

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

---

---

ONE HUNDRED AND FOURTH LEGISLATURE

---

---

Legislative Document

No. 1586

H. P. 1254

House of Representatives, June 9, 1969

Reported by Mr. Richardson from Committee on Education. Printed under Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

---

---

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.

---

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

Sec. 1. R. S., T. 20, c. 511, repealed. Chapter 511 of Title 20 of the Revised Statutes, as amended, is repealed.

Sec. 2. R. S., T. 20, c. 512, additional. Title 20 of the Revised Statutes is amended by adding a new chapter 512, to read as follows:

CHAPTER 512

GENERAL PURPOSE AID

§ 3731. General purpose aid, defined

To help equalize educational opportunity and to assist administrative units in providing an adequate educational program for all pupils a sum of money shall be distributed through an equalization formula. It is declared to be the intent of the Legislature that the sum to be distributed through the equalization formula shall equal at least  $\frac{1}{3}$  of the average per pupil operating cost for all public schools in the State. Operating costs shall cover the fiscal year which precedes the convening of the Legislature. They shall include all expenditures except transportation, community services, capital outlay items and debt service, reduced by tuition receipts. In addition to the sum of money distributed under the equalization formula, each unit shall be reimbursed a percentage of its expenditures for the transportation, board of pupils, school bus purchases and the education of handicapped pupils.

From the aid computed for each unit shall be deducted a sum of money which shall be paid directly to the superintendent of schools under section

154. This sum shall be equal to the amount computed under the appropriate sections of this Title for distribution in the fiscal year 1969-70, and shall be frozen at this amount until July 1, 1974. No new contracts shall be written extending beyond July 1, 1974, which call for direct payments of state aid toward the superintendent's salary.

Administrative units shall pay teachers an amount at least equal to the minimum salary law; and shall employ at least one teacher for each 30 elementary school pupils in average daily membership except in the kindergarten where the ratio shall not exceed one teacher to 60 pupils and at least one teacher for each 25 high school pupils.

§ 3732. —computation

A sum of money to be distributed under an equalization formula to maintain the state's share at a minimum of  $\frac{1}{3}$  of the operating cost as defined in section 3731 shall be recommended by the State Board of Education to the Bureau of the Budget. The Bureau of the Budget shall include a recommended amount in the Part I budget that shall represent at least  $\frac{1}{3}$  of the operating cost for all public schools as defined.

Equalization formula

The amount of money to be distributed to each municipality and administrative unit shall be computed in accordance with the following equalization formula:

$$\begin{array}{l} \text{State Valuation Per} \\ \text{Pupil at Mid-Point} \\ \text{Per Pupil Valuation} \\ \text{of Municipality} \end{array} \times \begin{array}{l} \text{Base Rate} \\ \text{Per Pupil} \end{array} \times \begin{array}{l} \text{Number of Pupils} \\ \text{in the Municipality} \\ \text{on April 1, in Year} \\ \text{Preceding the} \\ \text{Convening of the} \\ \text{Legislature} \end{array} = \begin{array}{l} \text{The Equalization} \\ \text{Amount Per} \\ \text{Municipality} \end{array}$$

The per pupil valuation which falls at the mid point in the pupil population as recorded on April 1st in the year preceding the convening of the Legislature shall be determined. This figure shall be rounded to the nearest thousand. The valuation thus determined shall be called the state valuation per pupil at mid point.

Per pupil valuation shall be determined by dividing the number of pupils in the municipality on April 1st, in the year preceding the convening of the Legislature by the state valuation as filed by the Board of Equalization.

The total equalization sum available shall be divided by the number of resident pupils educated at public expense on April 1st, in the year preceding the convening of the Legislature to determine a per pupil rate for the municipality with the median state valuation per pupil. The number of dollars per pupil used in the formula is determined by dividing the median state valuation per pupil by the state valuation per pupil at mid point and multiplying the per pupil rate for the municipality by that result. The amount thus determined shall become the base rate per pupil.

If the state valuation per pupil at mid point divided by the per pupil valuation of a municipality results in a factor of more than 3.0, then 3.0 shall be used in the computation.

The average sums of money expended in the 2 fiscal years preceding the convening of the Legislature by administrative units for public school pupils for transportation, school bus purchase, board of pupils and the education of handicapped children shall be multiplied by the percentages in Table I and the results shall become part of the general purpose aid of the unit.

TABLE I

Per Pupil Valuation = State Valuation ÷ Resident Pupils April 1 in Year Preceding the Convening of the Legislature	State Percentage Share of Transportation Costs, Board and the Education of Handicapped Pupils
\$26,000 and over	13%
25,000—25,999	17%
24,000—24,999	20%
23,000—23,999	23%
22,000—22,999	27%
21,000—21,999	30%
20,000—20,999	33%
19,000—19,999	37%
18,000—18,999	40%
17,000—17,999	43%
16,000—16,999	47%
15,000—15,999	50%
14,000—14,999	53%
13,000—13,999	57%
12,000—12,999	60%
11,000—11,999	63%
10,000—10,999	67%
9,000— 9,999	70%
8,000— 8,999	73%
7,000— 7,999	76%
6,000— 6,999	80%
5,000— 5,999	83%
4,000— 4,999	87%
3,000— 3,999	90%
2,000— 2,999	93%
0— 1,999	97%

In the case of School Administrative Districts the cost shall be distributed to each municipality in the district in direct proportion to the number of pupils in each municipality within the district on April 1st, in the year preceding the convening of the Legislature. Said costs shall be multiplied by the appropriate percentage in Table I and the subsidies for each municipality within the district shall be added together to arrive at a district total.

New special education classes for handicapped children shall be reimbursed in the fiscal year immediately following their operation and such reimbursement shall continue for subsequent years as long as the class or classes continue. The expenditures for such classes may be reported using the same rules and guidelines as are set out by statute for computing the tuition costs for handicapped pupils.

Since state valuation of municipalities excludes federal property in the assessment, whenever more than  $\frac{1}{2}$  of the pupils of a unit live on federal property those federal pupils shall be excluded from the April 1st count for the purpose of determining the per pupil valuation for the unit in this chapter.

If the unit is a School Administrative District, add 10% to the sums determined in this chapter in compliance with section 3456. 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. The total aid to a unit in any year may not be less than 90% of the aid received by the unit in the preceding year.

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 computations 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.

Community school districts are not considered to be administrative units for subsidy purposes. Each participating town's subsidy allotment shall be computed as set forth in this section. The state subsidy covering the town's share of the cost of the community school district shall be paid to the community school district from the town's subsidy allotment with the remainder being paid directly to the town.

The following method shall be used to determine public school pupils in 1971 and thereafter. A count shall be made on April 1st and October 1st in the school year preceding the convening of the Legislature. An average of these 2 counts shall be used for the purposes described in this chapter.

#### § 3733. Tax effort

If funds become available by legislative appropriation, each municipality shall be reimbursed from a fund to be known as the Tax Effort Fund a percentage of the fund if its tax effort for all municipal purposes in the year preceding the convening of the Legislature exceeded the median tax effort of all municipalities in the State. The tax effort for each municipality shall be determined by dividing its assessments on property by the state valuation as published in the year preceding the convening of the Legislature. For all municipalities that exceed the median tax effort, the sums of money by which each unit exceeds the median shall be added together and a percentage shall be determined for each unit by dividing its excess assessment by the total

excess assessment for the State. Any funds distributed for tax effort shall be distributed on the basis of the percentage thus determined.

The tax effort funds available shall be distributed to those units who equal or exceed a part of the median school tax effort of the State in accordance with the following table. School tax effort shall be determined by dividing total school appropriations by the state valuation of the municipality for the year preceding the convening of the Legislature.

State Valuation Per Resident Pupil	Percent of Median School Tax Effort
\$ 4,500 and under	100%
4,501— 7,500	90%
7,501— 9,000	80%
9,001—15,000	70%
15,001 and over	50%

§ 3734. Closing of private or parochial schools

Notwithstanding any other provision of law, whenever a private or parochial school closes or discontinues a portion of the grades served under a plan approved by the State Board of Education, and the pupils become the responsibility of an administrative unit, they shall be counted for the purpose of computing the subsidies allotted such a unit as if they had been attending school in the administrative unit during the applicable subsidy year.

The additional subsidy shall be paid to the unit in the same calendar year that the private or parochial school closes and the pupils become the responsibility of the administrative unit.

Sec. 3. R. S., T. 20, § 222, amended. The last 5 paragraphs of section 222 of Title 20 of the Revised Statutes, as amended, are repealed and the following enacted in place thereof:

When a School Administrative District dissolves, the general purpose aid for the individual municipalities shall be computed in accordance with chapter 512.

Sec. 4. Effective date. This Act shall become effective January 1, 1970.