MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 683

H. P. 512 House of Representatives, February 6, 1969 Referred to Committee on Education. Sent up for concurrence and 1,000 ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Richardson of Stonington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SIXTY-NINE

AN ACT to Provide a More Equitable Method of Distributing School Subsidy.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the municipalities are facing unusual budgetary increases because of changes in state valuation; and

Whereas, unless legislative action is taken, more than half of the communities will receive less state aid in 1969 than they received in 1968; and

Whereas, the quality of educational programs in many units may be lowered; and

Whereas, there is a vital need for distributing school subsidies on a more equitable basis; 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:

Sec. 1. R. S., T. 20, § 3721, sub-§ 2, amended. The last paragraph of subsection 2 of section 3721 of Title 20 of the Revised Statutes, as amended, is repealed as follows:

Expenditures made for the purposes listed in this subsection, as reduced by tuition collections, but not to include that portion of the tuition collection

which is income resulting from the insured value factor of the tuition formula as defined in section 1292, and other school maintenance incidental receipts, as prescribed in section 3722, except that income received from a ministerial and school fund shall not be deducted, shall constitute the net operating cost for the purposes of section 3723;

Sec. 2. R. S., T. 20, § 3722, repealed and replaced. Section 3722 of Title 20 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

§ 3722. —Subsidies

- 1. Per Pupil allowance. The per pupil expenditure used in computing the foundation program shall be set by the State Board of Education no later than September 1st of the year preceding the convening of the Legislature. The board shall compute the average per pupil expenditure for the most recent fiscal year made by the various administrative units to educate pupils in kindergarten through grade 12 exclusive of debt retirement, capital outlay items, transportation and community services. The per pupil expenditure thus computed shall be increased by 7% in establishing the per pupil allowance for the next 2-year period. The per pupil allowance used in computing state aid for the fiscal years 1969-70 and 1970-71 shall be \$450.
- 2. Computation of subsidy. The subsidy for each administrative unit shall be computed as follows:
 - A. Multiply the number of resident pupils on April 1st in the year preceding the convening of the Legislature by the per pupil allowance less \$60;
 - B. Multiply the number of pupils in special education programs by 2 and multiply the result by the per pupil allowance;
 - C. Add paragraphs A and B together and subtract miscellaneous receipts;
 - D. The result of the above will produce the total foundation program dollar allowance for the unit;
 - E. Divide the state valuation of the unit by the number of pupils resident on April 1st in the year preceding the convening of the Legislature to determine a per pupil valuation;
 - F. Look up in Table I the percentage of aid based upon the per pupil valuation;
 - G. Multiply paragraph D by paragraph F. The result will be the basic subsidy allotment;
 - H. Multiply the number of resident pupils on April 1st in the year preceding the convening of the Legislature by \$50;
 - I. Add the cost of bus purchases and replacements made in the 2 years preceding the convening of the Legislature and all other costs of transportation made in the year preceding the convening of the Legislature. Multiply the result by 90%;

- J. Multiply the salary paid the superintendent of schools in the year preceding the convening of the Legislature by 50%. The amount thus computed shall be paid to the superintendent of schools under section 154;
- K. Any unit whose expenditures exceed the foundation program allowance in the year preceding the convening of the Legislature shall have an additional subsidy allocation equaling 4% of such excess expenditure;
- L. Add the results of the computations in paragraphs G, H, I, J and K to determine the total allotment for each administrative unit:
- (1) In those community school district where programs are offered involving less than grades kindergarten through 12, the district cannot be considered as an administrative unit for subsidy purposes, but each participating town's share shall be computed on the basis of the number of pupils, transportation costs and superintendent's salary costs in the subsidy tabulation for that town and its subsidy figured accordingly. The allocation made to each town because of its share in the cost of the community school district shall be paid to the community school district and credited to the town's share of the subsidy with the remainder being paid directly to the town;
 - (2) The aid to School Administrative Districts shall be computed as follows: The foundation program of the district shall be distributed among the member municipalities of the district in the same ratio as the average resident pupils of the member municipalities bears to the total average number of resident pupils in the School Administrative District. The aid for the individual towns shall be computed and added together to provide a district total.
- M. If the unit is a School Administrative District, add 10% of paragraph L in compliance with section 3456;
- N. To the subsidy thus determined shall be added \$15 for every student completing a driver education course during the preceding year.

The state valuation used in the above computation shall be as determined by the Board of Equalization in the statement filed by it, as provided in Title 36, section 381. 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.

The subsidy for a newly formed School Administrative District shall be the sum of the amounts that the towns would have received, plus the 10% bonus.

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 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.

That portion of the subsidy allocation that was earned as a result of payments to a superintendent of schools as computed in paragraph J shall be paid to the superintendent of schools under section 154.

TABLE I

| Class | State Valuation per Resident Pupil for Year Preceding the Convening of the Legislature | Percentage of State Support of the Total Foundation Program |
|------------------|--|---|
| 1 | \$ 3,000 and under | 81% |
| 2 | 3,001 - 3,500 | 77 |
| 3 | 3,501 - 4,000 | 74 |
| 4 | 4,001 - 4,500 | 70 |
| 3 4 5 6 | 4,501 - 5,000 | 67 |
| 6 | 5,001 - 5,500 | 63 |
| 7 8 | 5,501 - 6,000 | 60 |
| 8 | 6,001 - 6,500 | 56 |
| 9 | 6,501 - 7,000 | 53 |
| 10 | 7,001 - 7,500 | 49 |
| 11 | 7,501 - 8,000 | 46 |
| 12 | 8,001 - 8,500 | 42 |
| 13 | 8,501 - 9,000 | 39 |
| 14 | 9,001 - 9,500 | 35 |
| 15 | 9,501 - 10,000 | 32 |
| 16 | 10,001 - 10,500 | 28 |
| 17 | 10,501 - 11,000 | 25 |
| 18 | 11,001 - 11,500 | 21 |
| 19 | 11,501 - 12,000 | 18 |
| 20 | 12,001 - 12,500 | 14 |
| 21 | 12,501 - 13,000 | II |
| 22 | 13,001 - 13,500 | 7 |
| 23 | 13,501 - 14,000 | 4 |
| 24 | 14,001 and over | 0 |

Sec. 3. R. S., T. 20, § 3723, repealed. Section 3723 of Title 20 of the Revised Statutes, as amended, is repealed.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.