

## ONE HUNDRED AND NINTH LEGISLATURE

## **Legislative Document**

H. P. 98 House of Representatives, January 18, 1979 Referred to the Committee on Education. Sent up for concurrence and ordered printed.

Presented by Mr. Bowden of Brooklin.

# EDWIN H. PERT, Clerk

No. 112

## STATE OF MAINE

#### IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-NINE

AN ACT Relating to Computation of the Local Allocation.

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

Sec. 1. 20 MRSA § 4743, sub-§ 15-A, is enacted to read:

15-A. Municipality's share of the unit's costs. "Municipality's share of the unit's costs" means the portion of the state-local allocation of a unit which is computed as follows:

A. Divide the state-local allocation of the unit by the enrollment used in computing the state-local allocation of the unit; and

**B.** Multiply the quotient determined in paragraph A by the number of students in the municipality which has been used in determining the enrollment of the unit.

Sec. 2. 20 MRSA § 4751, sub-§ 1, ¶ D, is enacted to read:

D. Notwithstanding any other provision of this chapter, the portion of the local allocation of a unit which the unit may bill a municipality within the unit shall be limited to the lesser of the following 3 amounts:

(1) The municipality's share of the unit's costs;

(2) The product of the state valuation of the municipality and the subsidy index; or

(3) The amount determined on the basis of the unit's cost-sharing agreement.

Whenever any unit fails to raise the maximum amount of its local allocation as the result of the provisions of this paragraph, the commissioner shall add to the state allocation to the unit an amount which is the difference between the maximum local allocation and the actual amount raised by the unit.

#### STATEMENT OF FACT

The purpose of this bill is to limit a municipality's contribution to the local allocation of a unit to the smaller of 3 amounts:

1. The amount raised by applying the subsidy index to the state valuation of the unit;

2. The amount of the municipality's share of the unit's total state-local allocation, where the unit's share is determined on the basis of the number of students in the municipality; or

3. The amount determined by the unit's cost-sharing agreement.