

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-ONE

—
H.P. 876 - L.D. 1198

**An Act Authorizing an Increase to the Maximum Annual Fund Balance for
Public School Districts**

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

Sec. 1. 20-A MRSA §15689-B, sub-§6, as amended by PL 2009, c. 571, Pt. XXX, §1, is further 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%~~ 5% 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%~~ 5% 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, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 only, the carry forward of a school administrative unit's unallocated balances is not limited to 3% of the previous fiscal year's school budget. For fiscal years 2021-22, 2022-23, 2023-24 and 2024-25 only, unallocated balances in excess of 9% 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 and school boards may carry forward unallocated balances in excess of 9% of the previous fiscal year's school budget and disburse these funds in the next year or over a period not to exceed 3 years.~~