

# MAINE STATE LEGISLATURE

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New Draft of : S. P. 416, L. D. 1159

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ONE HUNDRED AND FIRST LEGISLATURE

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Legislative Document

No. 1593

S. P. 629

In Senate, June 14, 1963

Reported by a Majority from Committee on Education. Printed under Joint Rules No. 10.

CHESTER T. WINSLOW, Secretary

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-THREE

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**AN ACT to Pay School Subsidies on the Basis of Uniform Local Effort.**

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

**Sec. 1. R. S., c. 41, § 116, amended.** The 2nd sentence of section 116 of chapter 41 of the Revised Statutes is amended to read as follows:

'The trustees shall thereupon issue their warrants, in substantially the same form as the warrant of the Treasurer of State for taxes, to the assessors of each participating town, requiring them to assess upon the taxable polls and estates within said town an amount in proportion to the total sum required each year as that town's state valuation bears to the total state valuation of all the participating towns, except that if the apportionment for maintenance and operation of the school or schools results in a per pupil costs to any participating town in excess of 150% of the average per pupil cost for operating the school or schools, the town's apportionment shall be 150% of the average per pupil cost and the balance shall be apportioned among the remaining towns according to the last preceding state valuation; **or if the towns have so voted, the proportion of the total sum which each town shall be required to pay may be determined by finding the total average daily membership of students attending the district schools, and the average daily membership of students from each member town attending the district schools, and the proportion which the average daily membership of each member town bears to the total average daily membership shall determine the proportion of the annual cost of the district which each town shall be required to pay;** and to commit the assessment to the constable or collector of said town who shall have all the authority and powers to collect said taxes as is in him vested by law to collect state, county and municipal taxes.'

**Sec. 2. R. S., c. 41, § 237-C, amended.** The first paragraph of section 237-C of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957 and repealed and replaced by section 1 of chapter 443 of the public laws of 1957, is amended to read as follows:

'To help equalize educational opportunity and guarantee a minimum program of education for all children throughout the State there is established a foundation program or level of education, expressed in terms of a minimum dollar cost per pupil, in which the State will participate ~~financially on a percentage basis~~ rendering greater financial assistance to the less able administrative units.'

**Sec. 3. R. S., c. 41, § 237-D, amended.** Section 237-D of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957, as last repealed and replaced by section 16 of chapter 353 of the public laws of 1959 and as amended, is further amended to read as follows:

'**Sec. 237-D. Foundation program allowance.** The foundation program allowance for each administrative unit, except community school districts, which do not offer educational programs for both grades and high school pupils, shall be determined as follows:

The average of the 2 preceding years' **resident** average daily membership of the pupils attending school in the unit shall be multiplied by the applicable dollar allowance in Table I below. To this amount shall be added the average of the unit's 2 preceding years' expenditure for tuition, pupil transportation and board. The total of these items will be the total foundation program. From this total foundation program shall be subtracted the average of the 2 preceding years' ~~tuition collections and other~~ school maintenance incidental receipts, **not including tuition receipts, but including 90% of the receipts of Public Law 874 in federally impacted areas.** The net cost thus obtained represents the net foundation program allowance on which state subsidy shall be computed biennially in accordance with ~~sections section~~ **section 237-E and Table II.**

Resident average daily membership, as used in this section, shall represent the sum of the days present and absent of all resident pupils in the schools under consideration divided by the number of days school is maintained.

**TABLE I**

Size of School Administrative Unit Based on Average Daily Membership	Elementary	Secondary Schools
	Schools	
1 — 25	\$3,000 + \$120 per pupil <del>(+)</del>	\$6,500 + \$145 per pupil <del>(+)</del>
26 — 50	\$235 per pupil <del>(+)</del>	\$390 per pupil <del>(+)</del>
51 — 100	\$230 per pupil <del>(+)</del>	\$385 per pupil <del>(+)</del>
101 — 200	\$220 per pupil <del>(+)</del>	\$375 per pupil <del>(+)</del>
201 — 300	\$215 per pupil	\$370 per pupil <del>(+)</del>
301 — 500	\$215 per pupil	\$355 per pupil
501 — 800	\$210 per pupil	\$340 per pupil
801 and over	\$210 per pupil	\$310 per pupil

(1) Elementary footnotes shall apply to those units which operate schools. Compute all administrative units, except school administrative districts, at \$170 per pupil if within 10 miles of a school operated in a neighboring administrative unit by the nearest suitable highway.

(2) Secondary school footnotes shall apply to those units which operate schools. If within 15 miles of a school operated in a neighboring administrative unit by the nearest suitable highway, compute all administrative units except school administrative districts as follows:

At \$255 per pupil if 100 or fewer average daily membership.

At \$275 per pupil if 101 to 200 average daily membership.

At \$290 per pupil if 201 to 300 average daily membership.

It is the intent of the Legislature that Table I of this section should be revised each biennium to the end that amendments may be enacted consistent with the changes in the educational expenditures of the towns. On or before October 1st of each year prior to the convening of the Legislature, it shall be the duty of the commissioner to make recommendations to the Governor for such revision which may be used as the basis for budget needs and recommendation for state school subsidies for appropriation by the subsequent session of the Legislature.'

**Sec. 4. R. S., c. 41, § 237-E, amended.** Section 237-E of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957 and repealed and replaced by section 1 of chapter 443 of the public laws of 1957 and as amended, is further amended to read as follows:

**'Sec. 237-E. State support of the foundation program.** On the basis of information available in the office of the commissioner of Education on September 1st for the 2 years next preceding the biennial convening of the Legislature, as provided in returns of educational statistics required by him, the commissioner shall apportion subsidies to the school administrative units of the State for each of the next 2 years according to the following plan, **except that the allocations to administrative units shall be no less in the year 1964 than in the year 1963.**

The several administrative units (cities, towns, plantations and School Administrative Districts) shall be divided into 21 classifications according to their valuations per resident school child being educated at public expense.

Each administrative unit shall receive a subsidy equal to that percentage of its foundation program allowance as reduced by 25 mills times such unit's state valuation, as its net operating cost bears to such unit's foundation program allowance. Only net operating costs up to the amount of such unit's foundation program allowance shall be considered for purposes of such subsidy calculation. No unit, however, shall receive a subsidy of less than 20% nor more than 82% of its foundation program allowance. The state valuation used shall be as determined by the Board of Equalization in the statement filed by it, as provided in chapter 16, section 67 and the number of children shall be the average of the last 2 enrollment reports of resident pupils being educated at public expense on April 1st annually. Such The computation of state aid for each unit

shall be subject to correction in accordance with the final statement filed by the Board of Equalization on December 1st.

For each classification, except School Administrative Districts, the The subsidy allocation thereafter shall be the same for each of the 2 years of the biennium and shall be the applicable percentage of the average net foundation program allowance for the preceding 2 years, as defined in section 237-D obtained from Table II below. Subsidy for School Administrative Districts shall be computed in accordance with this section.

TABLE II

Class	State Valuation per Resident Pupil	Percentage of State Support of Foundation Program
1	\$ 3,000 and under	66%
2	3,001 3,500	64
3	3,501 4,000	62
4	4,001 4,500	60
5	4,501 5,000	58
6	5,001 5,500	55
7	5,501 6,000	52
8	6,001 6,500	49
9	6,501 7,000	46
10	7,001 7,500	44
11	7,501 8,000	41
12	8,001 8,500	38
13	8,501 9,000	36
14	9,001 9,500	34
15	9,501 10,000	32
16	10,001 10,500	30
17	10,501 11,000	28
18	11,001 11,500	26
19	11,501 12,000	24
20	12,001 12,500	21
21	12,501 and over	18

Whenever any administrative unit's average net operating cost in any biennium is less than the amount provided for in the average net foundation program, its state subsidy for the next 2 years will be decreased accordingly, that is, the percentage that the net operating cost is of the net foundation program allowance will be applied to that unit's preliminary allotment to determine the final subsidy.

When a School Administrative District is formed during the biennium, following January 1st of a legislative year, the subsidy for the School Administrative District during that biennium shall be computed as follows:

The subsidy for a newly formed School Administrative District shall be the sum of the amounts that the towns would have received plus a 10% bonus. During the next succeeding biennium a School Administrative District, regardless of the previous net operating costs of the subordinate administrative units, shall receive its subsidy based on the average net foundation program of the district plus the additional bonus as provided in section 237-G.

Any administrative unit, except those to which footnotes 1 or 2 of Table I, section 237-D, are applicable, in which the average net operating cost in any biennium exceeds the amount of the average net foundation program allowance shall be entitled to an additional subsidy allocation on that part of its average net operating cost which exceeds its net foundation program allowance, computed by multiplying the amount that the average net operating cost exceeds its net foundation program allowance by 10% of the percentage to which said administrative unit is entitled to receive in Table II.

In figuring subsidy to community school districts, the following shall apply.

Those community school districts offering a school program which includes pre-primary or kindergarten through the 12th grade shall be subsidized as a single administrative unit, and payment made directly to the community school district rather than to the participating towns. In those community school districts where only part of this program is offered, the district cannot be considered as an administrative unit for subsidy purposes but each participating town's share of the operating cost of such district shall be treated as a tuition expenditure in the subsidy tabulation for that town and its subsidy figured accordingly.

The allocation made to each such town because of its share in the allowable operating cost of the community school district shall be paid to the community school district and credited to the town's share of the cost of operating the school with the remainder of each participating town's subsidy being paid directly to the town.

When a School Administrative District has taken over the operation of the public schools within its jurisdiction, the subsidy payment that would normally be paid to the subordinate administrative units which operated the public schools within the confines of the School Administrative District prior to the formation of said district shall be paid directly to the School Administrative District.'

**Sec. 5. R. S., c. 41, § 237-G, repealed.** Section 237-G of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957 and as repealed and replaced by section 1 of chapter 443 of the public laws of 1957 and as amended, is repealed.

**Sec. 6. R. S., c. 41, § 237-H, amended.** The 5th sentence of the first paragraph and the 3rd paragraph of section 237-H of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957, as last repealed and replaced by section 21 of chapter 353 of the public laws of 1959, and as amended, are further amended to read as follows:

'On the basis of all the reports on file in the office of the commissioner on

November 1st of each year, the commissioner shall determine the total amount to be paid to all ~~of the School Administrative Districts and other~~ eligible administrative units in that year, for capital outlay purposes, and shall apportion out of moneys appropriated for this purpose, in December of that year, to ~~the School Administrative Districts and other such~~ eligible administrative units, the same percentage of each administrative unit's expenditures for capital outlay purposes including principal and interest payments and any rental payments under lease agreements between the administrative units and the Maine School Building Authority as ~~each administrative unit would be entitled to receive in that year based on Table H of section 237-E~~ such administrative unit's operating subsidy determined under section 237-E bears to its foundation program allowance.'

'When a municipality having more than 100 resident pupils educated at public expense in grades 9 through 12 has contracted with a School Administrative District to educate all of the pupils in said district in grades 9 through 12, for a period of from 5 to 20 years, said municipality shall, during the life of said contract, be paid out of moneys appropriated and apportioned for the purposes of this section, the percentage of said municipality's expenditures for capital outlay purposes as ~~it would be entitled to receive in that year based on Table H of section 237-E~~ said municipality's operating subsidy determined under section 237-E bears to its foundation program allowance.'

**Sec. 7. R. S., c. 41, § 237-H, amended.** The first sentence of the 2nd paragraph of section 237-H of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 364 of the public laws of 1957, as last repealed and replaced by section 21 of chapter 353 of the public laws of 1959 and as amended by chapter 363 of the public laws of 1961, is further amended to read as follows: 'Said apportionment shall apply similarly to payments made for capital outlay purposes on school construction, approved by the commissioner after August 28, 1957, in single municipality administrative units where the April 1st enrollment of resident and tuition pupils in grades 9 through 12 for that year is over ~~700~~ 300 pupils and in smaller administrative units when in the judgment of the Legislature, on recommendation of the commission, the formation of a School Administrative District by consolidation is not geographically or educationally practical.'

**Sec. 8. Effective date.** The provisions of this act shall become effective January 1, 1964.