

MAINE STATE LEGISLATURE

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New Draft: H. P. 1906, L. D. 1975
(New Title)
SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 2022

H. P. 1992

House of Representatives, March 21, 1980

Reported by Mr. Connolly from the Committee on Education. Printed under
Joint Rules No. 2.

EDWIN H. PERT, Clerk of the House

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

**AN ACT to Eliminate the "Pay-in" Inequity within School Administrative
Districts and Community School Districts.**

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

20 MRSA § 4751, sub-§ 1, ¶ C, sub-¶ 1 is enacted to read:

(1) **Beginning July 1, 1981, the commissioner's computation of the local allocation for each single administrative unit or for each member municipality within a School Administrative District or community school district shall not exceed the state-local allocation. The member municipality's share of a district's state-local allocation shall, for the purpose of this subparagraph, be determined on the basis of the average number of resident pupils in the calendar year prior to the year of allocation.**

FISCAL NOTE

This adjustment will increase the state and local allocation and the state's share. The exact amount of the increase will depend on the distribution of the state valuation in the various districts and the mill rate and subsidy index set by the Legislature. Starting in fiscal year 1982, it will probably result in a \$200,000 to \$300,000 increase in the state share and a 2 to 3 hundredths of a mill increase in the local share. It should be noted that, if any of the districts dissolve in the

meantime, the pay-in amount will automatically become state costs in the year of dissolution. Based on fiscal year 1981 figures, the first year costs to the State would be \$295,000 if School Administrative District #71 dissolved, \$210,000 if School Administrative District #72 dissolved and \$105,000 if Boothbay-Boothbay Harbor Community School District dissolved.

STATEMENT OF FACT

The "pay-in" within district's inequity in present law needs attention as soon as possible. This new draft adds the statutory language so that the 1981-82 commissioner's funding level recommendation submitted on December 15, 1980, can include the adjustments to eliminate this "pay-in" inequity starting in fiscal year 1982.