LEGISLATIVE COUNCIL

APRIL 28, 1987

REVISED AGENDA

CALL TO ORDER

ROLL CALL

SECRETARY'S REPORT

- Summaries of April 14 and 21, 1987, Council Meetings

DIRECTOR'S REPORT

REPORTS FROM COUNCIL COMMITTEES

OLD BUSINESS

NEW BUSINESS

Item #1: Request from Joint Select Committee on Corrections to spend balance of funds previously authorized (letter attached).

Item #2: Caucus of New England Legislatures: Dues Increase (excerpt of caucus minutes attached).

Item #3: After Deadline Requests (list attached)

Item #4: Request from Joint Standing Committee on Education to submit Proposal to NCSL to Study Maine's Elementary and Secondary Education Finance Formula.

SEN. CHARLES P. PRAY
CHAIRMAN

REP. JOHN L. MARTIN
VICE-CHAIRMAN

STATE OF MAINE
LEGISLATIVE COUNCIL
STATE HOUSE
AUGUSTA, MAINE 04333

SEN. NANCY RANDALL CLARK
SEN. DENNIS L. DUTREMBLE
SEN. THOMAS R. PERKINS
SEN. CHARLES M. WEBSTER
REP. JOHN N. DIAMOND
REP. DAN A. GWADOSKY
REP. THOMAS W. MURPHY, JR.
REP. EUGENE J. PARADIS

LEGISLATIVE COUNCIL

APRIL 14, 1987

MEETING SUMMARY

APPROVED APRIL 28, 1987

CALL TO ORDER

The meeting of the Legislative Council was called to order in the Council Chambers by the Chair, Senator Pray, at 10:12 a.m.

ROLL CALL

Senators: Sen. Clark, Sen. Dutremble, Sen. Perkins, Sen. Pray, Sen. Webster

Representatives: Rep. Diamond, Rep. Gwadosky, Rep. Martin, Rep. Murphy, Rep. Paradis

Legislative Officers:

Sally Diamond	Executive Director, Legislative Council
Peter Siegel	Law Librarian
Bent Schlosser	Director, Office of Fiscal and Program Review
Helen Ginder	Director, Office of Policy and Legal Analysis
David Silsby	Revisor of Statutes

SECRETARY'S REPORT

The summary of the Council's April 7, 1987, meeting was approved and placed on file (Motion by Sen. Dutremble; second by Gwadosky; unanimous).

DIRECTOR'S REPORT

Item #1: Office Coverage on Friday, April 17, Good Friday

Sally Diamond, Executive Director, recommended that Legislative staff be permitted to leave at noon on Good Friday, provided that offices maintain telephone coverage until 5 p.m. She noted that the Council has traditionally done this.

Motion: That non-partisan staff be permitted to leave at noon, provided that offices maintain minimal coverage until 5 p.m., and that House and Senate offices establish their own schedules (Motion by Sen. Dutremble; second by Sen. Clark; unanimous).

REPORTS FROM COUNCIL COMMITTEES

None.

OLD BUSINESS

None.

NEW BUSINESS

Item #1: Salary of new State Auditor, Rodney Scribner

Rep. Martin noted that the salary for State Auditor is established by law (3 MRSA § 162-B), but needs Council approval.

Motion: That the State Auditor's salary be set at the first step in Range 88 as required by law (Motion by Rep. Martin; second by Sen. Webster; unanimous).

Item #2: After Deadline Requests

A list of After Deadline Requests considered by the Council and a summary of the Council's action is attached.

ADJOURNMENT

The Legislative Council meeting was adjourned at 10:40 a.m. (Motion by Sen. Pray; second by Sen. Clark; unanimous).

SEN. CHARLES P. PRAY
CHAIRMAN

REP. JOHN L. MARTIN
VICE-CHAIRMAN

STATE OF MAINE
LEGISLATIVE COUNCIL
STATE HOUSE
AUGUSTA, MAINE 04333

SEN. NANCY RANDALL CLARK
SEN. DENNIS L. DUTREMBLE
SEN. THOMAS R. PERKINS
SEN. CHARLES M. WEBSTER
REP. JOHN N. DIAMOND
REP. DAN A. GWADOSKY
REP. THOMAS W. MURPHY, JR.
REP. EUGENE J. PARADIS

LEGISLATIVE COUNCIL

APRIL 21, 1987

MEETING SUMMARY

APPROVED APRIL 28, 1987

CALL TO ORDER

The meeting of the Legislative Council was called to order in the Council Chambers by the Vice-Chair, Representative Martin, at 11:50 a.m.

ROLL CALL

Senators: Sen. Clark, Sen. Dutremble, Sen. Perkins, Sen. Webster
Absent: Sen. Pray

Representatives: Rep. Diamond, Rep. Gwadosky, Rep. Martin, Rep. Murphy, Rep. Paradis

Legislative Officers:

Sally Diamond	Executive Director, Legislative Council
Peter Siegel	Law Librarian
Richard Sawyer	Deputy Director, Office of Fiscal and Program Review
Helen Ginder	Director, Office of Policy and Legal Analysis
David Silsby	Revisor of Statutes

SECRETARY'S REPORT

No Report.

DIRECTOR'S REPORT

Item #1: Approved Step Increases

Gro Flatebo, Analyst, Office of Policy and Legal Analysis, from Step B to Step C (Salary Range 10), effective April 28.

Motion: That the Executive Director's report be accepted and placed on file (Motion by Rep. Martin; second by Sen. Clark; unanimous).

OLD BUSINESS

None.

NEW BUSINESS

Item #1: After Deadline Requests

A list of After Deadline Requests considered by the Council and a summary of the Council's action is attached.

ADJOURNMENT

The Legislative Council meeting was adjourned at 12:00 p.m. (Motion by Rep. Martin; second by Sen. Clark; unanimous).

SENATE

BEVERLY MINER BUSTIN, DISTRICT 19, CHAIR
ZACHARY MATTHEWS, DISTRICT 13
BARBARA A. GILL, DISTRICT 32

CHRISTOS GIANOPOULOS, LEGISLATIVE ANALYST
SUSAN MACPHERSON, COMMITTEE CLERK

HOUSE

HARLAN BAKER, PORTLAND, CHAIR
PETER J. MANNING, PORTLAND
RITA B. MELENDY, ROCKLAND
JOSEPH W. MAYO, THOMASTON
CUSHMAN D. ANTHONY, SOUTH PORTLAND
DALE F. THISTLE, DOVER-FOXCROFT
ERNEST C. GREENLAW, STANDISH
KERRY E. KIMBALL, BUXTON
PRISCILLA G. TAYLOR, CAMDEN
BARBARA E. STROUT, WINDHAM

STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
JOINT SELECT COMMITTEE ON CORRECTIONS

April 21, 1987

President Charles Pray
Chairman, Legislative Council
State House Station #115
Augusta Maine 04333

Dear President Pray,

On March 10th, the Legislative Council authorized the Joint Select Committee on Corrections to spend no more than $2,500 to sponsor a one-day seminar on Corrections.

The well-attended seminar was held on March 30, 1987. Our best estimates show that the Committee has now spent $1,651.92. This total should be offset by approximately $580.00 brought in during the seminar, so our net expenditures stand at $1,071.92.

The Committee will soon begin preparing a draft long range plan. We anticipate meeting with a representative of the Ehrencrantz Group, the firm from New York who developed a master plan for the Department of Corrections. (We expect that the DOC will cover this cost.) We also want to contract with an independent facilitator for 1½ - 2½ days to lead us through the report writing process (cost for travel, lodging, etc. = $1,000 est.).

We request the Council's approval to fund these efforts from the approximately $1,400 left in our original authorization. We anticipate that most of the funds remaining will be expended for these efforts. It is our intention to continue looking for these funds from the National Institute for Correction's grant fund. However, because of previous commitments made by Commissioner Allen, these funds may not be available to us.

Sincerely,

Beverly Bustin

Beverly Miner Bustin
Senate Chair

Harlan R. Baker

Harlan Baker
House Chair

NATIONAL
INSTITUTE FOR
SENTENCING
ALTERNATIVES

NISA

BRANDEIS UNIVERSITY
FLORENCE HELLER
GRADUATE SCHOOL

FORD HALL
WALTHAM
MASSACHUSETTS
02254-9110

(617) 736-3980

April 22, 1987

Beverly Miner Bustin
Senate Chair
Joint Select Committee on Corrections
State of Maine Legislature
State House, Station 115
Augusta, ME 04333

Dear Senator:

I am writing to follow up on our Tuesday telephone conversation.

It is my understanding that the Committee is seeking assistance in the development and refinement of a report on state corrections issues. The position of the Committee must be finalized by June 1, 1987.

In my judgement, assistance in the completion of that work involves five steps.

1. Review of data and reports which address correctional problems and recommend responses.

2. Presentation of the findings to the Committee in a manner that enables members to clearly understand the problem, potential responses and projected impact.

3. Facilitation of the Committee's discussion, considerations and negotiation of options.

4. Preparation of a briefing memorandum for Committee chairs which summarizes the planning meeting and outlines a strategy.

5. Provision of technical advice and council on strategy as the Committee prepares its final report.

As I indicated to you, I believe that the Committee needs a combination of facilitating/process assistance and technical expertise. Since the quality of work by Ehrenkranz, Ohlin, the department and others is quite high, there is no need to start over or to reinvent options. Rather, the material must be synthesized and presented to the Committee in a manner that allows you to establish a viable political context and move toward a set of reasonable choices.

Where information gaps exist, the consultant must be able to turn to the department and others and quickly develop answers to outstanding questions. The consultant's work should be designed to help the committee answer four questions.

- o What is the mission and purpose of corrections in Maine?
- o What are specific goals sought by the state?
- o What decisions require immediate action?
- o What are the basic components of a long range plan?

I would suggest that the consultant should be sufficiently removed from the history of the problem to be objective and to serve as a facilitator or broker. However, knowledge of the problems and key actors is critical. The consultant should not be wed to a single answer. He should not try to sell a solution to the Committee, but to assist them in building consensus around problem definition and response.

If you and others feel that I could serve effectively in the consultant role, I am prepared to apply the resources of NISA in the following manner:

1. Review, synthesize and summarize relative data and reports.

2. Serve as briefer/facilitator in a two day planning session with the Committee.

3. Develop a follow up memorandum summarizing the planning meeting and outlining a strategy.

4. Provide on going council and technical assistance to the committee as it completes its negotiation.

Since the cost of such services appears to exceed your available funds, the application of NISA resources would insure that the work gets done well and on time.

My availability for the two day planning session is limited to the following dates: April 29,30 or;
May 1,2,5,6,7,8,9,11,14,16.
I would suggest that the planning session be held as soon as possible in order to allow sufficient time for follow up.

I look forward to hearing from you if I can be of further assistance.

Sincerely,

Mark D. Corrigan

Mark D. Corrigan
Director

MDC/jz

The Honorable William C. O'Neill, Chairman
President Pro Tem of the Senate, Rhode Island

The Honorable Steven D. Pierce, Vice-Chairman
House Minority Leader, Massachusetts

Carolyn Morwick, Director

April 8, 1987

Summary of the Executive Committee Meeting for March 30,1987

BUDGET

Acting Chairman, Senator William O'Neill of Rhode Island called the business meeting to order at 9:30 AM on Monday, March 30th. Those in attendance were, Representative Benjamin DeZinno, designee of Speaker Irving J. Stolberg, Representative Robert Keely, designee of House Majority Leader Robert Frankel, all of Connecticut, Senate President Charles P.Pray, Senate Majority Leader Nancy Randall Clark and Assistant House Majority Leader Dan Gwadowsky, all of Maine, House Minority Leader Steven D. Pierce of Massachusetts, Speaker Douglas Scamman, Senate President William Bartlett and House Minority Leader Mary Chambers, all of New Hampshire, Senate President Pro Tem William O'Neill, Senate Minority Leader Jonathon Farnum, Representative Neil Corkery, Representative Raymond Fogarty, Representative Edward Inman, Representative Edmund Pereira, all of Rhode Island.

The first order of business to be taken up was the budget of the Caucus. Senator O'Neill directed legislators to the booklets containing the budget information. He mentioned that at the present time, the states are asked to contribute $7,000. each and added that he was recommending that the figure be increased to $10,000. so that the total budget for the Caucus would be $60,000. Even with the $7,000 that each state contributed, expenses for 1986 were $47,838 with the single largest expense being programs. Senator O'Neill also said that he felt the staff salaries should be addressed since no increments had been awarded in some time. Senator O'Neill pointed out that the Caucus would be involved in new and expanded areas concerning the New England region and felt that the organization needed sufficient funds to be able to meet its responsibilities.

Senator Farnum moved to increase the dues from $7,000. to $10,000.

Representative Pierce seconded this motion.

Senator Pray suggested that the group consider some of the alternative proposals presented in the budget section of the booklet which would provide an alternative to the present funding system. He proposed that as an example, each state pay a flat fee that would amount to $30,000. and then assess the other $30,000. on a population basis.

Representative Chambers said that she was concerned about whether states that were not represented by both sides of the aisle would like the system proposed by Senator Pray. For example,.Massachusetts would contribute considerably more than other states based on population.

Representative Pierce indicated that since the Caucus serves all the states equally, and has its voting system designed on a unit basis, that any change in the way dues are apportioned might have to be reflected in the voting system to accomodate states with the highest populations. He added that he was not sure the membership would want to do that.

Senator Pray responded that his only concern was that any increase in the dues would have to be considered along with similar requests from NCSL, CSG, the Lieutenant Governors Conference and others. Some of these organizations are based on participation, others on population, flat fees and other formulas.

Senator O'Neill said that in 1978, the director's salary at that time was anticipated or suggested to be considerably more than what it is now. He added that what was being discussed was an extremely modest amount in his opinion - $60,000. total for New England. He also suggested that the whole process be studied and that proposals could be presented for the next meeting . He then asked if there was further discussion. A vote was taken to increase the dues to $10,000 and it was unanimously voted by those present in the affirmative.

. . . .

ELECTION OF OFFICERS

The next order of business was the election of officers for the 1987-1988 term. Senator O'Neill explained that the rules call for the Vice-Chair to step into the Chair's position and then a new Vice-Chair is elected.

Representative Corkery then placed the name of Senator William O'Neill of Rhode Island into nomination for the Chairman of the Caucus of New England State Legislatures. (Senator O'Neill has been Acting Chair as well as Vice-Chair) Representative Corkery mentioned that Senator O'Neill had been a member of the Rhode Island General Assembly for the past 20 years; 4 years as a representative and the last 16 years as a senator. He added that Senator O'Neill's experience in various regional organizations as well as his extensive experience as a state legislator made him ideally suited for such a role.

Senator Farnum seconded Senator O'Neill's nomination.

Representative Pierce moved that nominations be closed.

A suggestion was made to combine the Chairman and Vice-Chairman's election in one ballot. There were no objections.

Senator Bartlett nominated Representative Pierce of Massachusetts for Vice-Chairman and noted that if Representative Pierce could stand forth for the Caucus as well as he has for his party in Massachusetts then he would be a credit to the Caucus.

LEGISLATIVE COUNCIL

AFTER DEADLINE REQUESTS

APRIL 27, 1987

SPONSOR: GWADOSKY

LR 2575	AN ACT to Amend the Maine Vocational-Technical Institute System Laws. COSPONSORS: PERKINS	[	]
LR 2584	AN ACT Relating to Bottle Clubs.	[	]

SPONSOR: HARPER

LR 2578	AN ACT to Amend the Charter of the Lincoln Water District.	[	]

SPONSOR: MATTHEWS Z

LR 2580	AN ACT to Require any Railroad doing Business in Maine and Receiving State Money to Rehire Displaced Employees thru the United States Security Commission Office in Portland.	[	]
LR 2581	AN ACT to Include Convenience and Necessity and Safety in any Railroad Transfer, Lease or Acquisition.	[	]
LR 2582	AN ACT Relating to Maine Milk Commission.	[	]
LR 2583	Resolve, Directing the Department of Transportation to Report to the Legislature a Schedule for Prioritizing Repairs to Bridges and Highways Damaged by the Flood of April, 1987.	[	]

SPONSOR: MOHOLLAND

LR 2585	AN ACT to Change the Perry-Pembroke Boundary Line. COSPONSORS: VOSE	[	]

SPONSOR: RICE

LR 2576	AN ACT Relating to the Maine Maritime Academy.	[	]

SPONSOR: STEVENS P

LR 2579	AN ACT to Clarify the Definition of Independent Contractor for the Purposes of Workers' Compensation.	[	]

SPONSOR: VOSE

LR 2577	AN ACT to Establish a 10% Surtax on Fines to be Dedicated to the Maine Criminal Justice Academy in Lieu of Tuition Paid by Municipalities.	[	]

TABLED AFTER DEADLINE REQUESTS

SPONSOR: BOST

LR 2418	AN ACT to Provide Funding for Education Reform.	[TABLED] [04/07/87]

SPONSOR: DIAMOND

LR 2333	AN ACT to Create a Crisis Intervention Program for the Mentally Ill. COSPONSORS: BOST PERKINS FOSTER	[TABLED] [03/25/87]

SPONSOR: HOLLOWAY

LR 2306	AN ACT to Allow the Tax Rate of Maine Yankee to be Shared for Educational Purposes with Towns Within the 10-mile Evacuation Zone.	[TABLED] [03/25/87]

SPONSOR: KANY

LR 2327	AN ACT to Remove an Unconstitutional Provision in the Liquor Laws.	[TABLED] [03/25/87]

SPONSOR: LAPOINTE

LR 2410	AN ACT to Make it a Class C Crime to Donate Blood when they Knowingly Tested Positive on the HIV Antibody Test for AIDS.	[TABLED] [04/07/87]

SPONSOR: PERKINS

LR 2402	AN ACT to Provide for the Replacement of Carl Perkins Federal Money and to Improve Services Provided by the Maine Fire Training and Education Program.	[TABLED] [04/07/87]

LEGISLATIVE COUNCIL

AFTER DEADLINE REQUESTS: SUPPLEMENT

APRIL 28, 1987

SPONSOR: DIAMOND

LR 2513 AN ACT to Make Available State-owned Land for the Construction of Affordable Housing. [ ]

SPONSOR: ROTONDI

LR 2591 AN ACT Converting West Forks Plantation into the Town of West Forks. [ ]

COSPONSORS: WEBSTER C

NCSL
Education Cost Sharing Awards

MAINE'S PROPOSAL

MAINE'S ELEMENTARY AND SECONDARY EDUCATION FINANCE FORMULA: A STUDY OF EQUITY OF OPPORTUNITY FOR STUDENTS AND EQUITY OF BURDEN FOR TAX PAYERS

Application from:

Legislative Council
Maine Legislature

Contract administrator:

Sarah C. Diamond
Executive Director of the Legislative Council

Name of entity which will oversee the study:

Joint Standing Committee on Education of the Maine Legislature

Legislators who will oversee the work of the study:

Senator Stephen Estes, Senate Chair
Representative Stephen Bost, House Chair
?????????
?????????

Primary staff person:

Lars H. Rydell, Legislative Analyst, Office of Policy and Legal Analysis (resume attached)

Persons who will present proposal:

Senator Stephen Estes, Senate Chair
Representative Stephen Bost, House Chair

Contact person:

Lars H. Rydell, Legislative Analyst
Office of Policy and Legal Analysis
State House -- Station 13
Augusta, ME 04333
207-289-1670

MAINE'S ELEMENTARY AND SECONDARY EDUCATION FINANCE FORMULA: A STUDY OF EQUITY OF OPPORTUNITY FOR STUDENTS AND EQUITY OF BURDEN FOR TAX PAYERS

A. Reason of undertaking study:

In last year's gubernatorial and legislative elections, the equity of the state elementary and secondary school aid formula was a central focus. This legislative session, there are numerous suggestions in proposed legislation as to methods for relieving the burden of school funding on the property tax, for increasing the total amount of state aid distributed through the formula and for adjusting the calculations of the amount of aid received by individual units. The governor is planning to propose changes next year.

Maine instituted a major reform of its formula for providing state subsidy for elementary and secondary education in its 1984 Educational Reform Legislation. The school year 1984-85 was the first full year under the new formula. While the 1984-85 experience provides a base to assess the reforms, the effect of these reforms have not been analyzed in detail.

In the light of continued discussion of the equity of the school aid formula there is a need to assess how well the present formula performs in the areas of equity of opportunity for students and equity in taxation for taxpayers before making additional adjustments. In addition, the impact of community factors (other than equalized property values per pupil) on community willingness to approve educational budgets needs to be assessed. This analysis would provide the basis for targeting property tax relief and providing incentives for school unit voters to support school budgets..

B. Study Objectives:

The objectives of the study would be first to describe the remaining disparity among school units as to the equity of opportunity for students and the equity of the burden placed on taxpayers. A number of factors (mainly from census bureau demographic data) will then be analyzed to attempt to explain the reasons for the disparity.

C. Method to be used in carrying out the study:

The first phase of the study will entail the linkage of information from five data sources (see Part VI of attached listing). The data from these five sources will be combined into a single matrix. Interrelationships among the various factors will be analyzed using various statistical correlation and analysis techniques. The equity for students will be assessed in terms of the availability of educational dollars per student and in terms of the availability of school personnel to students (student-teacher ratio), and the courses and professional expertise (teacher subject area certifications) available to students. School units will be ranked on these elements to measure the equity of opportunity for students.

Equity in the burdens placed on taxpayers will be measured according to the equalization of the mill rates assessed on taxpayers for the state subsidized portion of education budgets and the mill rates to make a marginal increase in the budget above the subsidized level. In addition, the per pupil (and per taxpayer) property value wealth of a community will be analyzed separately for the impact of the windfall from utility or industrial plant location and the inflation pressure on property values from tourist activity. Finally, property value wealth will be compared with other measures of community taxpayer wealth such as income and sales tax revenues.

A detailed outline of the equity variables to be examined, the variables descriptive of community characteristics and the information sources to be tapped is listed in more detail in the attached outline.

The second phase of the study would be to conduct interviews with town and school officials and opinion leaders in a sample of school units. These would be used to provide insights into local perceptions of the taxpayer equity of the state subsidy formula. In addition, it would provide information on the attitude and opinion differences which relate to differential spending and program availability among school units.

Four meetings of the Oversight Subcommittee will be held to review the findings and direction of the study. At the meetings state level educational leaders and representatives of selected school units will be invited to comment on the study analysis.

D. Expected Outcomes:

<u>For Maine</u>: An in-depth analysis of how adequate the present funding formula works to produce an equity of educational opportunity for students across school units and equity of the tax burden on taxpayers. It will also provide an analysis of the community factors which create differential support for education. These will include an analysis of the impact of the funding formula, demographic variables and the perceptions and attitude of community opinion leaders.

<u>Nationally</u>: The study will provide a model for analyzing issues of student and taxpayer equity. It will show how data sources, available in most states, can be used to compare measures of equity of opportunity and to assess the impact of community factors in explaining willingness of school unit voters to support educational budgets and programs. It will also provide a case example of analyzing the relationship of industrial versus residential property wealth to income distribution and sales tax receipts in assessing community ability to fund school programs.

E. Proposed timetable:

May, 1987.: First meeting of the Oversight Subcommittee of the Joint Standing Committee on Education to review study and establish procedure for hiring graduate student (research assistant).

By Mid-June, 1987: Hire graduate student (research assistant.)

May to July, 1987: Combine data from different sources into single data matrix.

July to September, 1987: Rank school units on student and taxpayer equity indicators.

Beginning of August, 1987: Second meeting of the Oversight Subcommittee to review and discuss implications of rankings of school units. Input from state level education leaders and selected school units will be requested to help explain ramifications of the differences in funding and tax rates revealed in the rankings of communities.

August to October, 1987: Analyze rankings by explanatory factors.

September, 1987: Development of the interview schedule for opinion leaders. Development of a proposed list of communities in which to conduct interviews.

October: Third meeting of Oversight Subcommittee to review the analysis of the factors explaining differential expenditures and differential tax rates across communities. Input from state level education leaders and selected school units will be requested to help explain ramifications and reasonableness of the conclusions of the analysis. Final development of the interview schedule for town and school officials and community opinion leaders.

November, 1987: Conduct interviews with town and school officials and community opinion leaders.

November and December, 1987: Develop a report on findings.

December, 1987: Fourth meeting of the Oversight Subcommittee to review the finding of interviews with opinion leaders and review of final statistical analysis. Input from state level education leaders and selected school units will be requested to help explain ramifications and reasonableness of the conclusions of the findings and analysis.

January, 1988: Presentation of report and findings to full Education Committee, incorporation of comments and suggestions in the final report.

F. Budget

	NCSL	State Cash	State In-kind	Total
Salaries:				
Project Director (40 days)			$6000	$6000
Research Assistant (32 days)			$2400	$2400
Graduate student research assistant (2 mo. full time 4 mo. part time)	$7200			$7200
Secretary (10 days)			$600	$600
Committee travel and per diem (3 meetings between sessions))		$1260		$1200
Staff travel (Interviews in 10 towns 3days each)	$2000			$2000
Computer support				
Office micro and software			?????	
Mainframe time	$100			
Office supplies	$200			$200
Printing	$540	$540		$1080
Total	$10040	$1800	$9000	$20840

OVERVIEW
EDUCATION FINANCE FORMULA STUDY

I. QUESTIONS:

1. Equity for students:

   Are students in all school units getting the same quality of education? (Defined for example as dollars spent per elementary and secondary pupil, number of students per teacher, range of course offerings, range of teacher certification subject areas.)

2. Equity for tax payers:

   Do taxpayers pay the same rate on equally valued properties in all units (mill rates for state subsidy amounts)?

   Is property assessed equitably across the state?

3. Does the formula get tax payers to appropriate and school units to spend up to the maximum amount possible subsidization?

4. What are the factors which explain which units spend under or over the state subsidizable education costs (per pupil expenditures and mill rate for above subsidy amounts)?

5. What are the factors which explain why taxpayers vote to raise more or less than the subsidy level mill rates?

6. How do local town and school officials and opinion leaders view the state school subsidy formula? (Is it understandable and explainable? How do they explain it when they argue for or against a budget? What do they see as the fairness or inequities in the formula?)

II. STUDENT EQUITY

A. Examine average per pupil expenditures by school unit for:

- Operating expenditures (including block grants for teachers salaries)
- Program expenditures
  - Special education
    - Unit's programs expenditures
    - Tuition expenditures
  - Vocational education expenditures
  - Transportation
    - Operating expenditures
    - Bus purchases
- Debt service expenditures

Total school expenditures

(The analysis would rank school units according to their per pupil expenditures, describe disparity and search for factors (see D below) which explain differences among low, middle, and high spending units.)

B. Examine ratio of the number of students per teacher by school unit. (Also use to explain differences (see D below) in per pupil expenditures.)

(The analysis would rank school units according to their student-teacher ratios, describe disparity, and search for factors (see D below) which explain difference among low, middle, and high student-teacher ratios.)

C. Examine the range of courses offered and the range of subject area certifications held by teachers.

(The analysis would create a ranking of schools, describe the disparity, and search for factors which explain the differences.)

D. Explain disparities among towns under A and B.

1. Average and starting teacher salaries
2. Student teacher ratio
3. Property values per pupil
4. Income per pupil
5. Percent of population under 20, between 30 and 50, over 65 (for example)
6. Percent under poverty indicators
7. Housing Authority fair market rate by county and large municipalities
8. Income distribution of households (normal curve or bimodal)

9. Ratio of average property values to average household income
10. Percent French (only ethnic group of any size in Maine)
11. Mill rates spent on education

III. TAX PAYER EQUITY

A. Mill rates levied for education by school unit

1. Formula cut off rates
   - Operating
   - Program
   - Debt service

2. Budgeted rates (State property valuation divided by budgeted amounts)
   - Operating
   - Program
   - Debt service

3. Amounts spent (State property valuation divided by spent amounts)
   - Operating
   - Program
   - Debt service

(The analysis would rank school units according to their mill rates, describe disparity, and search for factors (see B below) which explain difference among low, middle, and high mill rate units.)

B. Explain disparities among towns under A.

1. Average and starting teacher salaries
2. Student teacher ratio
3. Property values per pupil
4. Income per pupil
5. Percent of population under 20, between 30 and 50, over 65 (for example)
6. Percent under poverty indicators
7. Housing Authority fair market rate by county and large municipalities
8. Income distribution of households (normal curve or bimodal)
9. Ratio of average property values to average household income
10. Percent French (only ethnic group of any size in Maine)
11. Bureau of taxation property valuation inflation index
12. Industrual and utility versus residential property values

IV. EFFECT OF FORMULA ON EXPENDITURES

A. Compare what formula will subsidize with what is budgeted and with what is spent by school unit for 1985-86. (Which units budget or spent more/less than the subsidizable amount?)

B. Compare per pupil expenditures and mill rates from 1984-85 to 1985-86.

V. CASE STUDY OF HIGH AND LOW SPENDING UNITS

In-depth interviews with town officials, educational leaders, and influential citizens in the town to assess their understanding of the state subsidy formula, their perceptions of its fairness, their attitude toward spending property tax dollars on education. The number of units would depend on availability of outside resources but would probably focus on a sample of low and high spending units.

VI. DATA SOURCES

A. DECS
- State and local expenditures on education
- Student teacher ratio
- Property values per pupil
- Mill rates spent on education

B. MTA and MSMA
- Average and starting teacher salaries

C. State planning office census tapes
- Income distribution -- For example: Distribution per pupil, percent high and low, and income distribution of households (normal curve or bimodal)
- Population distribution -- For example: Percent of population under 20, between 30 and 50, over 65
- Percent under poverty indicators
- Percent French (only ethnic group of any size in Maine)

D. State Housing Authority
- Housing Authority fair market rate by county and large municipalities

E. Bureau of taxation
- Real estate sales --- State valuation adjustment index
- Industrial and residential valuation
- Sales tax receipts