. A transfer of All Other funds
28 from the General Purpose Aid for Local Schools account to the ~~Personal Services and All~~
29 ~~Other line categories category~~ in the Learning Systems Special Services Team program
30 General Fund account within the Department of Education sufficient to support 2
31 Education Specialist II positions and 2 Office Associate II positions ~~the All Other costs~~
32 in this subsection may occur annually by financial order upon recommendation of the
33 State Budget Officer and approval of the Governor.

34 **Sec. C-14. 20-A MRSA §15689-A, sub-§19** is enacted to read:

35 **19. Miscellaneous costs limitations.** The amounts of the miscellaneous costs
36 pursuant to this section are limited to the amounts appropriated by the Legislature for
37 these costs.

38 **Sec. C-15. Mill expectation.** The mill expectation pursuant to the Maine Revised
39 Statutes, Title 20-A, section 15671-A for fiscal year 2009-10 is 6.68.

	2009-10	2009-10
	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	\$921,046,472	\$958,971,492

Sec. C-18. Limit of State's obligation. If the State's continued obligation for any individual component contained in sections 16 and 17 of this Part exceeds the level of funding provided for that component, any unexpended balances occurring in other programs may be applied to avoid proration of payments for any individual component. Any unexpended balances from this Part may not lapse but must be carried forward for the same purpose.

Sec. C-19. Authorization of payments. Sections 16 and 17 of this Part may not be construed to require the State to provide payments that exceed the appropriation of funds for general purpose aid for local schools for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

Sec. C-20. Carrying balance; Management Information Systems program, General Fund account. Notwithstanding any other provision of law, any balance remaining from the \$3,500,000 appropriation in fiscal year 2007-08 to the Department of Education's Management Information Systems program, General Fund account in Public Law 2007, chapter 240, Part A, section 22 to provide statewide support for certain operational efficiencies, such as GIS routing software and consolidated payroll and accounting systems, associated with school consolidation that carried forward to fiscal year 2008-09 pursuant to Public Law 2007, chapter 539, Part NN, section 1 does not lapse but must carry forward to June 30, 2011 to be used for the same purpose.

PART D

Sec. D-1. 20-A MRSA §253, sub-§6, as amended by PL 1985, c. 785, Pt. A, §78, is further amended to read:

6. Agricultural education consultant. The commissioner shall appoint, subject to the Civil Service Law, an Education Specialist ~~III~~ III or higher or agricultural education consultant to be responsible for supervision of agricultural technical education, including agribusiness and agriculture's relation to the environment.

Sec. D-2. Rename Preschool Handicapped program. Notwithstanding any other provision of law, the Preschool Handicapped program within the Department of Education is renamed the Child Development Services program.

PART E

Sec. E-1. 36 MRSA §4062, sub-§1-A, ¶A, as repealed and replaced by PL 2005, c. 12, Pt. N, §1 and affected by §4, is amended to read:

~~A. For the estates of decedents dying after December 31, 2002, "federal credit" means the maximum credit against the tax on the federal taxable estate for state death taxes determined under the Code, Section 2011 as of December 31, 2002 exclusive of the reduction of the maximum credit contained in the Code, Section 2011(b)(2); the period of limitations under the Code, Section 2011(c); and the termination provision contained in the Code, Section 2011(f). The federal taxable estate is to be determined using the applicable Code as of the date of the decedent's death, except that the state death tax deduction contained in the Code, Section 2058 must be disregarded. The unified credit must be determined under the Code, Section 2010 as of December 31, 2000. The termination provision contained in the Code, Section 2210 must be disregarded. Notwithstanding any other provision of this Title to the contrary, the tax determined by this chapter for estates of decedents dying after December 31, 2009 must be determined in accordance with the law applicable to decedents dying during calendar year 2009; and~~

~~(1) The state death tax deduction contained in the Code, Section 2058 is to be disregarded;~~

~~(2) The unified credit is to be determined under the Code, Section 2010 as of December 31, 2000;~~

~~(3) For the estates of decedents dying after December 31, 2004, the federal taxable estate must be decreased by an amount equal to the value of Maine qualified terminable interest property in the estate of the decedent; and~~

~~(4) For the estates of decedents dying after December 31, 2004, the federal taxable estate must be increased by an amount equal to the value of Maine elective property in respect of the decedent; and~~

Sec. E-2. 36 MRSA §4062, sub-§1-B is enacted to read:

1-B. Federal taxable estate. "Federal taxable estate" means the taxable estate as determined using the applicable Code as of the date of the decedent's death except as provided in subsection 1-A and:

A. The state death tax deduction contained in the Code, Section 2058 must be disregarded;

B. For estates of decedents dying after December 31, 2004, the federal taxable estate must be decreased by an amount equal to the value of Maine qualified terminable interest property in the estate of the decedent; and

C. For estates of decedents dying after December 31, 2004, the federal taxable estate must be increased by an amount equal to the value of Maine elective property in respect of the decedent.

1 Sec. E-3. 36 MRSA §4062, sub-§2, as amended by PL 2007, c. 693, §24, is
2 further amended to read:

3 2. **Federal gross estate.** "Federal gross estate" means the gross estate of a decedent
4 as determined by the assessor in accordance with the Code, except that, notwithstanding
5 the Code, Section 2035, the value of the gross estate includes the value of all taxable gifts
6 as defined under the Code, Section 2503(a), made by the decedent during the 3-year
7 period ending on the date of the decedent's death, but does not include the value of
8 taxable gifts made prior to January 1, 2008.

9 Sec. E-4. 36 MRSA §4062, sub-§2-A, as amended by PL 2005, c. 622, §15, is
10 further amended to read:

11 2-A. **Maine elective property.** "Maine elective property" means all property in
12 which the decedent at the time of death had a qualified income interest for life and with
13 respect to which, for purposes of determining the tax imposed by this chapter on the
14 estate of a predeceased spouse of the decedent, the federal taxable estate of that
15 predeceased spouse was decreased pursuant to subsection 1-A 1-B, paragraph A,
16 subparagraph (3) B. The value of Maine elective property is the value determined by the
17 assessor in accordance with the Code as if such property were includible in the decedent's
18 federal gross estate pursuant to the Code, Section 2044 and, in the case of estates that do
19 not incur a federal estate tax, as if the estate had incurred a federal estate tax.

20 Sec. E-5. 36 MRSA §4071, sub-§1-A, as enacted by PL 2007, c. 693, §29, is
21 amended to read:

22 1-A. **State determination of certain estates.** For deaths occurring on or after July
23 1, 2008 but before ~~January 1, 2010~~ July 1, 2009, the State Tax Assessor is not bound by a
24 final federal determination under subsection 1 if the assessor determines the issue for
25 purposes of tax under this chapter within 2 years of the date the return was filed or the
26 date the return is due, whichever is later.

27 For deaths occurring on or after July 1, 2009, the State Tax Assessor is not bound by a
28 final federal determination under subsection 1 if the assessor determines the issue for
29 purposes of tax under this chapter.

30 Sec. E-6. **Application.** Those sections of this Part that amend the Maine Revised
31 Statutes, Title 36, section 4062, subsection 1-A and section 4062, subsection 2 and
32 subsection 2-A and that enact section 4062, subsection 1-B apply to deaths occurring on
33 or after January 1, 2009. That section of this Part that amends section 4071, subsection
34 1-A applies to estates of decedents dying on or after July 1, 2009.

35 PART F

36 Sec. F-1. PL 2007, c. 539, Pt. L, §1 is amended to read:

37 Sec. L-1. **Transfers to Maine Clean Election Fund.** In addition to the
38 transfers authorized pursuant to the Maine Revised Statutes, Title 21-A, section 1124, the
39 State Controller shall transfer ~~\$2,425,000~~ \$2,000,000 from General Fund undedicated

1 revenue to the Maine Clean Election Fund on or before June 1, 2010 ~~and shall transfer an~~
2 ~~additional \$2,000,000 from General Fund undedicated revenue to the Maine Clean~~
3 ~~Election Fund on or before August 1, 2010.~~

4 Sec. F-2. **Transfers to Maine Clean Election Fund.** Notwithstanding the
5 Maine Revised Statutes, Title 21-A, section 1124, subsection 2, paragraph B, the State
6 Controller shall transfer \$2,000,000, currently authorized to be made on or before January
7 1, 2011, from the General Fund to the Maine Clean Election Fund on or before
8 September 1, 2010 in order to ensure that adequate funds will be available to the
9 Commission on Governmental Ethics and Election Practices.

10 PART G

11 Sec. G-1. 12 MRSA §6304, sub-§2, as amended by PL 2003, c. 20, Pt. WW, §1,
12 is further amended to read:

13 2. **Duplication.** Licenses that have been lost or destroyed must be reissued at a cost
14 of ~~\$5~~ \$6.

15 Sec. G-2. 12 MRSA §6421, sub-§7-A, as amended by PL 2007, c. 615, §9, is
16 further amended to read:

17 7-A. **Fee.** Except as provided in subsection 8, the fee for the license is:

18 A. ~~Fifty-six~~ Sixty-five dollars for a resident Class I license for applicants under 18
19 years of age;

20 A-1. ~~Three hundred and thirty-six~~ eighty-seven dollars for a nonresident Class I
21 license for applicants under 18 years of age;

22 B. ~~One hundred and thirteen~~ thirty-five dollars and seventy-five cents for a resident
23 Class I license for applicants 18 years of age or older;

24 B-1. ~~Six hundred and eighty-two~~ Seven hundred ninety dollars and seventy-five
25 cents for a nonresident Class I license for applicants 18 years of age or older;

26 C. ~~Two hundred twenty-eight~~ seventy-two dollars and fifty cents for a resident
27 Class II license;

28 C-1. ~~Thirteen hundred seventy-one~~ Fifteen hundred eighty-seven dollars and fifty
29 cents for a nonresident Class II license;

30 D. ~~Three hundred forty-one~~ Four hundred seven dollars and twenty-five cents for a
31 resident Class III license;

32 D-1. ~~Two thousand forty-seven~~ three hundred sixty-nine dollars and twenty-five
33 cents for a nonresident Class III license;

34 E. ~~Fifty-six~~ Sixty-five dollars for a resident apprentice lobster and crab fishing
35 license for applicants under 18 years of age;

36 E-1. ~~Three hundred thirty-six~~ eighty-seven dollars for a nonresident apprentice
37 lobster and crab fishing license for applicants under 18 years of age;

1 **Emergency clause.** In view of the emergency cited in the preamble, this
2 legislation takes effect when approved, except as otherwise indicated.

3 **SUMMARY**

4
5 **PART A**

6 This Part makes appropriations and allocations of funds for the 2010-2011 biennium.

7 **PART B**

8 This Part makes appropriations and allocations of funds for approved reclassifications
9 and range changes.

10 **PART C**

11 This Part does the following.

12 It specifies a mill expectation of 6.68 for fiscal year 2009-10 and the total cost of
13 funding public education from kindergarten to grade 12, consisting of total debt service
14 allocation, total adjustments and miscellaneous costs, and the state share percentage.

15 It authorizes the Commissioner of Education to waive the requirement for school
16 administrative units to provide transportation for public preschool students.

17 It authorizes the Commissioner of Education to waive for the 2009-2010 school year
18 the requirement that a school administrative unit must pay an insured value factor to a
19 private school for tuitioned students.

20 It authorizes the Commissioner of Education to exercise flexibility for regional
21 adjustments based on labor markets, to expend and disburse funds for the innovative
22 schools project and to expend and disburse funds for learning through technology, data
23 management and support services for essential programs and services, transportation
24 administration and coordination of services for juvenile offenders.

25 **PART D**

26 This Part amends the law regarding the duties of the Commissioner of Education to
27 require the commissioner to appoint an Education Specialist III for the supervision of
28 agricultural education, instead of an Education Specialist II as is required in current law.
29 It also renames the Preschool Handicapped program in the Department of Education the
30 Child Development Services program.

31 **PART E**

32 This Part does the following.

33 It makes an adjustment to ensure that the Maine estate tax under current law will
34 continue to be imposed for deaths occurring after calendar year 2009 with the intent of
35 maintaining the State's estate tax revenues at current levels.

36 It amends the law to provide that the State Tax Assessor is not bound by a final
37 federal determination if the assessor determines an issue for purposes of the estate.

1 It also amends the definition of "federal gross estate" to include gifts made by a
2 decedent 3 years prior to death, but not include gifts made prior to January 1, 2008.
3 Transfers made as part of a bona fide sale for full and adequate consideration are not
4 included in the definition.

5 **PART F**

6 This Part does the following.

7 It reduces the amount that must be transferred to the Maine Clean Election Fund on
8 or before June 1, 2010 from \$2,425,000 to \$2,000,000 and it eliminates the \$2,000,000
9 transfer on or before August 1, 2010 from General Fund undedicated revenue to the
10 Maine Clean Election Fund.

11 It changes the date by which the State Controller must transfer revenues to the Maine
12 Clean Election Fund in fiscal year 2010-11 from on or before January 1, 2011 to on or
13 before September 1, 2010.

14 **PART G**

15 This Part increases license fees levied by the Department of Marine Resources.

16 **PART H**

17 This Part converts the excise tax on smokeless tobacco products from a tax equaling
18 78% of the wholesale price to a tax based on weight at the rate of \$2.02 per ounce, but no
19 less than \$2.02. The change is effective for purchases made on or after July 1, 2009.

20 **PART I**

21 This Part eliminates the Fiscal Stability Program, which required each biennial
22 budget to include, beginning with the 2010-2011 biennial budget, an additional General
23 Fund appropriation of 18% in excess of the requested biennial budget for the Department
24 of Inland Fisheries and Wildlife.

25 **PART J**

26 This Part authorizes the Department of Administrative and Financial Services, Office
27 of Information Technology to enter into lease-purchasing agreements in fiscal years
28 2009-10 and 2010-11 for the acquisition of personal computers, servers, printers and
29 other hardware and software to support end-user and infrastructure services and discloses
30 the terms of the lease-purchasing agreements.

31 **PART K**

32 This Part renames the Division of Administrative Services program in the
33 Department of Marine Resources the Office of the Commissioner program.

34 **PART L**

35 This Part removes reference to the Director of General Services position and adds
36 references to the office of the commissioner in the Department of Conservation. It
37 renames the Administrative Services - Conservation program in the Department of
38 Conservation the Office of the Commissioner program.

39 **PART M**

40 This Part does the following.

3
R. 019

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APPROPRIATIONS AND FINANCIAL AFFAIRS

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

STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 274, L.D. 353, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011"

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

'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

Amend the bill by striking out everything after the title and before the summary and inserting 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 and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

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

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

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

COMMITTEE AMENDMENT

PART C

1
2 **Sec. C-1. 20-A MRSA §5401, sub-§3-A** is enacted to read:

3 **3-A. Waiver for transportation of public preschool students.** The commissioner
4 shall waive the requirement for school administrative units to provide transportation for
5 public preschool students.

6 **Sec. C-2. 20-A MRSA §5806, sub-§2**, as amended by PL 2007, c. 539, Pt. C, §2,
7 is further amended to read:

8 **2. Maximum allowable tuition.** The maximum allowable tuition charged to a
9 school administrative unit by a private school is the rate established under subsection 1 or
10 the state average per public secondary student cost as adjusted, whichever is lower, plus
11 an insured value factor. The insured value factor is computed by dividing 5% of the
12 insured value of school buildings and equipment by the average number of pupils
13 enrolled in the school on October 1st and April 1st of the year immediately before the
14 school year for which the tuition charge is computed. ~~It may not exceed 10% of a~~
15 ~~school's legal tuition rate per student in any one year.~~ For the 2008-09 school year only,
16 a school administrative unit is not required to pay an insured value factor greater than 5%
17 of the school's tuition rate per student, unless the legislative body of the school
18 administrative unit votes to authorize its school board to pay a higher insured value factor
19 that is no greater than 10% of the school's tuition rate per student. Beginning in school
20 year 2009-10, a school administrative unit is not required to pay an insured value factor
21 greater than 5% of the school's tuition rate or \$500 per student, whichever is less, unless
22 the legislative body of the school administrative unit votes to authorize its school board to
23 pay a higher insured value factor that is no greater than 10% of the school's tuition rate
24 per student.

25 **Sec. C-3. 20-A MRSA §15671, sub-§7, ¶A**, as amended by PL 2007, c. 539, Pt.
26 C, §3, is further amended to read:

27 A. The base total calculated pursuant to section 15683, subsection 2 is subject to the
28 following annual targets.

- 29 (1) For fiscal year 2005-06, the target is 84%.
- 30 (2) For fiscal year 2006-07, the target is 90%.
- 31 (3) For fiscal year 2007-08, the target is 95%.
- 32 (4) For fiscal year 2008-09, the target is 97%.
- 33 (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~100%~~ 97%.
- 34 (6) For fiscal year 2010-11 ~~and succeeding years~~, the target is 100%.

35 **Sec. C-4. 20-A MRSA §15671, sub-§7, ¶B**, as amended by PL 2007, c. 539, Pt.
36 C, §4, is further amended to read:

37 B. The annual targets for the state share percentage of the statewide adjusted total
38 cost of the components of essential programs and services are as follows.

- 1 (1) For fiscal year 2005-06, the target is 52.6%.
- 2 (2) For fiscal year 2006-07, the target is 53.86%.
- 3 (3) For fiscal year 2007-08, the target is 53.51%.
- 4 (4) For fiscal year 2008-09, the target is ~~54.01%~~ 52.52%.
- 5 (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~55%~~ 50.95%.
- 6 (6) For fiscal year 2010-11 and succeeding years, the target is 55%.

7 **Sec. C-5. 20-A MRSA §15671-A, sub-§2, ¶B**, as amended by PL 2007, c. 668,
8 §34, is further amended to read:

9 B. For property tax years beginning on or after April 1, 2005, the commissioner shall
10 calculate the full-value education mill rate that is required to raise the statewide total
11 local share. The full-value education mill rate is calculated for each fiscal year by
12 dividing the applicable statewide total local share by the applicable statewide
13 valuation. The full-value education mill rate must decline over the period from fiscal
14 year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year
15 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value
16 education mill rate must be applied according to section 15688, subsection 3-A,
17 paragraph A to determine a municipality's local cost share expectation. Full-value
18 education mill rates must be derived according to the following schedule.

- 19 (1) For the 2005 property tax year, the full-value education mill rate is the
20 amount necessary to result in a 47.4% statewide total local share in fiscal year
21 2005-06.
- 22 (2) For the 2006 property tax year, the full-value education mill rate is the
23 amount necessary to result in a 46.14% statewide total local share in fiscal year
24 2006-07.
- 25 (3) For the 2007 property tax year, the full-value education mill rate is the
26 amount necessary to result in a 45.56% statewide total local share in fiscal year
27 2007-08.
- 28 (4) For the 2008 property tax year, the full-value education mill rate is the
29 amount necessary to result in a 45.99% statewide total local share in fiscal year
30 2008-09.
- 31 (4-A) For the 2009 property tax year ~~and subsequent tax years~~, the full-value
32 education mill rate is the amount necessary to result in a ~~45.0%~~ 49.05% statewide
33 total local share in fiscal year 2009-10 ~~and after~~.
- 34 (4-B) For the 2010 property tax year and subsequent tax years, the full-value
35 education mill rate is the amount necessary to result in a 45.0% statewide total
36 local share in fiscal year 2010-11 and after.

37 **Sec. C-6. 20-A MRSA §15682**, as amended by PL 2005, c. 519, Pt. AAAA, §9, is
38 further amended to read:

1 **§15682. Regional adjustment**

2 The commissioner shall make a regional adjustment in the total operating allocation
3 for each school administrative unit determined pursuant to section 15683. The regional
4 adjustment must be based on the regional differences in teacher salary costs ~~within~~ for
5 labor market areas in the State in which the school administrative unit is located, as
6 computed by a statewide education policy research institute, and must be applied only to
7 appropriate teacher salary and benefits costs as calculated under section 15678 and salary
8 and benefit costs of other school-level staff who are not teachers as calculated under
9 section 15679.

10 **Sec. C-7. 20-A MRSA §15683-A**, as amended by PL 2007, c. 539, Pt. C, §9, is
11 further amended to read:

12 **§15683-A. Total debt service allocation**

13 For each school administrative unit, that unit's total debt service allocation is that
14 unit's debt service costs as defined in section 15672, subsection 2-A. For the 2008-09 and
15 2009-10 funding year years only, for each school administrative unit, that unit's total debt
16 service allocation is that unit's debt service costs as defined in section 15672, subsection
17 2-A excluding 80% of the insured value factor pursuant to section 15672, subsection 2-A,
18 paragraph C. For the 2010-11 funding year only, each school administrative unit's total
19 debt service allocation must include the portion of the tuition cost applicable to the
20 insured value factor for the base year computed under section 5806 limited to an insured
21 value factor no greater than 5% for each eligible student.

22 **Sec. C-8. 20-A MRSA §15689, sub-§1, ¶B**, as amended by PL 2007, c. 539, Pt.
23 C, §10, is further amended to read:

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

- 26 (1) In fiscal year 2005-06, 84%;
- 27 (2) In fiscal year 2006-07, 84%;
- 28 (3) In fiscal year 2007-08, 84%;
- 29 (4) In fiscal year 2008-09, ~~50%~~ 45%; and
- 30 (5) In fiscal year 2009-10 ~~and succeeding years, 84%.~~ 45%; and
- 31 (6) In fiscal year 2010-11 and succeeding years, 84%.

32 **Sec. C-9. 20-A MRSA §15689, sub-§10** is enacted to read:

33 **10. Innovative school construction project adjustment.** For any fiscal year, if the
34 appropriation for the state share of debt service exceeds the annual payments, the
35 commissioner may expend and disburse the balance of funds to carry out the purposes of
36 innovative school construction.

37 **Sec. C-10. 20-A MRSA §15689-A, sub-§10**, as amended by PL 2007, c. 539,
38 Pt. W, §1, is further amended to read:

1 **10. Data management and support services for essential programs and services.**
2 The commissioner may pay costs attributed to system maintenance and staff support
3 consisting of 11 positions that provide professional and administrative support to general
4 purpose aid for local schools necessary to implement the requirements of the Essential
5 Programs and Services Funding Act. ~~A transfer of All Other funds from the General~~
6 ~~Purpose Aid for Local Schools account to Personal Services in the Management~~
7 ~~Information Systems account for 11 positions that provide professional and~~
8 ~~administrative support to general purpose aid for local schools in the department's~~
9 ~~management information systems program may occur annually by financial order upon~~
10 ~~recommendation of the State Budget Officer and approval of the Governor.~~

11 **Sec. C-11. 20-A MRSA §15689-A, sub-§12-A**, as amended by PL 2007, c. 539,
12 Pt. C, §11, is further amended to read:

13 **12-A. Learning through technology.** The commissioner may pay costs attributed
14 to staff support consisting of one Education Team and Policy Director position, 2
15 Education Specialist III positions, one Planning and Research Associate I position, one
16 Director of Special Projects position and 2 Education Specialist II positions and system
17 maintenance for a program that promotes learning through technology. ~~A transfer of All~~
18 ~~Other funds from the General Purpose Aid for Local Schools account to Personal~~
19 ~~Services and the All Other line categories category in the Learning Through Technology~~
20 ~~General Fund nonlapsing account sufficient to support the Personal Services and All~~
21 ~~Other costs of one Education Team and Policy Director position, 2 Education Specialist~~
22 ~~III positions, one Planning and Research Associate I position, one Director of Special~~
23 ~~Projects position, one Education Specialist II position, the General Fund share of one~~
24 ~~Education Specialist II position~~ and the agreement that provides one-to-one wireless
25 computers for 7th grade, 8th grade and high school students and educators may occur
26 annually by financial order upon recommendation of the State Budget Officer and
27 approval of the Governor.

28 **Sec. C-12. 20-A MRSA §15689-A, sub-§16**, as enacted by PL 2007, c. 539, Pt.
29 C, §12, is amended to read:

30 **16. Transportation administration.** The commissioner may pay costs attributed to
31 staff support one Education Specialist III position and system maintenance necessary to
32 implement the transportation requirements of this chapter and chapter 215. ~~A transfer of~~
33 ~~All Other funds from the General Purpose Aid for Local Schools account to Personal~~
34 ~~Services and All Other line categories in the Support Systems General Fund account~~
35 ~~sufficient to support the Personal Services and All Other costs of one Education~~
36 ~~Specialist III position may occur annually by financial order upon recommendation of the~~
37 ~~State Budget Officer and approval of the Governor.~~

38 **Sec. C-13. 20-A MRSA §15689-A, sub-§18**, as reallocated by RR 2007, c. 2,
39 §6, is amended to read:

40 **18. Coordination of services for juvenile offenders.** The commissioner may pay
41 certain costs attributed to staff support consisting of 2 Education Specialist II positions
42 and 2 Office Associate II positions and associated operating costs for providing
43 coordination of education, treatment and other services for juvenile offenders at youth
44 development centers in Charleston and South Portland. A transfer of All Other funds

1 from the General Purpose Aid for Local Schools account to the ~~Personal Services and All~~
2 ~~Other line categories category~~ in the ~~Learning Systems Special Services Team~~ program
3 General Fund account within the Department of Education sufficient to support ~~2~~
4 ~~Education Specialist II positions and 2 Office Associate II positions~~ the All Other costs
5 in this subsection may occur annually by financial order upon recommendation of the
6 State Budget Officer and approval of the Governor.

7 **Sec. C-14. 20-A MRSA §15689-A, sub-§19** is enacted to read:

8 **19. Miscellaneous costs limitations.** The amounts of the miscellaneous costs
9 pursuant to this section are limited to the amounts appropriated by the Legislature for
10 these costs.

11 **Sec. C-15. 20-A MRSA §15689-B, sub-§6**, as enacted by PL 2005, c. 2, Pt. D,
12 §61 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

13 **6. Balance of allocations.** Notwithstanding any other law, general operating fund
14 balances at the end of a school administrative unit's fiscal year must be carried forward to
15 meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated
16 balances in excess of 3% of the previous fiscal year's school budget must be used to
17 reduce the state and local share of the total allocation for the purpose of computing state
18 subsidy. School boards may carry forward unallocated balances in excess of 3% of the
19 previous year's school budget and disburse these funds in the next year or over a period
20 not to exceed 3 years. For fiscal years 2008-09, 2009-10 and 2010-11 only, school
21 administrative units may not be limited to 3% of the previous fiscal year's school budget.

22 **Sec. C-16. 20-A MRSA §15690, sub-§1**, as amended by PL 2007, c. 240, Pt.
23 XXXX, §31 and amended by, c. 539, Pt. C, §15, is further amended to read:

24 **1. School administrative unit contribution to total cost of funding public**
25 **education from kindergarten to grade 12.** The legislative body of each school
26 administrative unit may vote to raise and appropriate an amount up to its required
27 contribution to the total cost of education as described in section 15688, except that funds
28 provided under Title XIV of the State Fiscal Stabilization Fund of the federal American
29 Recovery and Reinvestment Act of 2009 as part of the amount restored to a school
30 administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose
31 aid as determined under this chapter must be used to lower the school administrative
32 unit's required contribution to the total cost of education.

33 A. For a municipal school unit, an article in substantially the following form must
34 be used when a single municipal school administrative unit is considering the
35 appropriation of an amount up to its required contribution to the total cost of
36 education as described in section 15688.

37 (1) "Article.....: To see what sum the municipality will appropriate for the total
38 cost of funding public education from kindergarten to grade 12 as described in
39 the Essential Programs and Services Funding Act (Recommend \$.....) and to see
40 what sum the municipality will raise as the municipality's contribution to the total
41 cost of funding public education from kindergarten to grade 12 as described in
42 the Essential Programs and Services Funding Act in accordance with the Maine
43 Revised Statutes, Title 20-A, section 15688. (Recommend \$.....)"

1 (2) The following statement must accompany the article in subparagraph (1).
2 "Explanation: The school administrative unit's contribution to the total cost of
3 funding public education from kindergarten to grade 12 as described in the
4 Essential Programs and Services Funding Act is the amount of money determined
5 by state law to be the minimum amount that a municipality must raise in order to
6 receive the full amount of state dollars."

7 B. For a school administrative district, a community school district or a regional
8 school unit, an article in substantially the following form must be used when the
9 school administrative district, community school district or regional school unit is
10 considering the appropriation of an amount up to its required contribution to the total
11 cost of education as described in section 15688.

12 (1) "Article: To see what sum the district will appropriate for the total cost of
13 funding public education from kindergarten to grade 12 as described in the
14 Essential Programs and Services Funding Act and to see what sum the district
15 will raise and assess as each municipality's contribution to the total cost of
16 funding public education from kindergarten to grade 12 as described in the
17 Essential Programs and Services Funding Act in accordance with the Maine
18 Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth
19 below):

20		
21	Total Appropriated (by	Total raised (district
22	municipality):	assessments by municipality):
23	Town A (\$amount)	Town A (\$amount)
24	Town B (\$amount)	Town B (\$amount)
25	Town C (\$amount)	Town C (\$amount)
26	School District	School District
27	Total Appropriated	Total Raised
28	(\$sum of above)	(\$sum of above)"

29 (2) The following statement must accompany the article in subparagraph (1).
30 "Explanation: The school administrative unit's contribution to the total cost of
31 funding public education from kindergarten to grade 12 as described in the
32 Essential Programs and Services Funding Act is the amount of money determined
33 by state law to be the minimum amount that the district must raise and assess in
34 order to receive the full amount of state dollars."

35 C. The state share of the total cost of funding public education from kindergarten to
36 grade 12 as described in section 15688, excluding state-funded debt service for each
37 school administrative unit, is limited to the same proportion as the local school
38 administrative unit raises of its required contribution to the total cost of education as
39 described in section 15688, excluding state-funded debt service costs. For school
40 administrative units that annually demonstrate savings by purchasing supplies using
an electronic bidding forum, the commissioner may suspend all or a portion of any
adjustment to the unit's state contribution pursuant to this paragraph.

COMMITTEE AMENDMENT

1 **Sec. C-17. Mill expectation.** The mill expectation pursuant to the Maine Revised
 2 Statutes, Title 20-A, section 15671-A for fiscal year 2009-10 is 6.73 and must be lowered
 3 to 6.37 as a result of funds provided under Title XIV of the State Fiscal Stabilization
 4 Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the
 5 amount restored to school administrative units in fiscal year 2009-10.

6 **Sec. C-18. Total cost of funding public education from kindergarten to**
 7 **grade 12.** The total cost of funding public education from kindergarten to grade 12 for
 8 fiscal year 2009-10 is as follows:

	2009-10 TOTAL
Total Operating Allocation	
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 without transitions percentage	\$1,355,336,908
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 with 97% transitions percentage	\$1,314,676,801
Total other subsidizable costs pursuant to the Maine Revised Statutes, Title 20-A, section 15681-A	\$393,441,473
Total Operating Allocation	<hr style="width: 100%;"/>
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$1,708,118,274
Total Debt Service Allocation	

1 Total debt service allocation pursuant to the Maine \$99,167,267
 2 Revised Statutes, Title 20-A, section 15683-A
 3

4 **Total Adjustments and Miscellaneous Costs**
 5

6 Total adjustments and miscellaneous costs pursuant to \$74,860,695
 7 the Maine Revised Statutes, Title 20-A, section 15689
 8 and 15689-A
 9

10 **Total Cost of Funding Public Education from**
 11 **Kindergarten to Grade 12**
 12

13 Total cost of funding public education from \$1,882,146,236
 14 kindergarten to grade 12 for fiscal year 2009-10
 15 pursuant to the Maine Revised Statutes, Title 20-A,
 16 chapter 606-B

17 **Sec. C-19. Local and state contributions to total cost of funding public**
 18 **education from kindergarten to grade 12.** The local contribution and the state
 19 contribution appropriation provided for general purpose aid for local schools for the fiscal
 20 year beginning July 1, 2009 and ending June 30, 2010 is calculated as follows:

	2009-10	2009-10
	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	\$923,174,744	\$958,971,492
cost of funding public education from		
kindergarten to grade 12 pursuant to the		
Maine Revised Statutes, Title 20-A,		
section 15683		
Portion to be paid from Federal IDEA		(\$11,600,000)
balance		
Adjusted state contribution		\$947,371,492

37 **Sec. C-20. Limit of State's obligation.** If the State's continued obligation for
 38 any individual component contained in sections 18 and 19 of this Part exceeds the level
 39 of funding provided for that component, any unexpended balances occurring in other
 40 programs may be applied to avoid proration of payments for any individual component.
 41 Any unexpended balances from this Part may not lapse but must be carried forward for
 42 the same purpose.

1 It authorizes the Commissioner of Education to exercise flexibility for regional
2 adjustments based on labor markets, to expend and disburse funds for the innovative
3 schools project and to expend and disburse funds for learning through technology, data
4 management and support services for essential programs and services, transportation
5 administration and coordination of services for juvenile offenders.

6 It authorizes school administrative units to lower the required local contribution with
7 funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal
8 American Recovery and Reinvestment Act of 2009 as part of the amount restored to a
9 school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general
10 purpose aid.

11 It sets a 5% limit on the amount, in addition to the maximum allowable tuition, able
12 to be charged by a private school for the insured value factor beginning in school year
13 2009-2010 and limits the amount to \$500 per student. The debt service allocation for a
14 sending school unit is increased for fiscal year 2010-11 to reflect the full amount paid by
15 sending units in fiscal year 2009-10. The result is more parity in fiscal year 2010-11 and
16 beyond between the amount of insured value factor able to be charged by a private school
17 and the amount provided for the sending unit debt service allocation.

18 It reduces the General Fund appropriation for general purpose aid for local schools by
19 \$11,600,000 and restores that same amount from other Federal IDEA accounts, which
20 preserves the total appropriation for general purpose aid at the level released to local
21 schools on April 21, 2009.

22 **PART D**

23
24 This Part amends the law regarding the duties of the Commissioner of Education to
25 require the commissioner to appoint an Education Specialist III for the supervision of
26 agricultural education, instead of an Education Specialist II as is required in current law.
27 It also renames the Preschool Handicapped program in the Department of Education the
28 Child Development Services program.

29 **PART E**

30
31 This Part does the following.

32 It makes an adjustment to ensure that the Maine estate tax under current law will
33 continue to be imposed for deaths occurring after calendar year 2009 with the intent of
34 maintaining the State's estate tax revenues at current levels.

35 It provides that the State Tax Assessor is not bound by a final federal determination if
36 the assessor determines an issue for purposes of the estate tax within one year.

37 It amends the definition of "federal gross estate" to include gifts made by a decedent
38 one year prior to death, but not gifts made prior to January 1, 2008. Transfers made as
39 part of a bona fide sale for full and adequate consideration are not included in the
40 definition.

41 **PART F**

Date: 5-26-09

(Filing No. H-408)

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

STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "E" to COMMITTEE AMENDMENT "A" to H.P. 274, L.D. 353, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011"

Amend the amendment in Part RRR in section 1 in the first paragraph in the 2nd line (page 727, line 32 in amendment) by inserting after the following: "transfer" the following: 'to General Fund unappropriated surplus'

Amend the amendment in Part TTT in section 8 in subsection 2 in the first line (page 735, line 19 in amendment) by striking out the following: "17" and inserting the following: '19'

Amend the amendment by inserting after Part ZZZZ the following:

'PART AAAAA

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

PUBLIC UTILITIES COMMISSION

Conservation Administration Fund 0966

Initiative: Eliminates position counts added in error for limited-period positions authorized in Resolve 2009, chapter 46.

FEDERAL EXPENDITURES FUND ARRA	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	(4,500)	(4,500)
FEDERAL EXPENDITURES FUND ARRA TOTAL	\$0	\$0

PUBLIC UTILITIES COMMISSION		
DEPARTMENT TOTALS	2009-10	2010-11
FEDERAL EXPENDITURES FUND ARRA	\$0	\$0
FEDERAL BLOCK GRANT FUND ARRA	\$0	\$0
	<hr/>	
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

TREASURER OF STATE, OFFICE OF

Disproportionate Tax Burden Fund 0472

Initiative: Increases the allocations in Part A based on projected total transfers to the Disproportionate Tax Burden Fund.

OTHER SPECIAL REVENUE FUNDS		
All Other	2009-10	2010-11
	\$2,866,890	\$3,162,622
	<hr/>	
OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,866,890	\$3,162,622

State - Municipal Revenue Sharing 0020

Initiative: Increases the allocations in Part A based on projected total transfers to the Local Government Fund for State-Municipal Revenue Sharing.

OTHER SPECIAL REVENUE FUNDS		
All Other	2009-10	2010-11
	\$16,245,710	\$16,603,769
	<hr/>	
OTHER SPECIAL REVENUE FUNDS TOTAL	\$16,245,710	\$16,603,769

TREASURER OF STATE, OFFICE OF		
DEPARTMENT TOTALS	2009-10	2010-11
OTHER SPECIAL REVENUE FUNDS	\$19,112,600	\$19,766,391
	<hr/>	
DEPARTMENT TOTAL - ALL FUNDS	\$19,112,600	\$19,766,391

1	SECTION TOTALS	2009-10	2010-11
2			
3	OTHER SPECIAL REVENUE FUNDS	\$19,112,600	\$19,766,391
4	FEDERAL EXPENDITURES FUND ARRA	\$0	\$0
5	FEDERAL BLOCK GRANT FUND ARRA	\$0	\$0
6			
7	SECTION TOTAL - ALL FUNDS	\$19,112,600	\$19,766,391
8			

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

11 SUMMARY

12 This amendment makes the following technical corrections to Committee
13 Amendment "A."

14 1. It clarifies that the transfers made under Part RRR are being made to the General
15 Fund.

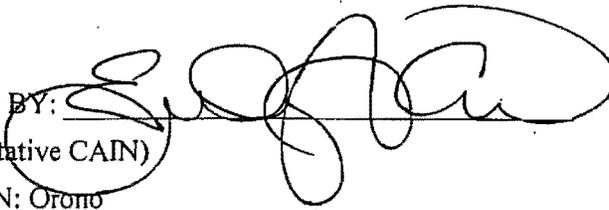
16 2. It corrects the total for the number of members on the Task Force on the
17 Sustainability of the Dairy Industry in Maine in Part TTT.

18 3. It corrects allocation amounts for revenue-sharing programs based upon available
19 revenues in a new Part.

20 4. It eliminates position counts added in error for limited-period positions authorized
21 in Resolve 2009, chapter 46.

22 FISCAL NOTE REQUIRED

23 (See attached)

24
25 SPONSORED BY: 
26 (Representative CAIN)
27 TOWN: Orono



TESTIMONY SIGN UP SHEET

JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS
&
EDUCATION & CULTURAL AFFAIRS

DATE: 2-25-09

<u>NAME</u>	<u>TOWN/AFFILIATION</u>	<u>FOR</u>	<u>AGAINST</u>	<u>NEITHER FOR NOR AGAINST</u>	<u>PLEASE SPECIFY ISSUE(S)</u>
Ryan Low on behalf of					
Commissioner Gendron	Dept. of Education				
Ann Weisleder, Chair	State Board of Education				
Eileen King, President	ME School Supt's Association		X		
Chris Galgay, President	ME Education Association		X		
Judson McBrine	Washington Academy		X		
Erica Kimball	ME School Boards Association		X		
Melville McKay	St. John the Baptist School		X		
Cathy Newell, Executive Director	ME Adult Education Association		X		Reduction in Adult Education
Paul Wrights	Adult Education		X		Reduction in Adult Education
Verna Parrearlt	Wiscasset		X		Reduction in Adult Education
Richard Burgess	Bridgton		X		Reduction in Adult Education
Stephen Bowen	ME Heritage Policy Center				
Andrew Bossie, Vice Chair	ME HIV Advisory Committee				Cut



TESTIMONY SIGN UP SHEET

JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS
&
EDUCATION & CULTURAL AFFAIRS

DATE: 2-24-09

<u>NAME</u>	<u>TOWN/AFFILIATION</u>	<u>FOR</u>	<u>AGAINST</u>	<u>NEITHER FOR NOR AGAINST</u>	<u>PLEASE SPECIFY ISSUE(S)</u>
Elizabeth Bordowitz	Finance Authority of Maine	X			
Henry Bourgeois	ME Compact for Higher Education		X		
Colleen Morgan	U of M at Farmington		X		
Whitney Grass	Mars Hill/Bowdoin		X		
Dr. George Spann, President	Thomas College		X		
Amyie Walshe	MSEA-SEIU Local 1989		X		
Leonard H. Tyler, President	Maine Maritime Academy				
Daniel Wathen, Chair	Board of Trustees/MCCS		X		Part KK
Dr. John Fitzsimmons, President	ME Community College System		X		Part KK
Richard L. Pattenaude, Chancellr	U of Maine System		X		Part KK
Martha Freeman, Director	Maine State Planning Office	X			
Libby Mitchell	Senate President		X		Part KK
Ron Mosley	Univ. of ME Machias		X		
David Bell	Agricultural Council of Maine		X		Reduced Funding
Carrie Sullivan, President	USM Professional Staff		X		Reduced Funding
Kevin Lewis	Community Health Centers		X		Reduction of Primary Physicians

**TESTIMONY
OF
SUSAN A. 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 25, 2009

**LD 353 “An Act Making Unified Appropriations and Allocations for the
Expenditures of State Government, General Fund and Other Funds, and
Changing Certain Provisions of the Law Necessary to the Proper Operations
of State Government for the Fiscal Years Ending June 30, 2010 and June 30,
2011”
(EMERGENCY) (GOVERNOR'S BILL)**

Senators Diamond and Alford, Representatives Cain and Sutherland, and Members of the Joint Standing Committees on Appropriations and Financial Affairs and Education and Cultural Affairs. My name is Ryan Low, Commissioner of the Department of Administrative and Financial Services. I am here today standing in for Commissioner Susan A. Gendron, to present testimony in support of those Departmental items presented in LD 353, the Biennial Budget for the Department of Education. Commissioner Gendron is attending a meeting today with United States Secretary of Education Arne Duncan and Vice President Joe Biden regarding the American Recovery and Reinvestment Act / Stimulus Package.

The Department of Education has twenty-three (23) initiatives in **PART A** which include funding reductions continued from the FY 09 Supplemental Budget, new recommended funding reductions, a reorganization of the Department's Chart of Accounts, as well as some new initiatives.

The reorganization of the Department's Chart of Accounts is reflective of the reorganization of the Teams and team functions within the Department of Education and appear throughout the budget items. The budget pages and Committee Document pages use one brief justification statement whenever these Chart of Account reorganizations appear. However, you will be provided with a chart and other documentation that will show those Team and account reorganizations in a graphic and detailed way. Commissioner Gendron will be able to present these documents and answer your specific questions tomorrow and in work sessions.

Some of the initiatives / recommendations will be impacted by the "American Recovery and Reinvestment Act" (a.k.a. the Stimulus Package). Commissioner Gendron will be able to update the Committees in more detail tomorrow when she returns from a briefing with the United States Secretary of Education, Arne Duncan and Vice President Joe Biden.

PART C provides the adjusted FY 10 recommended funding level for general purpose aid for local schools, specifies the mill expectation and the total cost of funding public education from kindergarten to grade 12.

PART D amends the education statutes to reflect the reclassification of the agriculture education consultant from an Education Specialist II to an Education Specialist III and to rename the Preschool Handicapped program account to the Child Development Services program account.

I will present testimony in the order they appear in the Committee Schedule provided to us by OFPR and by the **Committee Document** page number.

PART A

GENERAL PURPOSE AID FOR LOCAL SCHOOLS

The **Part A** biennial initiative for General Purpose Aid (GPA) for Local Schools is in three (3) parts and may be found on pages **EDU-26 and EDU-27** of the **Committee Document**.

General Purpose Aid for Local Schools forms the core of state funding for Maine public schools distributed according to statute. The Department of Education, School Finance and Operations Team, distributes these funds to local administrative units. Local school administrative units use these resources, with

local tax reserves, to provide K-12 educational programs so that each student achieves Maine's Learning Results.

The first part on page **EDU-26** establishes the **Baseline Budget** request at \$986,027,536 for each year of the biennium.

The second part on page **EDU-26** adjusts funding for the reorganization of programs and accounts in this GPA account and moves twenty-three (23) position counts from the General Fund account to the General Purpose Aid for Local Schools account. These positions are all currently funded in General Purpose Aid and will appear throughout the reorganized Department programs and accounts.

The third part on page **EDU-26** continues the reduction of General Purpose Aid funding approved in the Supplemental Budget by \$27,056,044 in each year of the biennium resulting in the state share of funding public education at 51.01% at 97% of Essential Programs and Services (EPS). This reduction will be mitigated by the State Fiscal Stabilization fund of the American Recovery Reinvestment Act, but the details are not yet known.

PART C

The **Part C** initiative is in four (4) parts and may be found on pages **EDU-105** to **EDU-111** of the **Committee Document**.

Part C provides the adjusted FY 10 recommended funding level for general purpose aid for local schools, specifies the mill expectation and the total cost of funding public education from kindergarten to grade 12. Specifically, **Part C**:

- Specifies a mill expectation of 6.68 for fiscal year 2009-10 and the total cost of funding public education from kindergarten to grade 12, consisting of total debt service allocation, total adjustments and miscellaneous costs, and the state share percentage.
- Authorizes the Commissioner of Education to waive the requirement for school administrative units to provide transportation for public preschool students.
- Authorizes the Commissioner of Education to adjust for the 2009-2010 school year the insured value factor that a school administrative unit must pay to a private school for tuitioned students.
- Authorizes the Commissioner of Education to exercise flexibility for regional adjustments based on labor markets, to expend and disburse funds for the innovative schools project and to expend and disburse funds for learning through technology, data management and support services for essential programs and services, transportation administration and coordination of services for juvenile offenders.

PART A

ADULT EDUCATION

The **Part A** biennial initiatives for Adult Education is in three (3) parts and may be found on page **EDU-14 and EDU-15 of the Committee Document.**

Adult Education as part of the Federal and State Program Services Team provides administrative and technical support and assistance for adult education programs statewide including adult and community education, adult basic education, adult high school diploma, high school equivalency diploma testing program, family literacy, and college transition programs.

The first part on page **EDU-14** establishes the biennial **Baseline Budget General Fund** request at \$6,059,800 for each year of the biennium.

The second part on page **EDU-14** continues the biennial reduction approved in the Supplemental Budget in Adult Education by \$605,980 in each year of the biennium in the areas of Literacy Volunteers, New England Literacy Resource Center, GED Test Administration, State Administration and the College Transition Program Contract and state subsidy program funds. This reduction will not impact MOE for federal funds due to a new level negotiated by the Department of Education.

The third part on page **EDU-15** adjusts the Program Summary to reflect the reduction of funding from the General Fund.

AFTER-SCHOOL PROGRAM FUND

The **Part A** biennial initiatives for the After-School Program Fund is in two (2) parts and may be found on page **EDU-16 of the Committee Document**.

The After-School Program Fund as part of the Special Services Team encourages the facilitation of high-quality after-school programs by the award of grants to school administrative units throughout the State. The fund is administered by the Commissioner within the Department.

The first part on page **EDU-16** establishes the biennial **Baseline Budget** General Fund request at \$24,119 in each year of the biennium.

The second part on page **EDU-16** continues the reduction approved in the Supplemental Budget and eliminates general fund support for the After-School Program Fund to save \$24,119 each year of the biennium. Programs and services will continue to be funded through the federal 21st Century Grant.

CRIMINAL HISTORY RECORD CHECK FUND

The **Part A** biennial initiative for the Criminal History Record Check Fund may be found on page **EDU-17 of the Committee Document**.

The Criminal History Record Check Fund is a dedicated fund within the Department of Education for the deposit of any fees collected for the completion of each criminal history record check completed for an application for initial certification and renewal of authorization, or approval. The purpose of the fund is to reimburse the Department of Public Safety, State Bureau of Investigation for the cost of conducting fingerprinting and needed state and national criminal history record checks. This is a non-lapsing account.

The first part on page EDU-17 establishes the biennial **Baseline Budget Other Special Revenue Fund** request at \$375,765 for each year of the biennium and eliminates Personal Services from the fund because they now appear in the Department of Public Safety budget.

EDUCATION IN UNORGANIZED TERRITORY

The **Part A** biennial initiative for the Education in Unorganized Territory is in six (6) parts and may be found on pages **EDU-18 to EDU-21 of the Committee Document.**

The Education in the Unorganized Territory (EUT) program is authorized under Title 20-A MRSA Chapter 119. The purpose of the program is to provide educational programming and related support services to school age children

whose parents reside in the unorganized territory of the state. Funding is provided to educate 1,160 students residing in unorganized territories, including 202 students in five (5) EUT schools. The department operates these programs. The funds expended from the General Fund budget for EUT educational services are replaced each fiscal year by local tax revenues raised through the Municipal Cost Component Act. These local tax funds are dedicated revenues which reimburse the General Fund for EUT and other state and county services provided to residents of the unorganized territory.

The first part on page **EDU-18** establishes the biennial **Baseline Budget** General Fund request at \$11,949,789 for FY 10 and \$12,045,068 for FY 11, Federal Expenditures Fund at \$386,039 in FY 10 and \$390,110 in FY 11, and Other Special Revenue Fund at \$8,135 in FY 10 and \$8,135 in FY 11.

The second part on page **EDU-18** continues the increase in funding approved in the Supplemental Budget for anticipated estimated increases of 6% in elementary and secondary tuition and 5% of student transportation costs per year at \$473,650 in FY 10 and \$494,535 in FY 11.

The third part on page **EDU-19** continues the increase in funding approved in the Supplemental Budget for heating fuel costs at \$30,320 in each year of the biennium.

The fourth part on page **EDU-19** continues the increase in funding approved in the Supplemental Budget for anticipated / estimated increase in vehicle diesel fuel costs at \$45,381 in FY 10 and \$45,568 in FY 11.

The fifth part on page **EDU-19** continues the increase in funding approved in the Supplemental Budget for the replacement of two buses to transport EUT students for \$142,000 in FY 10 and \$149,000 in FY 11.

The sixth part on page **EDU-20** eliminates a number of intermittent and seasonal positions to attempt to reduce the amount of Personal Service funds carried forward (\$224,944) in FY 10 and (\$234,897) in FY 11 while attempting to leave enough positions to meet obligations to provide services for the unorganized territory.

FEDERAL AND STATE PROGRAM SERVICES

The **Part A** biennial initiative for the Federal and State Program Services is in two (2) parts and may be found on pages **EDU-22 and EDU-23 of the Committee Document.**

The Federal and State Program Services is a new account and program team and it supports, through federal and state programs activities, the requirements for all Maine learners to achieve Maine's Learning Results. State programs include adult

education, guidance and counseling, truancy and dropouts and educator certification. Federal responsibilities and programs include No Child Left Behind (NCLB), Title I, Migrant Education, Title III Limited English Proficiency, and Title ID McKenney-Vento Homeless.

The Department of Education has reorganized its accounts, teams and programs within the Department. These programs, functions and accounts of Federal and State Program Services were previously part of the old Learning Systems, with the addition of Educator Certification transferred from the old Support Systems. They are reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page **EDU-22** establishes the biennial **Baseline Budget** request for the General Fund of \$1,021,850 in FY 10 and \$1,047,958 in FY 11, Federal Expenditures Fund of \$46,136,875 in FY 10 and \$46,158,867 and Other Special Revenue Funds of \$94,154 in FY 10 and \$95,434 in FY 11.

The second part on page **EDU-22** eliminates one Public Executive II position as a targeted funding reduction for general operating expenses for a General Fund savings of \$111,230 in FY 10 and \$112,340 in FY 11.

FUND FOR A HEALTHY MAINE – SCHOOL BREAKFAST PROGRAM

The **Part A** biennial initiatives for the Fund for a Healthy Maine (FHM) – School Breakfast Program is part of School Finance and Operations and is in two (2) parts and may be found on page **EDU-24** of the **Committee Document**.

The FHM-School Breakfast Program provides funds to reimburse local school units that provide breakfasts to those students eligible for the reduced-price breakfast benefit for the cost of the breakfast that is currently being paid by the student.

The first part on page **EDU-24** establishes the **Baseline Budget** Fund for a Healthy Maine request at \$213,925 for each year of the biennium.

The second part on page **EDU-24** reduces funding in the School Breakfast Program request by \$12,041 in FY 10 and \$13,503 in FY 11 to reflect estimated reductions in revenues for the Fund for a Healthy Maine.

FUND FOR A HEALTHY MAINE – SCHOOL NURSE CONSULTANT

The **Part A** biennial initiatives for the Fund for a Healthy Maine (FHM) – School Nurse Consultant Program is part of Special Services and is in two (2) parts and may be found on page **EDU-25** of the **Committee Document**.

The purpose of the School Nurse Consultant program is to provide ongoing consultation, policy development and technical assistance to the nearly 400 school nurses across the State. School nurses in Maine provide health services to students in order to assist them to be ready to learn. With changes in Federal regulations that require students to be educated in the least restrictive environment, many medically fragile students are now attending school. There are increasing numbers of students in school with diabetes, asthma and other chronic health conditions. School nurses are responsible for the health services provided to all students, are involved with environmental health and public health issues of the school, and work with school, parents and community health providers to improve the health of students.

The first part on page **EDU-25** establishes the biennial **Baseline Budget** Fund for a Healthy Maine request at \$103,815 for FY 10 and \$105,492 for FY 11.

The second part on page **EDU-25** reduces the funding request by \$508 in FY 10 and \$569 in FY 11 to reflect estimated reductions in revenues for the Fund for a Healthy Maine.

LEADERSHIP

The **Part A** biennial initiatives for Leadership is in two (2) parts and may be found on pages **EDU-28** and **EDU-29** of the **Committee Document**.

Leadership is an old account and program team and includes the Commissioner's Office. Leadership was responsible for alignment of the department to help each Maine student achieve the Learning Results; advocated for public education, and pursued continuous improvement; resolved issues in a timely manner; coordinated with educator organizations; and provided leadership in new learning technologies. These services, programs and accounts were transferred to the Leadership Team account and are reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page **EDU-28** establishes the biennial **Baseline Budget** request for the General Fund of \$787,623 in FY 10 and \$800,485 in FY 11, and Federal Expenditures Fund of \$558,323 in FY 10 and \$561,185 in FY 11.

The second part on page **EDU-28** adjusts funding for the General Fund and Federal Expenditures Fund for distribution to other reorganized accounts to close out the accounts and positions in Leadership.

LEADERSHIP TEAM

The **Part A** biennial initiatives for Leadership Team is in four (4) parts and may be found on pages **EDU-30 to EDU-32 of the Committee Document**.

Leadership Team is a new account and program team that includes the

Commissioner's Office and is responsible for alignment of the department to help

each Maine student achieve the Learning Results; advocates for public education, and pursues continuous improvement; resolves issues in a timely manner; coordinates with educator organizations; and provides leadership in new learning technologies, state and federal compliance, Freedom of Access, agency rulemaking, and school approval.

The Department of Education has reorganized its accounts to reflect the reorganization of the accounts, teams and programs within the Department. These program functions and accounts of Leadership Team were previously part of Leadership with the addition of school approval from the old Learning Systems and are reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page **EDU-30** establishes the biennial **Baseline Budget** request for the General Fund of \$1,081,551 in FY 10 and \$1,100,043 in FY 11, Federal Expenditures Fund of \$963,253 in FY 10 and \$968,746 in FY 11, and Other Special Revenue Funds of \$634,495 in FY 10 and \$638,611 in FY 11.

The second part on page **EDU-30** provides \$4,320 in each year of the biennium in funding for the grant account system service level agreement with the Office of Information Technology.

The third part on page **EDU-31** continues the reduction approved in the Supplemental Budget and eliminates one-half of the Commissioners's operating budget at \$36,464 in each year of the biennium.

The fourth part on page **EDU-31** transfers the account for the funding of the service center fees of \$451,379 in each year of the biennium from the Child Development Services (Preschool Handicapped) program account to the Leadership Team account. The service center fees were placed in the Child Development Services/Pre-School Handicapped account at the organization of the service center. This fee is more appropriately reflected here in the Leadership Team account.

LEARNING SYSTEMS

The **Part A** biennial initiatives for Learning Systems is in two (2) parts and may be found on pages **EDU-33 to EDU-35 of the Committee Document**.

Learning Systems is an old account and program team which coordinated, managed and supervised services related to instructional programs, activities and requirements for all Maine learners to achieve Maine's Learning Results; provided leadership, technical assistance and staff development to local school administrative units on instructional items and program operations; was responsible for support of Maine Educational Assessment. Programs included adult

education, career and technical education, school approval, homeless education, truancy, drop outs, and health education. Responsibilities also included several federal programs including Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB).

The Department has reorganized its accounts to reflect the reorganization of teams and programs within the Department. Learning Systems has been reorganized into 3 teams - Federal and State Program Services, PK-20 Curriculum, Instruction and Assessment and Special Services. Other services and programs that were part of Learning Systems have been moved to PK-20 Curriculum, Instruction and Assessment (Maine Educational Assessment, Career and Technical Education and Maine's Learning Results) and Special Services [Health Education and the Individuals with Disabilities Education Act (IDEA)] are reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page EDU-33 establishes the biennial **Baseline Budget** request for the General Fund of \$5,597,071 in FY 10 and \$5,614,510 in FY 11, Federal Expenditures Fund of \$122,616,915 in FY 10 and \$122,721,678 in FY 11, Other Special Revenue Funds of \$148,794 in FY 10 and \$150,074 in FY 11, and Federal Block Grant Funds of 241,375 in FY 10 and \$247,485 in FY 11.

The second part on page **EDU-34** adjusts funding for the General Fund, Federal Expenditures Fund, Other Special Revenue Funds, and Federal Block Grant Funds for distribution to other reorganized accounts.

LEARNING THROUGH TECHNOLOGY

The **Part A** biennial initiatives for Learning Through Technology (LTT) is in two (2) parts and may be found on pages **EDU-36** and **EDU-37** of the **Committee Document**.

Learning Through Technology Initiative provides the tools and resources to assist Maine's teachers integrate technology into their classrooms and curriculum.

Programs include the Maine Learning Technology Initiative laptop portable computer program, distance learning classrooms, federal Title II D education technology grants to school administrative units, federal e-rate support, Maine School Library Network support, and support to the Department of Education and school administrative units in the implementation of Learning Through Technology.

The first part on page **EDU-36** establishes the biennial **Baseline Budget** request for the General Fund at \$-0- for each year of the biennium, Federal Expenditures

Fund at \$1,326,025 in FY 10 and \$1,327,160 in FY 11, and Other Special Revenue Funds at \$1,526,566 in FY 10 and \$1,526,566 in FY 11.

The second part on pages **EDU-36 and EDU-37** adjusts funding for the reorganization of programs and accounts in the Department and transfers the funding of six (6) General Fund and one (1) Federal Fund position in LTT to the General Purpose Aid for Local Schools account.

MANAGEMENT INFORMATION SYSTEMS

The **Part A** biennial initiatives for Management Information Systems may be found on pages **EDU-38 and EDU-39** of the **Committee Document**.

The Management Information Systems is an old account and program team that was responsible for managing the implementation of Essential Programs and Services and management of School Finance statutes which controls calculation and distribution of state subsidies; providing information that stimulates proposed changes to these statutes; providing educational data for legislators, educators, and citizens through the Maine Education Data Management System (MEDMS); and providing technology support for the department including learning technology, data entry, data processing, end user personal computer support, and management of the department web site and school performance profiles.

The Department has reorganized its accounts to reflect the reorganization of teams and programs and accounts within the Department. These Management Information Systems are now within the accounts and functions of the new School Finance and Operations and are reflected there and in the separate documents and charts that will be provided to you.

The first part on page **EDU-38** establishes the biennial **Baseline Budget** request for the General Fund at \$679,863 in FY 10 and \$679,863 in FY 11, and Federal Expenditures Fund at \$2,891,045 in FY 10 and \$2,808,336 in FY 11.

The second part on page **EDU-38** adjusts funding for the General Fund and the Federal expenditures Fund to close out the accounts and positions in Management Information Systems.

PK-20 CURRICULUM, INSTRUCTION AND ASSESSMENT

The **Part A** biennial initiatives for PK-20 Curriculum, Instruction and Assessment is in four (4) parts and may be found on pages **EDU-40 and EDU-41 of the Committee Document**.

Pre K - 20 Curriculum, Instruction and Assessment is a new account and program team with consultants who serve local school leadership and school administrative units allocated into 9 regions to provide a statewide regional model of support,

content consulting, professional development, and technical assistance for students to achieve Maine's Learning Results. Responsibilities also include the Maine Educational Assessment, Career and Technical education, and higher education services.

The Department has reorganized its accounts to reflect the reorganization of teams and programs within the Department. These functions and accounts of PK-20 Curriculum, Instruction and Assessment were previously a part of Regional Services. Other accounts and functions have come from Learning Systems (Maine's Learning Results, Maine Educational Assessment, and Career and Technical Education) and are reflected here and in the separate documents that will be provided to you tomorrow.

The first part on page **EDU-40** establishes the biennial **Baseline Budget** request for the General Fund at \$5,808,152 in FY 10 and \$5,835,984 in FY 11, Federal Expenditures Fund at \$29,292,694 in FY 10 and \$29,327,284 in FY 11, and Other Special Revenues Fund at \$54,640 in FY 10 and \$54,640 in FY 11.

The second part on page **EDU-40** provides a targeted funding reduction from savings achieved by joining the New England Common Assessment Program (NECAP) for student assessment contracts and eliminates one vacant Education Specialist position. Total savings is \$2,253,021 for the biennium.

The third part on page **EDU-41** reorganizes one Education Specialist III position to an Education Team Coordinator position for student assessment.

The fourth part on page **EDU-41** reflects the reorganization and reduction of programs, accounts and position counts in PK-20 Curriculum, Instruction and Assessment.

PRESCHOOL HANDICAPPED

The **Part A** biennial initiatives for Preschool Handicapped is in three (3) parts and may be found on pages **EDU-42 and EDU-43 of the Committee Document.**

Preschool Handicapped [Child Development Services CDS] maintains a coordinated service delivery system for the identification of special needs including ChildFind and free appropriate early intervention and public education services for eligible children from birth to age 5 who have a disability pursuant to the federal Individuals with Disabilities Act and State special education statutes.

The Department has reorganized its accounts to reflect the reorganization of teams and programs within the Department. The **Preschool Handicapped** account is proposed to be changed to the **Child Development Services** account. This change in the name of the account also requires a statutory language change as proposed in Part D-2 of this biennial budget.

The first part on page **EDU-42** establishes the biennial **Baseline Budget** request for the General Fund of \$16,352,270 in FY 10 and \$16,352,270 in FY 11 and Federal Expenditures Fund of \$5,252,313 in FY 10 and \$5,260,695 in FY 11.

The second part on page **EDU-42** transfers funding by \$451,379 in each year of the biennium for service center fees from the Preschool Handicapped (CDS) account to the Leadership Team account. The service center fees were placed in this account at the origination of the service center. This fee is more appropriately reflected in the Leadership account.

The third part on page **EDU-42** represents a targeted expenditure reduction by eliminating one vacant Secretary position for a total biennial savings of \$110,004.

The fourth part on page **EDU-43** reflects the reorganization and reduction programs, accounts and positions in Preschool Handicapped. There were no program reductions in this account.

PROFESSIONAL DEVELOPMENT AND EDUCATION FUND

The **Part A** biennial initiatives for Professional Development and Education Fund is in three (3) parts and may be found on page **EDU-44 of the Committee Document**.

This initiative would establish a new non-lapsing account to support approved requests from Department of Education staff for individual professional development and educational opportunities to enhance their skills, education and performance. Funding is derived from the program teams within the department. The first part on page **EDU-44** establishes the account as a non-lapsing account and the biennial **Baseline Budget** request for the General Fund of \$5,000 in FY 10 and \$5,000 in FY 11.

The second part on page **EDU-44** reduces the account by \$500 each year of the biennium as part of targeted reductions.

REGIONAL SERVICES

The **Part A** biennial initiatives for Regional Services is in two (2) parts and may be found on pages **EDU-45** and **EDU-46** of the **Committee Document**.

Regional Services is an old account and program team with consultants who served local school leadership and school administrative units allocated into nine regions to provide a state wide and regional model of support, professional development, and technical assistance for students to achieve Maine's Learning Results. These consultants serve as content area specialists for curriculum, instruction and

assessment in the department, staff special projects and initiatives, and manage a variety of state and federal programs and activities.

The Department has reorganized its accounts to reflect the reorganization of teams and programs within the Department. Regional Services has been reorganized and these services and accounts are now included as part of PK-20 Curriculum, Instruction and Assessment and is reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page **EDU-45** establishes the biennial **Baseline Budget** request for the General Fund of \$1,286,618 in FY 10 and \$1,302,374 in FY 11, and Federal Expenditures Fund of \$20,227,362 in FY 10 and \$20,239,771 in FY 11.

The second part on page **EDU-45** adjust funding for the General Fund and the Federal Expenditures Fund for distribution to the PK-20 Curriculum, Instruction and Assessment account as part of the reorganization of Department accounts and to close out programs, accounts and positions in the Regional Services account.

RETIRED TEACHERS GROUP LIFE INSURANCE

The **Part A** biennial initiatives for Retired Teachers Group Life Insurance is in two (2) parts and may be found on pages **EDU-47** of the **Committee Document**.

Other Post Employment Benefit requirements for retiree life insurance have been actuarially calculated for this group of retired teachers and become effective in fiscal year 2007-08.

The first part on page **EDU-47** establishes the biennial **Baseline Budget** request for the General Fund of \$2,518,852 in FY 10 and \$2,518,852 in FY 11.

The second part on page **EDU-47** adjusts funding for group life insurance for retired teachers by decreasing \$101,715 in FY 10 and increasing \$13,099 in FY 11 based on actuarially calculation for this group.

RETIRED TEACHERS HEALTH INSURANCE

The **Part A** biennial initiatives for Retired Teachers Health Insurance is in two (2) parts and may be found on pages **EDU-48 of the Committee Document**.

This program provides funding for health insurance benefits for Maine's retired teachers.

The first part on page **EDU-48** establishes the biennial **Baseline Budget** request for the General Fund of \$17,706,058 in FY 10 and \$17,706,058 in FY 11.

The second part on page **EDU-48** increases the biennial funding for retired teachers health insurance by \$1,062,363 in FY 10 and \$2,188,469 in FY 11, a 9% increase.

SCHOOL FINANCE AND OPERATIONS

The **Part A** biennial initiatives for School Finance and Operations is in two (2) parts and may be found on pages **EDU-49** and **EDU-50** of the **Committee Document**.

School Finance and Operations is a new account and program team and is responsible for managing the implementation of Essential Programs and Services, school finance statutes, the Maine Education Data Management System (MEDMS), and for providing technology support for the department, and oversight of school construction, pupil transportation, and school nutrition including the school breakfast program.

The Department of Education has reorganized its accounts to reflect the reorganization of the teams and programs within the Department. These School Finance and Operations functions and accounts were previously included in Management Information Systems (MIS). School construction, pupil transportation and the school breakfast program accounts and functions have come from Support Systems and are reflected here and in the separate documents and charts that will be provided to you.

The first part on page **EDU-49** establishes the biennial **Baseline Budget** request for the General Fund of \$2,130,332 in FY 10 and \$2,141,446 in FY 11, the Federal

Expenditures Fund of \$30,512,008 in FY 10 and \$30,439,251 in FY 11, and the Other Special Revenue Funds of \$462,367 in FY 10 and \$473,555 in FY 11.

The second part on page **EDU-49** provides a targeted funding reduction in funding for grants to public and private schools for a savings in the biennium of \$195,128. These grants have been inactive or expired and the reduction will have no impact.

SPECIAL SERVICES

The **Part A** biennial initiatives for Special Services is in two (2) parts and may be found on pages **EDU-51 and EDU-52 of the Committee Document.**

Special Services is a new account and program team and provides for general administration and supervision to ensure implementation of the State policy regarding equal educational opportunities for all children with disabilities, pursuant to Title 20-A, and the Federal Individuals with Disabilities Education Act (IDEA), as amended. It manages several Federal grant programs and provides technical assistance in the areas that include health education, assistive technology, early childhood services, due process and safe and drug free schools.

The Department of Education has reorganized its accounts to reflect the reorganization of the teams and programs within the Department. These Special Services programs, functions and accounts were previously part Learning Systems

functions and accounts. Health education, Individuals with Disabilities Education Act and other accounts, functions and services have come from Learning Systems and are reflected in the separate documents and charts that will be provided to you.

The first part on page **EDU-51** establishes the biennial **Baseline Budget** request for the General Fund of \$842,742 in FY 10 and \$842,742 in FY 11, the Federal Expenditures Fund of \$67,626,044 in FY 10 and \$67,686,970 in FY 11 and the Other Special Revenue Funds of \$241,375 in FY 10 and \$247,485 in FY 11.

The second part on page **EDU-51** continues the reductions from the Supplemental Budget in funding for health education, HIV prevention, contracts for complaints within the special education due process office, and the contract supporting the Interdepartmental Committee on Transition for a savings of \$197,272 for the biennium.

SUPPORT SYSTEMS

The **Part A** biennial initiatives for Support Systems is in two (2) parts and may be found on pages **EDU-53 to EDU-55** of the **Committee Document**.

Support Systems is an old account and program team and supported achievement of Maine's Learning Results by assuring that all Maine children are taught by competent, qualified educators in learning environments which are healthy and

safe. Programs included teacher certification, school construction, school nutrition, pupil transportation, and higher education.

The Department of Education has reorganized its accounts to reflect the reorganization of the teams and programs within the Department. All of the accounts and programs of Support Systems have been reorganized into other accounts and functions, within School Finance and Operations (school construction, pupil transportation, and child nutrition services) and Federal and State Program Services (certification), and are reflected in the separate reorganization documents and charts that will be provided to you.

The first part on page EDU-53 establishes the biennial **Baseline Budget** request for the General Fund of \$2,533,452 in FY 10 and \$2,570,941 in FY 11, the Federal Expenditures Fund of \$28,237,229 in FY 10 and \$28,250,148 in FY 11, and the Other Special Revenue Funds of \$1,096,862 in FY 10 and \$1,112,166 in FY 11.

The second part on page EDU-53 adjusts funding for the General Fund, the Federal Expenditures Fund, and the Other Special Revenue Funds for distribution to other reorganized programs and accounts to reflect the reorganization and to close out the programs, accounts and positions of Support Systems.

TEACHER RETIREMENT

The **Part A** biennial initiatives for Teacher Retirement is in two (2) parts and may be found on pages **EDU-56** of the **Committee Document**.

The Maine Public Employees Retirement System manages the state share and the employee's payroll deductions to provide retirement benefits for Maine's educators.

The expenditure forecast for the FY 10-11 biennium for Teacher Retirement assumes projected teacher salary and wage growth of 4.75%, based upon the MainePERS actuarial assumption for inflation and general salary increase. The required normal cost employer contribution, in dollars, for teacher retirement is based on this salary projection. The required unfunded actuarial liability (UAL) payment, in dollars, for the FY 2010-2011 biennium for teacher retirement is established by the actuarial valuation performed by MainePERS. The sum of these two employer retirement cost components forms the basis for the forecast for teacher retirement in the FY 10-11 budget.

The first part on page **EDU-56** establishes the biennial **Baseline Budget** request for the General Fund of \$178,669,830 in FY 10 and \$178,669,830 in FY 11.

The second part on page **EDU-56** provides a biennial increase of \$9,137,869 in FY 10 and \$18,058,735 in FY 11 based on actuarial estimates for inflation and general salary and wage growth of 4.75%.

PART D

The **Part D** initiative is in two (2) parts and may be found on page **EDU-112** of the **Committee Document**.

Part D-1 amends the Title 20-A, Section 253, sub-section 6 to reflect the reclassification of the agriculture consultant from an Education Specialist II to an Education Specialist III.

Part D-2 amends the statute to rename the Preschool Handicapped program account to the Child Development Services program account.

Thank you for giving me the opportunity to provide testimony on behalf of the Department of Education, on behalf of Commissioner Gendron. She looks forward to working with both Committees in the days and weeks ahead.

Maine Department of Education Office of the Commissioner

Commissioner-G
01400-0001

STATE BOARD OF
EDUCATION
Chair

Education Team & Policy Director
Chief of Staff-G
Public Service Executive II-G
01400-0381

Deputy Commissioner
Public Service Executive II-G
01400-0031

State Board of Education
Secretary Associate - G
01400-6006

Commissioner's Assistant
Office Spec II Supv-G
01400-0011

Education Team & Policy Director
Legislative Liaison
Public Service Executive II-G
01400-6071

Deputy Commissioner's
Senior Administrative
Secretary Specialist-G
01400-0171

Commissioner's Scheduler
Secretary Associate-G
01400-1051

Mail Clerk
Office Assistant II-G
01400-2571

Legislative Liaison's
Secretary Associate-G
01400-3711

School Approval
Home Schooling
Ed Spec III-G
01400-6198

Education Team Coordinator
Compliance
Public Service Manager II-F
01400-5552

Federal Liaison
Education Specialist III-F
01400-6293

Old Team Names

- PURPLE** – Learning Systems (no longer exists)
- ORANGE** – Support Systems (no longer exists)
- TEAL** – Leadership
- GREEN** – Regional Services (now Pre-K-20)
- YELLOW** – Management Information Systems (now School Finance & Operations)

General Fund = G, solid line
Federal Fund = F, dotted line
Special Revenue = SR, green line

Maine Department of Education

PK-20 Curriculum, Instruction, and Assessment Team

Education Team & Policy Director-G
Public Service Executive II
01400-0091

Curriculum, Instruction, & Assessment Educational Representatives

- | | |
|---|---|
| Regional Ed Rep-G
Literacy, ELA, MEA
01400-6212 | Regional Ed Rep-G
ELA, MEA, Higher Ed.
01400-0301 |
| Regional Ed Rep-G
Social Studies
01400-1841 | Regional Ed Rep-G
Mathematics, SAT
VACANT
01400-0211 |
| Regional Ed Rep-G
World Languages
01400-6200 | Regional Ed Rep-G
Science
01400-6199 |
| Ed Spec III-G
VACANT
01400-0935 | Regional Ed Rep-G
Visual/Performing Arts
01400-6202 |
| Title II Teacher Quality
Ed Spec III-F
01400-6296 | Ed Spec III-G
01400-0935 |
| Literacy
Ed Spec III - F
01400-0948 | Regional Ed Rep-G
Communications Dir. |

Career & Technical Education

- | | |
|--|----------------------------------|
| Ed Spec III-G
01400-6201 | Ed Spec III-G
01400-6201 |
| Ed Spec III-F
01400-3861 | Ed Spec III-G
01400-6201 |
| Ed Spec III-F
01400-6192 | Ed Spec III-F
01400-6192 |
| Ed Spec III-F
01400-0815 | Ed Spec III-F
01400-6192 |
| Ed Spec III-G
01400-6201 | Ed Spec III-G
01400-6201 |
| Ed Spec III-F
01400-6192 | Ed Spec III-F
01400-6192 |
| Ed Spec III-F
01400-6192 | Ed Spec III-F
01400-6192 |
| Ed Spec III-F
01400-6192 | Ed Spec III-F
01400-6192 |
| Office Asst. III-F
VACANT
01400-0092 | Office Asst. III-F
01400-6192 |
| Office Asst. III-F
01400-6192 | Office Asst. III-F
01400-6192 |

Assessment

- | | |
|---|-----------------------------|
| Assessment
Ed Spec III-G
01400-6958 | Ed Spec III-F
01400-6192 |
| Alternate Assessment
Ed Spec III-G
01400-6958 | Ed Spec III-F
01400-6192 |
| MEACBB
Office Associate III-F
01400-0927 | |

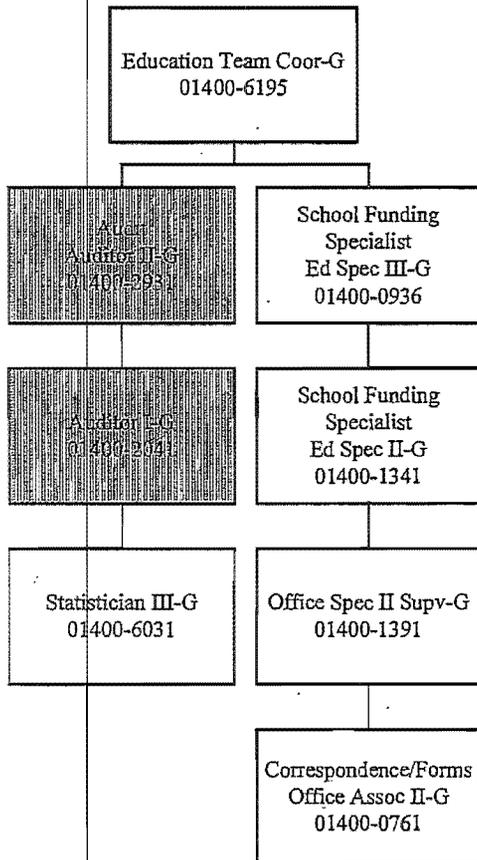
Maine Department of Education

School Finance & Operations Team

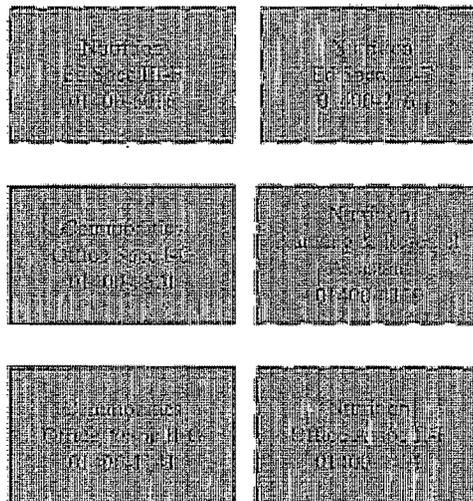
Education Team & Policy Director-G
Public Service Manager III
01400-3811

Dep. Director -F
IT Services
VACANT
01400-0942

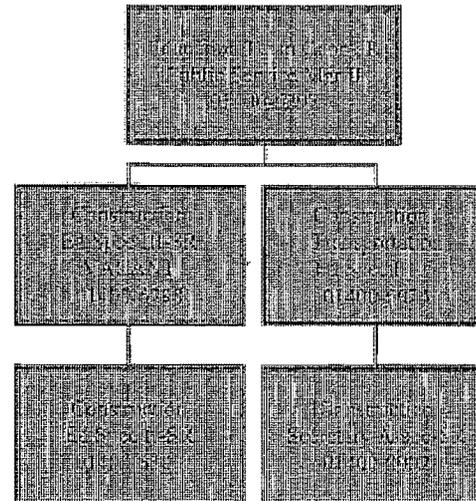
GPA / Audit / Research



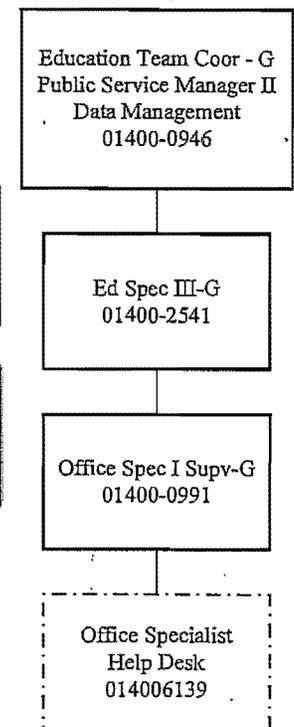
Nutrition Team



School Facilities



MEDEMS



No Child Left Behind

Ed Spec III-F
01400-2841

Maine Department of Education Special Services Team

Education Team & Policy Director-F
Public Service Executive II
01400-2711

Office Assoc. I/SG
01400-6082

Health & Physical Education

Ed Spec III-F
01400-5248

Ed Spec III-F
01400-5306

Ed Spec III-SR
01400-5899

Ed Spec III-F
01400-5307

Ed Spec III-SR
01400-5715

Office Assoc I/SG
01400-5104

Ed Spec II-SR
01400-5753

Ed Spec I/ESR
01400-5129

Student Assistance Team

Ed Spec III-F
VACANT
01400-6279

Ed Spec II-F
01400-6281

Ed Spec II-S
01400-6286

Office Assoc II-F
01400-6282

Children's Cabinet

Develop. Project Officer
01400-0928

Plan & Research
Assoc.
01400-0926

State Programs

Ed Spec III-F
01400-5701

Office Assoc I/SG
01400-5702

Ed Spec III-F
01400-5703

Youth Development Center

Ed Spec II-S
01400-5990

Ed Spec III-SR
01400-5993

Ed Spec I/SG
Longcreek
01400-3941

Office Associate II-G
Longcreek
01400-0939

Federal Programs

Ed Spec III-F
VACANT
01400-325

Office Assoc. I/SG
01400-5054

Management
Assistant
01400-5100

Office Assoc II-F
VACANT
01400-5058

Special Education

C.S.P.D.

Ed Spec III-F
01400-5103

System Admin
01400-5102

Special Educ
Spec
01400-5101

Due Process

Ed Spec III-F
01400-2771

Ed Spec III-F
01400-5107

Ed Spec III-F
01400-5171

Office Assoc II-F
01400-5105

Ed Spec II-F
01400-5032

C.D.S.

Office Assoc I/SG
01400-5092

Ed Spec III-F
1 Year Old Program
01400-5106

Special Ed
VACANT
01400-5108

Special Education Program Review

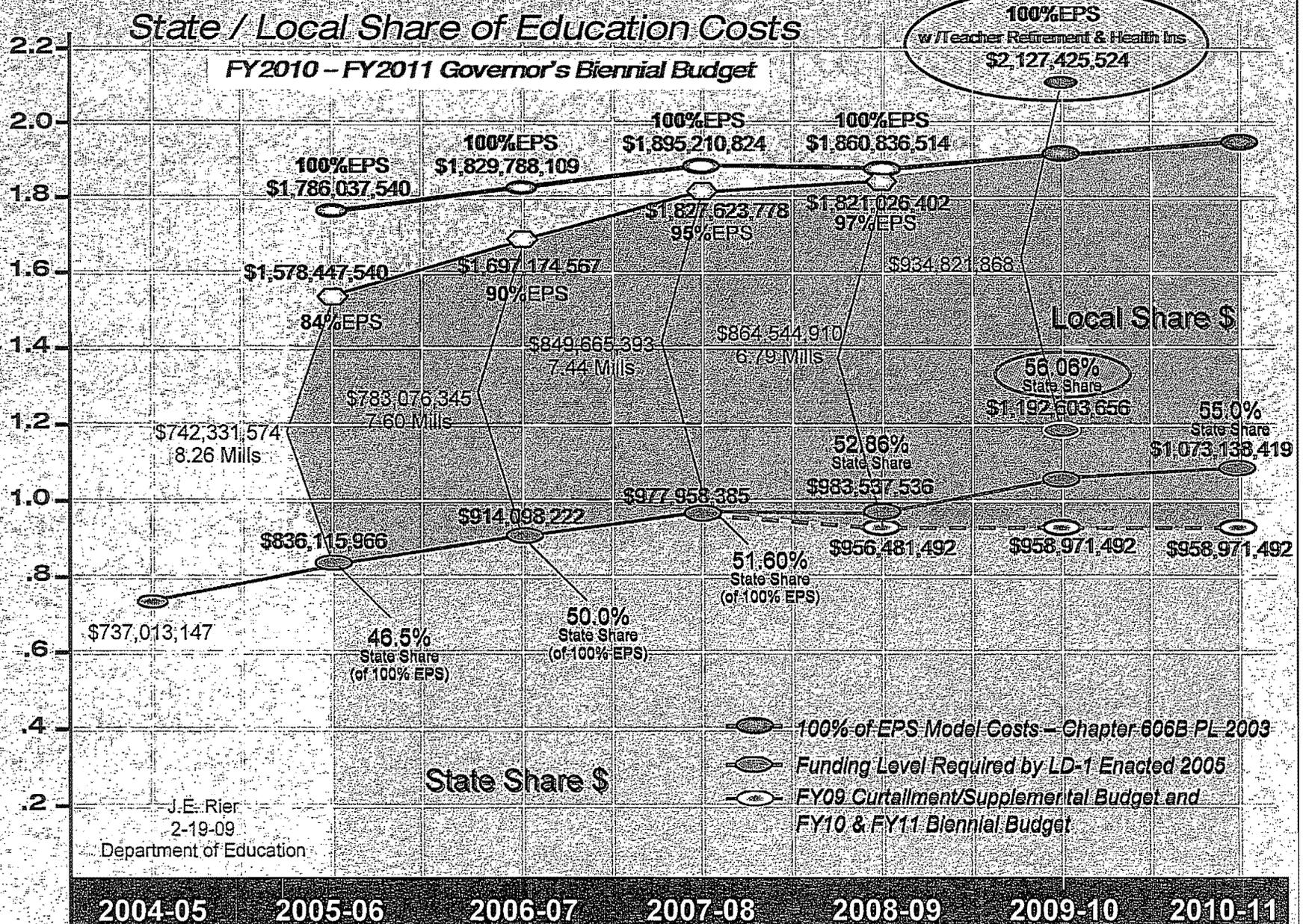
Office Assoc I/SG
VACANT
01400-5619

Education Funding Law Implementation

State / Local Share of Education Costs

FY2010 - FY2011 Governor's Biennial Budget

K-12 EDUCATION COSTS TOTAL (BILLIONS)



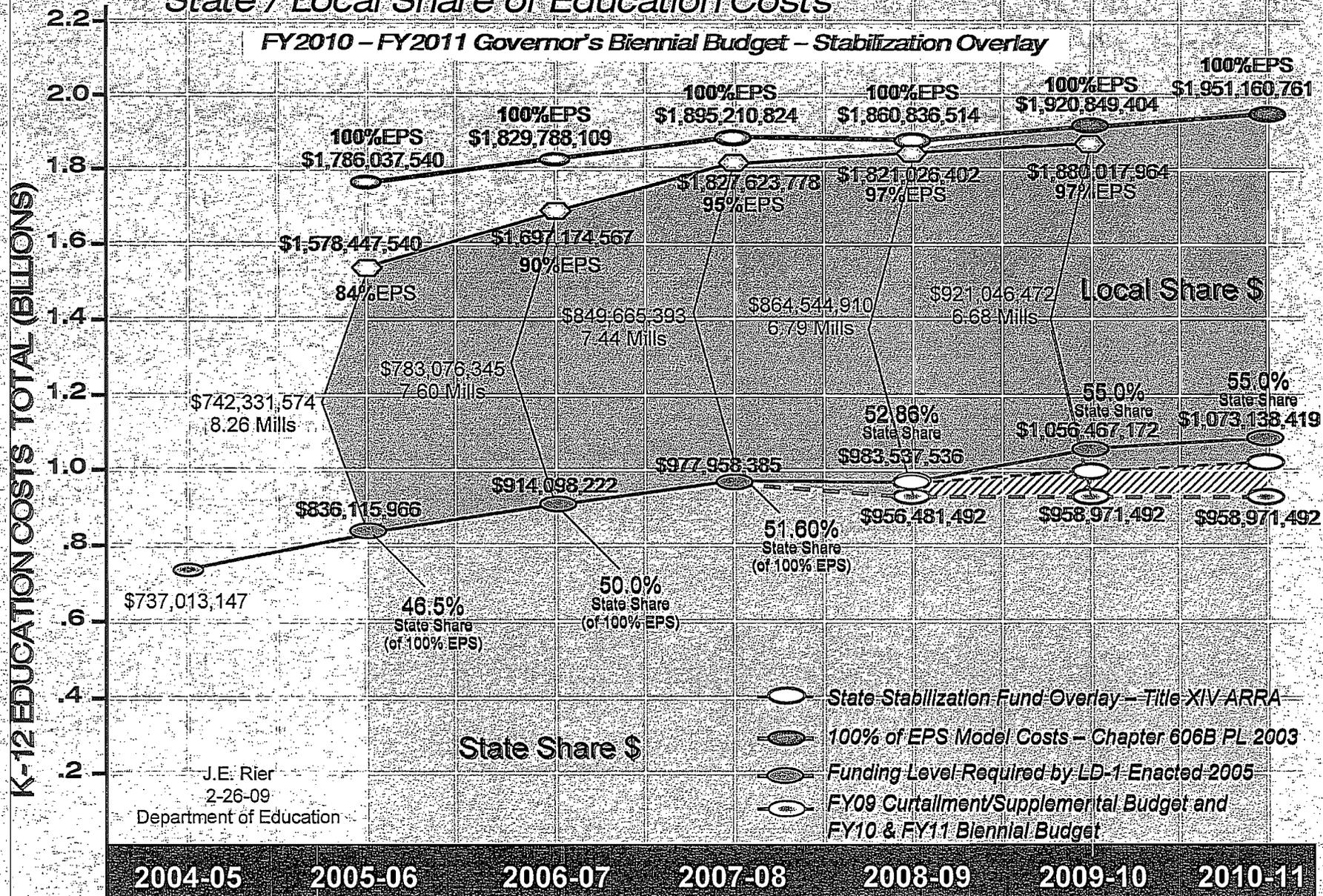
J.E. Rier
2-19-09
Department of Education

- 100% of EPS Model Costs - Chapter 606B PL 2003
- Funding Level Required by LD-1 Enacted 2005
- FY09 Curtailment/Supplemental Budget and FY10 & FY11 Biennial Budget

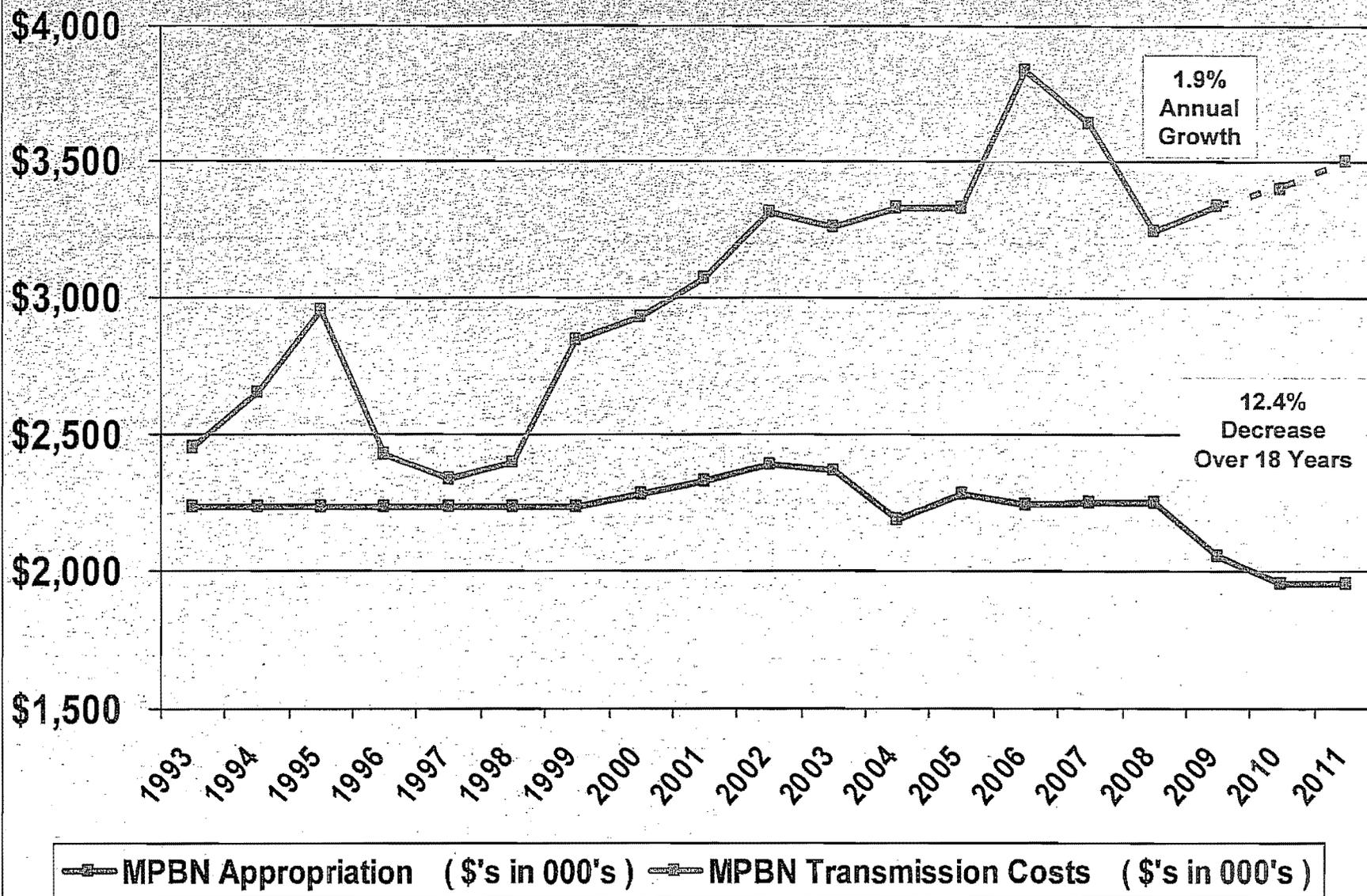
Education Funding Law Implementation

State / Local Share of Education Costs

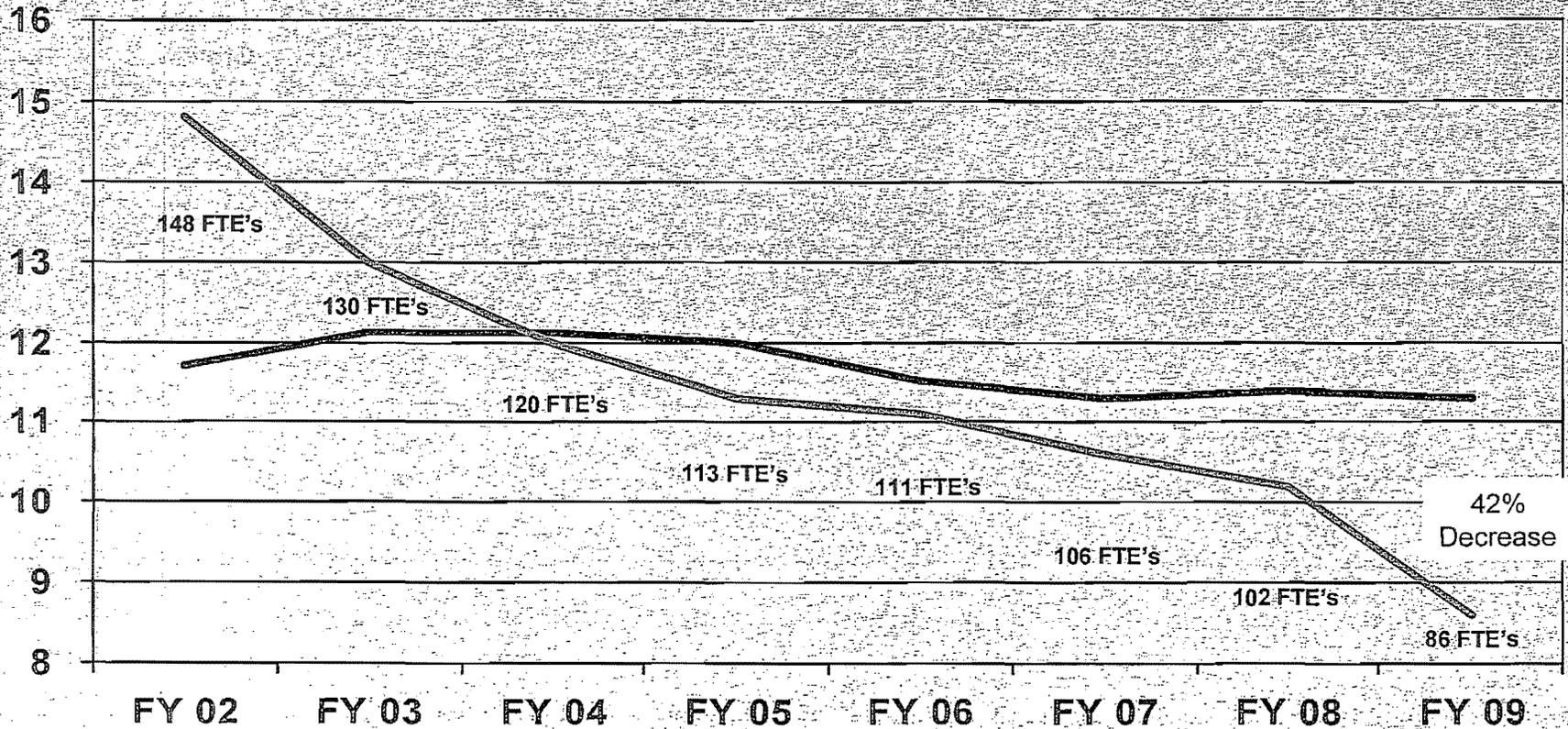
FY2010 - FY2011 Governor's Biennial Budget - Stabilization Overlay



Transmission Costs vs Appropriation History



Number of Employees and Total Revenue



Revenue (in \$000,000)
 Number of FTE's x 10

Maine Department of Education

Old Programs

New Programs

Agency	Program	Program Name	What the Budget Purchases		Agency	Program	Program Name	What the Budget Purchases
EDB00	0614	STATE BOARD OF EDUCATION	The State Board of Education has policy, rule making and approval responsibility to specified aspects of the statewide educational system. It is responsible for developing and applying the rules for educator certification, program approval for higher education, and school construction. In addition, the board oversees vocational education and has developed a new paradigm for funding K-12 education based on Essential Programs and Services.	↔	EDB00	0614	STATE BOARD OF EDUCATION	The State Board of Education has policy, rule making and approval responsibility for specified aspects of the statewide educational system including educator certification, program approval for higher education, school construction and Career and Technical education.
EDU00	0170	TEACHER RETIREMENT	The Maine State Retirement System manages the State's share and the employee's payroll deductions to provide retirement benefits for Maine's educators.	↔	EDU00	0170	TEACHER RETIREMENT	The Maine State Retirement System manages the State's share and the employee's payroll deductions to provide retirement benefits for Maine's educators.
EDU00	0220	EDUCATION IN UNORGANIZED TERRITORY	Funding to educate 1,180 students residing in unorganized territories, including 202 students in 5 unorganized territory schools. The department operates these programs.	↔	EDU00	0220	EDUCATION IN UNORGANIZED TERRITORY	The Education in Unorganized Territory Schools educate 1,006 students residing in unorganized territories, including 174 students in 5 unorganized territory schools. The department operates these programs.
EDU00	0308	GENERAL PURPOSE AID FOR LOCAL SCHOOLS	This program forms the core of state funding for Maine public schools distributed according to statute. The department distributes these monies to local administrative units. Local school administrative units use these resources with local tax reserves to provide K-12 educational programs so that each student achieves Maine's Learning Results.	↔	EDU00	0308	GENERAL PURPOSE AID FOR LOCAL SCHOOLS	General Purpose aid forms the core of state funding for Maine public schools distributed according to statute. The department distributes these monies to local administrative units and local school administrative units use these resources with local tax reserves to provide K-12 educational programs so that each student achieves Maine's Learning Results.
EDU00	0364	ADULT EDUCATION	Provides administrative and technical support and assistance for adult education programs statewide including adult and community education, adult basic education, adult high school diploma, high school equivalency diploma testing program, family literacy, and college transition programs.	↔	EDU00	0364	ADULT EDUCATION	Adult Education provides administrative and technical support assistance for adult education programs statewide including adult and community education, adult basic education, adult high school diploma, high school equivalency diploma testing program, family literacy, and college transition programs.
EDU00	Z029	LEARNING THROUGH TECHNOLOGY	The Learning Through Technology Initiative provides the tools and resources to assist Maine's teachers in integrating technology into their classrooms and curriculum. Programs include the laptop portable computer program, distance learning classrooms, federal Title II-D education technology grants to school administrative units, federal e-rate support, Maine School Library Network support, and support to the Department of Education and school administrative units in the implementation of Learning Through Technology.	↔	EDU00	Z029	LEARNING THROUGH TECHNOLOGY TEAM	The Learning Through Technology Initiative provides the tools and resources to assist Maine's teachers in integrating technology into their classrooms and curriculum. Programs include the laptop portable computer program, distance learning classrooms, federal Title II-D education technology grants to school administrative units, federal e-rate support, Maine School Library Network support, and support to the Department of Education and school administrative units.
EDU00	0449	PRESCHOOL HANDICAPPED	Maintains a coordinated service delivery system for the identification of, and early intervention or public education services for, eligible children from birth to age 5 who have a disability pursuant to the federal Individuals with Disabilities Act and state special education statutes.	↔	EDU00	0449	* CHILD DEVELOPMENT SERVICES * (Formerly PRESCHOOL HANDICAPPED)	Child Development Service ensures the provision of child find activities, early intervention services, and free, appropriate public education services to eligible children, pursuant to Title 20-A, and designated as the State Education Agency responsible for carrying out the State's obligations under the Federal Individuals with Disabilities Education Act.
EDU00	0704	JOBS FOR MAINE'S GRADUATES	Jobs for Maine's Graduates is an educational private nonprofit established by the Legislature in 1993 to develop a statewide system of dropout prevention and school to career programs for at-risk youth. The department does not operate this program.	↔	EDU00	0306	JOBS FOR MAINE'S GRADUATES	Jobs for Maine's Graduates is an educational private nonprofit established by the Legislature in 1993 to develop a statewide system of dropout prevention and school to career programs for at-risk youth.
EDU00	0791	MAGNET SCHOOL	The Board of Trustees of the Maine School of Science and Mathematics operates a residential mathematics and sciences school in Limestone with funding from the department. This includes a summer program for middle school students and a school year program for high school students. The department does not operate this program.	↔	EDU00	0308	MAGNET SCHOOL	The Board of Trustees of the Maine School of Science and Mathematics operates a residential mathematics and sciences public school in Limestone with funding from the department that includes a summer program for middle school students and a school-year program for high school students.

Maine Department of Education

EDU00	2014	CRIMINAL HISTORY RECORD CHECK FUND	This fund is a dedicated revenue fund within the Department of Education for the deposit of any fees collected for the completion of criminal history record checks of educational personnel applicants. Funds collected are utilized to reimburse the Department of Public Safety for the cost of conducting fingerprinting sessions and for the cost of required state and national criminal history record checks. This is a non-lapsing program.	↔	EDU00	2014	CRIMINAL HISTORY RECORD CHECK FUND	This fund is a dedicated nonlapsing revenue fund within the Department of Education for the deposit of any fees collected for the completion of criminal history record checks of educational personnel applicants. Funds collected are utilized to reimburse the Department of Public Safety for the cost of conducting fingerprinting sessions and for the cost of required state and national criminal history record checks.
EDU00	2023	AFTER-SCHOOL PROGRAM FUND	This fund encourages the facilitation of high quality after-school programs by the award of grants to school administrative units throughout the State. The fund is administered by the commissioner within the department.	↔	EDU00	2023	AFTER-SCHOOL PROGRAM FUND	This fund encourages the facilitation of high quality after-school programs by the award of grants to school administrative units throughout the State. The fund is administered by the commissioner within the department.
EDU00	2032	PROFESSIONAL DEVELOPMENT & EDUCATION FUND	This is a non-lapsing program to support approved requests from the department staff for individual professional development and educational opportunities to enhance their skills, education and performance. Funding is derived from the program teams within the department.	↔	EDU00	2032	PROFESSIONAL DEVELOPMENT & EDUCATION FUND	This is a non-lapsing program to support approved requests from the department staff for individual professional development and educational opportunities to enhance their skills, education and performance. Funding is derived from the program teams within the department.
EDU00	2033	RETIRED TEACHERS' GROUP LIFE INSURANCE	Funding for group life insurance for retired teachers as a result of Other Post Employment Benefit requirements for retiree life insurance actuarially calculated for this group and become effective in fiscal year 2007-08.	↔	EDU00	2033	RETIRED TEACHERS' GROUP LIFE INSURANCE	Provides funding for group life insurance for retired teachers as a result of Other Post Employment Benefit requirements for retiree life insurance actuarially calculated for this group and become effective in fiscal year 2007-08.
EDU00	0854	RETIRED TEACHERS' HEALTH INSURANCE	This program provides funding for health insurance benefits for Maine's retired teachers.	↔	EDU00	0854	RETIRED TEACHERS' HEALTH INSURANCE	This program provides funding for health insurance benefits for Maine's retired teachers.
EDU00	0949	FHM - SCHOOL NURSE CONSULTANT	The purpose of the School Nurse Consultant program is to provide ongoing consultation, policy development and technical assistance to the nearly 400 school nurses across the State. School nurses in Maine provide health services to students assisting them to be ready to learn. With changes in federal regulations that require students to be educated in the least restrictive environment, many medically fragile students are now attending school. There are increasing numbers of students in school with diabetes, asthma and other chronic health conditions. School nurses are responsible for the health services provided to all students, are involved with environmental health and public health issues of the school, and work with school, parents and community health providers to improve the health of students.	↔	EDU00	0949	FHM - SCHOOL NURSE CONSULTANT	The School Nurse Consultant program provides ongoing consultation, policy development and technical assistance to the nearly 400 school nurses across the State.

Maine Department of Education

EDU00	0898	SCHOOL BREAKFAST PROGRAM	Funds for the school breakfast program for fiscal year 2006-07 only.				
EDU00	0836	LEADERSHIP	Leadership includes the Commissioner's Office and is responsible for alignment of the department to help each Maine student achieve the Learning Results; advocates for public education, celebrates the good news and pursues continuous improvement; resolves issues in a timely manner; coordinates with educator organizations; and provides leadership in new learning technologies.	EDU00	Z077	LEADERSHIP TEAM	Leadership includes the Commissioner's Office and is responsible for alignment of the department to help each Maine student achieve the Learning Results; advocates for public education, celebrates the good news and pursues continuous improvement; resolves issues in a timely manner; coordinates with educator organizations; and provides leadership in new learning technologies, state and federal legislative liaison activities, state and federal compliance, Freedom of Access, agency rulemaking and school approval. NOTE: Title III Limited English Proficient is funded through Leadership Team but works through the Federal and State Program Services Team.
EDU00	0837	SUPPORT SYSTEMS (No Longer Exists)	The Support Systems Team supports achievement of Maine's Learning Results by assuring that all Maine children are taught by competent, qualified educators in learning environments which are healthy and safe. Programs include teacher certification, school construction, school nutrition, pupil transportation, and higher education.	EDU00	Z078	SCHOOL FINANCE AND OPERATIONS TEAM (formally Mgt. Information Systems)	The School Finance and Operations team is responsible for managing the implementation of Essential Programs and Services, school finance statutes, the Maine Education Data Management System (MEDMS), and for providing technology support for the department, and oversight of school construction, pupil transportation, and school nutrition including the school breakfast program.
EDU00	0838	MGST INFORMATION SYSTEMS (Name Change)	The Management Information Systems team is responsible for managing the implementation of Essential Programs and Services and management of school finance statutes which control calculation and distribution of state subsidies; providing information that stimulates proposed changes to these statutes; providing educational data for legislators, educators, and citizens through the Maine Education Data Management System (MEDMS); and providing technology support for the department including learning technology, data entry, data processing, end user personal computer support, and management of the department web site and school performance profiles.	EDU00	Z079	FEDERAL AND STATE PROGRAM SERVICES TEAM	The Federal and State Program Services supports, through federal and state programs activities, the requirements for all Maine learners to achieve Maine's Learning Results. State programs include adult education, guidance and counseling, truancy and dropouts and educator certification. Federal responsibilities and programs include No Child Left Behind (NCLB), Title I, Migrant Education, and Title IX McKinney-Vento Homeless.
EDU00	0839	LEARNING SYSTEMS (No Longer Exists)	Coordinate, manage and supervise services related to instructional programs, activities and requirements for all Maine learners to achieve Maine's Learning Results; provide leadership, technical assistance and staff development to local school administrative units on instructional items and program operations; responsible for support of Maine Educational Assessment. Programs include adult education, career and technical education, school approval, homeless education, truancy and dropouts, and health education. Responsibilities also include several federal programs including Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB).	EDU00	Z080	SPECIAL SERVICES TEAM	Special Services provides for general administration and supervision to ensure implementation of the State policy regarding equal educational opportunities for all children with disabilities, pursuant to Title 20-A, and the Federal Individuals with Disabilities Education Act, as amended. It manages several Federal grant programs and provides technical assistance in the areas that include health education, assistive technology, early childhood services, due process and safe and drug free schools.
EDU00	0840	REGIONAL SERVICES (Name Change)	Consultants serve local school leadership and school administrative units allocated into 9 regions to provide a statewide regional model of support, professional development, and technical assistance for students to achieve Maine's Learning Results. These consultants serve as content area specialists for curriculum, instruction and assessment in the department, staff special projects and initiatives, and manage a variety of state and federal programs and activities.	EDU00	Z081	PRE K - 20 CURRICULUM, INSTRUCTION AND ASSESSMENT TEAM (formally Regional Services)	Pre K - 20 consultants serve local school leadership and school administrative units allocated into 9 regions to provide a statewide regional model of support, professional development, and technical assistance for students to achieve Maine's Learning Results. Responsibilities also include the Maine Educational Assessment, Career and Technical education, and higher education services.

Maine Department of Education

OLD PROGRAMS NO LONGER IN EXISTENCE				NEW PROGRAMS			
EDU00	2005	FUND FOR THE EFFICIENT DELIVERY OF EDUCATIONAL SERVICES	In accordance with Public Law 2005, chapter 2, the Fund for the Efficient Delivery of Educational Services is established to distribute from the fund to those school administrative units and municipalities that are able to demonstrate significant and sustainable savings in the cost of delivering educational services and improved student achievement through changes in governance, administrative structure of adopted policy that result in the creation of consolidated school administrative units, broad-based purchasing alliances, enhanced regional delivery of educational services or collaborative school-municipal service delivery or service support systems.	EDU00	0308	MAINE EDUCATIONAL CENTER FOR THE DEAF AND HARD OF HEARING AND THE GOVERNOR BAXTER SCHOOL FOR THE DEAF	This program is established as a public school for the purpose of educating Deaf and Hard of Hearing students, pursuant to Title 20A, Chapter 304, and includes a "Center school" located at Mackworth Island and "statewide educational services" or "outreach" including consultation services provided to families of children from birth to five years of age, to school administrative units and services to parents.
EDU00	0658	PROFESSIONAL DEVELOPMENT	Funds are allocated to school units on a per student basis to fund professional development activities for implementation of Maine's Learning Results.				
EDU00	0737	EDUCATIONAL RESTRUCTURING & IMPROVEMENTS	Provides grant support to school districts for training from the University of Maine in the methods of Reading Recovery, an important intervention strategy to help improve the literacy of young elementary students.				
EDU00	0304	MAINE LEARNING TECHNOLOGY ENDOWMENT	The Maine Learning Technology Initiative (MLTI) provides the tools and resources to assist Maine's teachers integrate technology into their classrooms and curriculum. The MLTI equalizes the access to technology statewide by providing a portable computer equipped with a rich package of educational and productivity software to each 7th and 8th grade student and teacher in Maine's public schools.				



Leading the Way to Great Public Schools for Every Maine Student

February 24, 2009

Christopher J. Galgay *President*
Lois Kilby-Chesley *Vice President*
Joyce A. Blakney *Treasurer*
Grace E. Leavitt *NEA Director*
Dan Allen *NEA Director*

Mark L. Gray *Executive Director*

Dear Members of the Appropriations and Financial Affairs Committee and Members of the Education and Cultural Affairs Committee:

Senator Diamond, Representative Cain, members of the Appropriations and Financial Affairs Committee; Senator Alford, Representative Sutherland, members of the Education and Cultural Affairs Committee. My name is Chris Galgay and I am presently serving as President of the Maine Education Association. As I am sure most of you know the MEA represents more than 25,000 Maine educators who work in every Pre-K-12 public school system in Maine, in our Community Colleges across the state, within the University of Maine System, and for the Maine Public Broadcast Corporation.

Last month I stood before all of you in this room and asked you not to support the Governor's mid-year cuts to public education from Pre-K to the University level. Although you supported the Governor's cuts, President Obama and the majority of the members of Congress felt it was vital to fill the funding shortage in state budgets throughout the country. Thankfully, it appears that the Stimulus Bill will be able to restore the funds that were cut last month by the mid-year curtailment. In addition to this fiscal year, the federal funding may also be able to offset many of the education cuts that are contained in the Governor's proposed budget.

Although this funding from Washington over the next few fiscal years will provide welcomed relief within the education community, it is important for all Mainers, and especially our elected officials, to recognize that this funding is not an extra funding. In fact, as generous as it might seem, this stimulus funding will not come close to making up for the cuts that have been made to public education over the last two years, as well as the funding proposals for the next two fiscal years.

Many of us in the education community have stood here and said over and over that funding of education is not an *expense* to the state; it is in fact an *investment*. I have heard a lot of talk in this building over the last few weeks about a so called cliff when this stimulus money goes away in a few years. I am truly disappointed by this talk. The federal government has given the state of Maine a pass on its true financial obligation to education over the next few years. I would hope that you would be thankful for this two year pass and start planning as to how the state will meet its funding obligation to our Pre-K-12 schools, our Community Colleges and University System in the years ahead.

In closing, I would like to share something Robert Reich, President Clinton's Labor Secretary said a few months ago:



"Schools are being closed, teachers laid off, after-school programs cut, so-called "noncritical" subjects like history eliminated, and tuitions hiked at state colleges.

It's absurd. We're bailing out every major bank to get financial capital flowing again. But we're squeezing the main sources of our nation's human capital. Yet America's future competitiveness and the standard of living of our people depend largely on our peoples' skills and our capacities to communicate and solve problems and innovate -- not on our ability to borrow money.

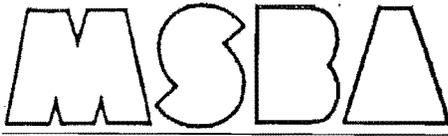
It's our human capital that's in short supply. And without adequate public funding, the supply will shrink further. Don't get me wrong: I'm not saying funding is everything when it comes to education. Obviously, accountability is important. But without adequate funding we can't attract talented people into teaching, or keep class sizes small enough to give kids a real chance to learn, or provide them with a well-rounded curriculum, and ensure that every qualified young person can go to college."

Please deliberate carefully on education funding, Maine can't afford to cut its investments in our public education systems at any level and still be prepared for the future.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Galgay".

Chris Galgay, MBEA president



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SCHOOL BOARD
ATTORNEYS

Daniel Stockford, Esq., Chair

TESTIMONY IN OPPOSITION TO

LD #353

“AN ACT TO MAKE UNIFIED APPROPRIATIONS AND ALLOCATIONS FOR THE EXPENDITURES OF STATE GOVERNMENT, GENERAL FUND AND OTHER FUNDS, AND CHANGING CERTAIN PROVISIONS OF THE LAW NECESSARY TO THE PROPER OPERATIONS OF STATE GOVERNMENT FOR THE FISCAL YEARS ENDING JUNE 30, 2010 AND JUNE 30, 2011”

Senator Diamond, Representative Cain, Senator Alford, Representative Sutherland and members of the Appropriations and Education and Cultural Affairs Committees, I am Erica Kimball, a school board member for MSAD 22 and president of the Maine School Boards Association. I am here to testify against the biennial budget bill because it continues a \$27 million cut in General Purpose Aid that began this year as part of the supplemental budget.

School boards working with their superintendents are reviewing proposals that include everything from reducing bus runs, cutting back on programs, laying off staff and even closing schools. We are trying to be creative in our approach to save positions and programs and assure quality education for our children, but each year the cut continues, the more difficult it gets.

As I mentioned the last time I was before you, cutting General Purpose Aid by \$27 million and then leaving it at that level over the biennium means the state’s share of K-12 education decreases each year and will fall below 50 percent in fiscal year 2010. That puts schools in the difficult situation of asking local property taxpayers to pick up more of the cost or cutting valuable programs.

This budget also points out that what is paid for out of General Purpose Aid is not just local education, but a number of other programs and 23 state positions that were previously paid for out of the general fund – a cost shift that requires local taxpayers to pick up even more of the tab.



We are encouraged that the federal stimulus package will make the next two years less difficult, but understand we must continue our work to make school systems more efficient while improving the quality of education for our students.

We look forward to working with you through this budget process and can assure you our goal is to use whatever financial help we receive to improve our schools and put them on a fiscally sustainable path for the future.

SENATE

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 ELIZABETH M. SCHNEIDER, Penobscot
 CAROL WESTON, Waldo

PHILLIP D. MCCARTHY, Ed.D., LEGISLATIVE ANALYST
 DAVID DESJARDINS, COMMITTEE CLERK



HOUSE

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 HOWARD E. MCFADDEN, Derryville
 PETER B. JOHNSON, Greenville

STATE OF MAINE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE
 COMMITTEE ON EDUCATION AND CULTURAL AFFAIRS

April 9, 2009

MEMO TO: Senator William Diamond, Senate Chair,
 Representative Emily Ann Cain, House Chair, and
 Members of the Joint Standing Committee on Appropriations & Financial Affairs

FROM: Senator Justin Alfond, Senate Chair, *Justin Alfond*
 Representative Patricia Sutherland, House Chair, and *Patricia Sutherland*
 Members of the Joint Standing Committee on Education & Cultural Affairs

SUBJ: **Education & Cultural Affairs Committee Report for GPA for Local Schools
 and the Maine State Museum in FY 2010 - FY 2011 Biennial Budget (LD 353)**

The Joint Standing Committee on Education & Cultural Affairs is pleased to submit our report on the General Purpose Aid for Local Schools ("GPA") program initiatives in the FY 2010 and FY 2011 biennial budget bill (LD 353) and to amend our previous report pertaining to the Maine State Museum. Our recommendations for these initiatives are presented as follows:

- ⊕ A summary of our recommendations and votes on the GPA provisions in Part A and Part C, as well as other items related to the distribution of state subsidies from the GPA program, are presented in the attached document titled "Work Session Summary: April 1, April 2 and April 7";
- ⊕ The Part A baseline and adjustment initiatives to the GPA appropriations for FY 2010 and FY 2011 are presented in pages EDU-26 and EDU-27 of the attached EDU budget worksheet;
- ⊕ The amended Part C language initiatives pertaining to the GPA appropriation for FY 2010 are presented in an 8-page document prepared by the Department of Education following Education & Cultural Affairs Committee work sessions; and
- ⊕ We reconsidered our previous vote to amend Part A initiatives proposed for the Maine State Museum; and now unanimously recommend, by a 9-0 vote, a "revenue-neutral" proposal from the Maine State Museum Commission to: (1) accept the elimination of the Education Program Scheduler (Ref. # 3351 @ pages EDU-85-86); (2) reject the reduction in funding for the Chief Archeologist (Ref. # 3348 @ page EDU-87); and (3) restore funding for the Chief Archeologist

position by reducing the workweek of both the Director and the Assistant Director of the Maine State Museum by 20% for FY 2010 and FY 2011 in accordance with the Part Z provisions of LD 353 that propose to establish a voluntary employee incentive program. We understand that the Director of the Maine State Museum will be providing language to the Appropriations and Financial Affairs Committee to implement this proposal and our recommendation.

We thank you for your consideration of our biennial budget recommendations on these initiatives. As always, we look forward to collaborating with you as your work on the LD 353 proceeds during the upcoming weeks.

Tompkins, Carol

From: Low, Ryan
Sent: Thursday, April 16, 2009 4:26 PM
To: Tompkins, Carol
Subject: can you print this for me?

INFORMATIONAL LETTER:
POLICY CODE: DBE

TO: Superintendents of Schools
FROM: Susan A. Gendron, Commissioner
DATE: April 16, 2009
RE: Revenue Projections and the Funding "Cliff"

As you are in the process of completing your 2009-10 school budgets, I wish to update you on the effect that the anticipated downward revenue projection could have on state subsidies for education.

I have said for some time, including in our most recent conference call earlier this week, that while an influx of federal State Fiscal Stabilization Funds for education would help restore reduced education funding in the short term, we can expect the funds for only the next two-and-a-half years. After the fiscal year ending June 30, 2011 (FY 11), we can expect a funding "cliff" and should plan accordingly, taking care not to create or preserve programs that will not be sustainable once these temporary additional federal funds stop flowing.

In light of recent economic forecasts for the state which have been reported in the media, the Legislature has delayed final action on the two-year budget in order to hear from the Revenue Forecasting Commission in early May. The only question is how much lower the projections will be, not "if" they will be lower.

As I explained in the conference call, we have set aside some of the State Fiscal Stabilization Funds in anticipation of a possible further reduction of state education funding for FY 10. In the event that state education subsidies are further reduced, my first priority for the Stabilization funds is to protect state subsidies for FY 09 and FY 10. However, the more we divert from FY 11 to FY 10, the less will be available in FY 11. In other words; the "cliff" that was anticipated for FY 12 could come in FY 11.

These are extremely difficult economic times with very difficult choices for us in the days ahead. I will be reaching out to our partner organizations to jointly sponsor an event where we can collaborate on strategies for budgeting in difficult economic times. I will share additional information with you as soon as I have it.

.....
MSMA's bulletin:

Maine School Management Association

Tompkins, Carol

From: Low, Ryan
Sent: Friday, April 17, 2009 1:26 PM
To: Tompkins, Carol
Subject: FW: Info Letter 92 - Revised Subsidy Reports

Importance: High

Carol - can you print 20 copies of this for me?

=====
TO: ALL SUPERINTENDENTS OF SCHOOLS

The following message is being sent at the request of the Commissioner.

Note: The Administrative and Informational Letters (with more formatting for ease of reading and printing) are available on our website at the following address:
<http://www.maine.gov/education/edltrs/index.shtml>

=====
INFORMATIONAL LETTER: 92
POLICY CODE: DBE

TO: Superintendents of Schools
FROM: Susan A. Gendron, Commissioner
DATE: April 17, 2009
RE: Revised Subsidy Reports

We were made aware on Thursday of an error in the calculations used to produce the preliminary ED-279s that were mailed to school administrative units (SAUs) earlier this week. The error pertains to the size of the reduced state subsidy for non-conforming units - those units that did not reorganize.

The programming error affected one portion of the calculation for non-conforming units that are regular subsidy receivers - about 90 SAUs in total. It does not affect minimum subsidy receivers, RSUs, AOSs, or units with an approved Alternate Plan. We are working to complete the corrected calculations by the end of today and will send revised reports to the affected units only, as the error does not affect calculations for other school systems.

A spreadsheet showing the affected units and the amount of change will be posted by the end of business today on the School Administrative Reorganization website at www.maine.gov/education/reorg.

We apologize for the error.

Georgette Valliere, Secretary Specialist Commissioner's Office Maine Department of Education
Tel: (207) 624-6606
Fax: (207) 624-6601

COMMITTEE ON EDUCATION & CULTURAL AFFAIRS
Work Session Summary – April 1, 2009, April 2, 2009 and April 7, 2009
LD 353 FY10 & FY11 Biennial Budget

**Department of Education Budget: General Purpose Aid for Local School Schools (“GPA”) Program:
Part A, Part C and Items Related to GPA Distribution in FY 2009-10**

Part	Initiative/ Discussion	Vote
<i>Part A</i>	<ul style="list-style-type: none"> • Appropriations for FY 2009-10 and FY 2010-11 for the General Purpose Aid for Local Schools (GPA program) 	<p><u>Motion:</u> (Schneider/ McFadden) OTP on Part A \$958,971,492 appropriations for GPA program</p> <p><u>Vote:</u> 11-0 (Absent: Sutherland, Lovejoy)</p>
<i>Part C (Language)</i>	<p>In voting on the OTP-AM motion, certain members requested that the EDU Committee continue to consider the following issues during the session:</p> <ul style="list-style-type: none"> • Waiver requirements to school units to provide public transportation for preschoolers (Weston - see also LD364) • Statutes related to insured value factor (“IVF”) and debt service allocation (McFadden, Weston, Schneider) • Annual targets and funding implications related to “the ramp” to reach the 55% state share and the transition to recognizing 100% of EPS-defined costs (Nelson) • The number of regional school units and alternative organization structures affected by the amendment to the statutes related to the regional adjustment for labor market areas (Finch) • A review of the “miscellaneous costs” line items that are allocated “off the top” of the GPA for Local Schools program (Weston) 	<p><u>Motion:</u> (Schneider/ McFadden) OTP-AM on Part C Language</p> <p><u>Vote:</u> 11-0 (Absent: Sutherland, Lovejoy)</p>

Part	Initiative/Discussion	Vote
<i>Part GGG</i>	<ul style="list-style-type: none"> Recommendation on language provisions that would authorize the Commissioner of Education to enter into a 4-year contract for the expansion of the Maine Learning Technology Initiative (aka the "laptop program") into the high school grades <u>Note:</u> This language was never formally included in the "Governor's "change package" 	There was no formal action taken on this item. The EDU Committee has scheduled a work session for April 15 th @ 2:30 pm to take public comment on this proposed initiative
<i>Penalties for Non-conforming School Units</i>	<ul style="list-style-type: none"> Recommendation on allocation of penalties to non-conforming school units (state subsidy allocations) Regional school units that have reorganized presume that they will receive transition funding from these state subsidies Maine DOE indicated that they will need to set state subsidies (pertaining to the penalties) aside as a contingency for the passage of LD 977, the initiated bill, by the voters at a potential referendum vote (in November 2009 or at a special election date established by the Legislature) 	<u>Motion:</u> (Sutherland/Finch) Set aside the allocation of the total amount of state subsidies pertaining to the penalties assessed to nonconforming school units until the 124 th Legislature convenes the 2 nd session in January, 2010 <u>Vote:</u> 10-1 (Absent: McFadden, Schneider)
<i>LD 635</i>	<ul style="list-style-type: none"> Recommendation to add the initiatives contained in LD 635 into the budget bill) LD 635 provides additional time for a school administrative unit to comply with the reorganization law if it approved a reorganization plan at a referendum prior to January 30, 2009 but is unable to implement the plan because the plan was rejected by one or more of its proposed partners. The school administrative unit would be allowed to restart the process to form a regional school unit with the same or other school administrative units 	<u>Motion:</u> (Sutherland/Alfond) Include the provisions of LD 635 into Part C or another appropriate part of the LD 353 biennial budget bill <u>Vote:</u> 9-1 (Absent: McFadden, Schneider, Wagner)

General Purpose Aid for Local Schools 0308

Initiative: BASELINE BUDGET

	History 2007-08	History 2008-09	2009-10	2010-11
GENERAL FUND				
All Other	\$971,958,385	\$956,481,491	\$986,027,536	\$986,027,536
GENERAL FUND TOTAL	\$971,958,385	\$956,481,491	\$986,027,536	\$986,027,536

Justification:

This program forms the core of state funding for Maine public schools distributed according to statute. The Department of Education distributes these monies to local administrative units. Local school administrative units use these resources with local tax reserves to provide K-12 educational programs so that each student achieves Maine's Learning Results.

General Purpose Aid for Local Schools 0308

Initiative: Adjusts funding for the reorganization of programs and accounts to improve the financial management and reporting of funds in the Department of Education.

Ref. #: 1425

Committee Vote: 11-0

AFA Vote: _____

	2009-10	2010-11
GENERAL FUND		
POSITIONS - LEGISLATIVE COUNT	23,000	23,000
Personal Services	\$1,799,210	\$1,858,500
All Other	(\$1,799,210)	(\$1,858,500)
GENERAL FUND TOTAL	\$0	\$0

Justification:

The Department of Education has reorganized its accounts to reflect the reorganization of the teams and programs within the Department as well as a reorganization of these accounts in Public Law 2007, chapter 539, Part GG.

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for the state share of General Purpose Aid for Local Schools.

Ref. #: 1426

Committee Vote: 11-0

AFA Vote: _____

	2009-10	2010-11
GENERAL FUND		
All Other	(\$27,056,044)	(\$27,056,044)
GENERAL FUND TOTAL	(\$27,056,044)	(\$27,056,044)

Justification:

Funding for General Purpose Aid to Local Schools for the state share of funding public education from kindergarten to grade 12 is funded at 51.01%.

GENERAL PURPOSE AID FOR LOCAL SCHOOLS 0308
PROGRAM SUMMARY

GENERAL FUND	History 2007-08	History 2008-09	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	0.000	0.000	23.000	23.000
Personal Services	\$0	\$0	\$1,799,210	\$1,858,500
All Other	\$971,958,385	\$956,481,491	\$957,172,282	\$957,112,992
GENERAL FUND TOTAL	\$971,958,385	\$956,481,491	\$958,971,492	\$958,971,492

2009-10 Total Cost of Funding Public Education from Kindergarten to Grade 12

LD 353 Part C

			<u>TOTAL</u>
Total Operating Allocation			
<i>Basic Allocation</i>			
Kindergarten through Grade 8 Students		\$787,498,554	
Grades 9 through 12 Students		\$415,881,292	
Adult Education Courses Students		\$5,264,337	
Equivalent Instruction Students		\$955,860	
<i>Weighted Counts Allocation</i>			
Economically Disadvantaged Students		\$67,083,683	
Limited English Proficiency Students		\$13,088,682	
<i>Targeted Funds</i>			
Standards Based Implementation		\$8,191,096	
Technology Resource Funds		\$30,998,809	
Kindergarten to Grade 2 Students Funds		\$25,742,949	
<i>Isolated Small Schools Adjustment</i>			
Elementary		\$4,989,322	
Secondary		\$1,353,424	
<i>Operating Allocation</i>			\$1,361,048,007
<i>Operating Allocation</i>	AT	97%	\$1,320,216,567
<i>Other Subsidizable Costs</i>			
Gifted & Talented Allocation		\$9,016,292	
Special Education -- EPS Allocation		\$237,363,263	
Career & Technical Education Allocation		\$42,925,430	
Transportation Operating -- EPS Allocation		\$88,362,601	
Bus Purchases		\$8,500,000	
			\$386,167,586
Total Operating Allocation			<u>\$1,706,384,153</u>

			<u>TOTAL</u>
Total Debt Service Allocation			
Approved Principal & Interest for School Construction Projects		\$96,153,286	
Approved Leases		\$579,561	
Approved Lease-Purchases		\$1,240,713	
Insured Value Factor @ 20% of '07-'08 reported expenditures		\$799,556	
Total Debt Service Allocation			\$98,773,116

2009-10 Total Cost of Funding Public Education from Kindergarten to Grade 12

LD 353 Part C

Total Adjustments and Miscellaneous Costs

Adjustments

Debt Service Adjustment	No Change to Total Costs – Adjusts Local & State shares
Minimum State Allocation	No Change to Total Costs – Adjusts Local & State shares
100% Special Education Adjustment	No Change to Total Costs – Adjusts Local & State shares
Audit	\$0
Educ. Costs in Long-Term Drug Treatment Center	\$182,637
Minimum Teacher Salary Supplement	\$1,598,120
Regionalization/Consolidation/Efficiency Assistance	\$0

Miscellaneous Costs

Special Education Costs for State Agency Clients	\$27,512,691
Special Education Cost for State Wards	\$12,744,088
Essential Programs & Services Contract	\$250,000
Learning Results Implementation & Assessment	\$1,141,515
Maine Policy Research Institute Contract	\$250,000
Learning Through Technology Program	\$14,039,947
Learning Through Technology Prog. - Distance Learning	\$952,033
Learning Through Technology Program - Evaluation Contr	\$250,000
Carpenter Bus Loan Payment	\$0
Data Management & Support for EPS	\$3,680,851
Data Mgmt & Support for EPS – Team positions	\$1,170,101
Data Mgmt & Support – Learning Results Accountability	\$0
Post-secondary course payments	\$350,000
National Board for Prof. Teaching Standards Salary Supplement	\$307,551
Jobs for Maine Graduates	\$1,675,851
Maine School for Science and Mathematics	\$2,135,808
ME Ctr. for the Deaf & Hard of Hearing and GBSD	\$5,940,114
Transportation Administration	\$89,248
Learning Systems positions for Corrections	\$285,466
Department of Corrections positions	\$304,674

Total Adjustments and Miscellaneous Costs

\$74,860,695

Total Cost of Funding Public Education from Kindergarten to Grade 12

\$1,880,017,964

Local Share Percentage

48.99%

Local Contribution

Mill Expectaton =

6.68

\$921,046,472

State Contribution

51.01%

\$958,971,492