TO: Maryaret Rotundo, Senate Chair
Jeremy Fischer, House Chair
Joint Standing Committee on Appropriations & Financial Affairs

FROM: Peter Bowman, Senate Chair
Jacqueline R. Norton, House Chair
Joint Standing Committee on Education and Cultural Affairs

DATE: March 8, 2007

SUBJECT: LD 499, the Governor’s Biennium Budget for FY08 & FY09

The Joint Standing Committee on Education and Cultural Affairs has completed its review of those portions of LD 499 pertaining to the Department of Education, higher education, and cultural agencies within the oversight of the Education and Cultural Affairs Committee. Please find enclosed our recommendations on the various funding initiatives and “language” provisions proposed by the Governor in LD 499.

During the time that has elapsed since our February 5th joint public hearing, the Education and Cultural Affairs Committee has spent many days deliberating the Governor’s proposal for establishing Regional Learning Communities as proposed in Part MM of LD 499, and strategies proposed in several other bills, to redefine school administrative units and realize cost efficiencies in school administration. Before offering our recommendations for replacing Part MM, we offer brief comments on other budgetary proposals in LD 499.

Cultural Agencies: The Education and Cultural Affairs Committee accepts funding to the cultural agencies as proposed in LD 499. Although cognizant of the many benefits and services these agencies provide to Maine citizens across the State, in keeping with the constraints presented in your memo dated February 28th, Education and Cultural Affairs is not recommending funding beyond that proposed in LD 499. The cultural agencies under the purview of the Education and Cultural Affairs Committee are the Maine Arts Commission, the Maine State Cultural Affairs Council, the Maine Historic Preservation Commission, the Maine Historical Society, the Maine Humanities Council,
The Maine State Library, the Maine State Museum and the Maine Public Broadcasting Corporation.

**Higher Education Programs:** The Education and Cultural Affairs Committee accepts funding proposals as presented in LD 499 for the State’s public higher education institutions, including the Maine Maritime Academy, the Maine Community College System and the University of Maine System, and for the student financial aid programs under the Finance Authority of Maine.

**School District Regionalization:** Members of the Education and Cultural Affairs Committee worked diligently to achieve consensus in developing an alternative to the Governor’s proposal in Part MM of LD 499. Testimony at the public hearing and citizens who attended our work session on the “regionalization and efficiencies bills” implored the committee to consider all aspects of funding and delivering K-12 education in this state. Members of the Education and Cultural Affairs Committee have continued to listen and learn during many arduous work sessions. Each member has contributed to our debates, challenging each other and the members of the education community.

The Education Committee “majority report” presents our “Regionalization Plan” to you today -- in outline form -- as a consensus document. You will find a few minority reports mentioned at the end of the outline, including how they differ from the majority report. A separate minority report is also appended as part of our recommendations.

**Please note that we request additional time to work out some of the details of the Education Committee’s “Regionalization Plan.”** The Education and Cultural Affairs Committee and our staff are available to answer questions as Appropriations and Cultural Affairs Committee deliberates these proposals. Our staff will be drafting statutory language and working closely with staff from OFPR as the associated fiscal impact of each is refined.

cc: James K. Dionne, Principal Analyst, Office of Fiscal and Program Review
Patrick T. Norton, Director, Office of Policy and Legal Analysis