

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

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ONE HUNDRED AND NINTH LEGISLATURE

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**Legislative Document**

**No. 545**

H. P. 428

House of Representatives, February 14, 1979

Referred to the Committee on Education. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Masterman of Milo.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-NINE

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**AN ACT to Correct Subsidy Index Discrimination.**

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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 state-local allocation.** "Municipality's share of the unit's state-local allocation" 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 § 4749, first ¶ as enacted by PL 1977, c. 625, § 8, is amended by adding at the end the following new sentence:

**Any unit which raises less than its local allocation because of the provisions of section 4751, subsection 1, paragraph D, shall be considered to have raised its local allocation for purposes of the adjustments identified in subsections 2, 4, 5, 6 and 8.**

**Sec. 3.** 20 MRSA § 4751, sub-§ 1, as enacted by PL 1977, c. 625, § 8, is repealed and the following enacted in its place:

**1. Local allocation computations; recorded vote; limit; exception for certain units.**

**A. The commissioner shall compute the local allocation by multiplying the subsidy index established by the Legislature under section 4747, subsection 4, by the state valuation of the municipalities within each administrative unit.**

**B. The legislative body of each administrative unit may vote to raise and appropriate an amount up to the local allocation as computed by the commissioner. This action shall be taken by a recorded vote.**

**C. Notwithstanding paragraph A, the commissioner's computation of the local allocation for each administrative unit shall not exceed the state-local allocation as adjusted by section 4749 for the unit.**

**D. Notwithstanding any other provision of this chapter, the portion of the local allocation of a unit which the unit may assess a member municipality shall be the lesser of the 2 following amounts:**

**(1) The municipality's share of the unit's state-local allocation; or**

**(2) The product of the state valuation of the member municipality and the subsidy index.**

**E. Whenever any unit does not raise the local allocation as the result of paragraph D the commission shall add to the state allocation of the unit an amount equal to the difference between the local allocation of the unit and the actual amount raised by the unit under paragraph D.**

**Sec. 4. 20 MRSA § 4751, sub-§ 3, ¶ A, last sentence, as enacted by PL 1977, c. 625, § 8, is amended to read:**

**No local unit shall participate in local leeway unless it has raised the maximum amount of its local allocation, as computed by the commissioner under subsection 1, paragraph A or as provided under subsection 1, paragraph D.**

**STATEMENT OF FACT**

**The purpose of this bill is to protect towns within school districts from having to raise more than their share of the district's state-local allocation.**