# MAINE STATE LEGISLATURE

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#### (EMERGENCY) FIRST REGULAR SESSION

### ONE HUNDRED AND NINTH LEGISLATURE

## Legislative Document

No. 1324

H. P. 1157

Reported by Mr. Connolly of Portland, from the Interim Education Finance Commission. Pursuant to PL 1977, c. 711 and printed under Joint Rules No. 17.

EDWIN H. PERT, Clerk

### STATE OF MAINE

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

AN ACT to Provide for Using an Average of Recent State Valuations for Purposes of Computing State Subsidies Under the School Finance Report.

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

Whereas, the change in the school finance law contained in this legislation will benefit all of Maine's school children; and

Whereas, this change must be in effect on July 1, 1979; 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. 20 MRSA § 4743, sub-§ 22, first sentence,** as enacted by PL 1977, c. 625, § 8, is amended to read:

"Subsidy index" shall mean the equivalent of a mill rate which, if applied to the **average of the 3 most recent** state <del>valuation</del> valuations of all municipalities and as limited by section 4751, subsection 1, paragraph C, would raise not more than 50% of the basic education allocation.

- Sec. 2. 20 MRSA § 4751, sub-§ 1, ¶ A, as enacted by PL 1977, c. 625, § 8, is amended to read:
  - A. The commissioner shall compute the local allocation using the subsidy index established by the Legislature under section 4747, subsection 4, and the average of the 3 most recent state valuation valuations of the municipalities within each administrative unit.

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

#### STATEMENT OF FACT

This bill represents the minority recommendation of the Interim Education Finance Commission. The purpose of this bill is to ease the impact of rapid annual changes in the state valuation by providing that the subsidies distributed under the School Finance Act should be based on an average of the 3 most recent state valuations.