

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

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ONE HUNDRED AND TENTH LEGISLATURE

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**Legislative Document**

**No. 759**

H. P. 653

House of Representatives, February 10, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Murphy of Kennebunk.

Cosponsors: Representative Gowen of Standish, Representative Rolde of York, Senator Clark of Cumberland.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

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**AN ACT Relating to Special Education, Vocational Education and Transportation Operating Allocations.**

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

**Sec. 1. 20 MRSA § 4742, sub-§ 2**, as enacted by PL 1977, c. 625, § 8, is amended to read:

**2. Amount of basic education allocation.** It is the intent of the Legislature that the basic education allocation for elementary and secondary operating costs, as annually established by the Legislature, **and special education, vocational education and transportation operation costs** shall be an amount sufficient to meet the level of the costs in the year prior to the year of allocation.

**Sec. 2. 20 MRSA § 4745, sub-§ 3**, as enacted by PL 1977, c. 625, § 8, is amended to read:

**3. Estimate guidelines for elementary and secondary operating costs, special education, vocational education and transportation operation costs.** The recommendation for elementary and secondary operating costs, **special education, vocational education and transportation operation costs** shall reflect the commissioner's best estimate as to changes in pupil enrollment, economic factors, adjustments based on actual changes in education costs and any other

considerations which might effect a change in the costs of education. The commissioner shall be ever conscious of the need for prudent restraint in educational financing.

**Sec. 3. 20 MRSA § 4748, sub-§ 3, ¶ A,** as enacted by PL 1977, c. 625, § 8, is amended to read:

**A.** A unit's state-local allocation for each of the items identified in subsections 4 through 7, except as otherwise specified, shall be 100% of actual expenditures during the base year as is contained in the commissioner's recommendation of education costs, **as adjusted**, subject to paragraph B.

**Sec. 4. 20 MRSA § 4748, sub-§ 4, ¶ A,** as enacted by PL 1977, c. 625, § 8, is amended to read:

**A.** The special education allocation shall be **determined by multiplying** the expenditures for special education programs operated or contracted for by the administrative unit and the expenditures for special education tuition or board, or both, **by the average of the percentages used in establishing the basic elementary per pupil operating rate and the basic secondary per pupil operating rate in sections 4745 and 4747.** Medical costs shall not be allowable as a part of a tuition charge.

**Sec. 5. 20 MRSA § 4748, sub-§ 5, ¶ A,** as enacted by PL 1977, c. 625, § 8, is amended to read:

**A.** Vocational education allocation shall be **determined by multiplying** the expenditures for vocational education programs serving the administrative unit **by the percentage used in establishing the basic secondary per pupil operating rate in sections 4745 and 4747.**

**Sec. 6. 20 MRSA § 4748, sub-§ 6, ¶ A,** as enacted by PL 1977, c. 625, § 8, is amended to read:

**A.** The transportation allocation shall be **determined by multiplying** the unit's expenditures for transportation operating costs **by the average of the percentages used in establishing the basic elementary per pupil operating rate and basic secondary per pupil operating rate in sections 4745 and 4747.**

**Sec. 7. Effective Date.** This Act will take effect on July 1, 1982.

#### FISCAL NOTE

It is estimated that this bill would require an appropriation increase of approximately \$2.5 million over the 1982-83 funding level contained in the Part I budget.

## STATEMENT OF FACT

Allocations for local expenditures for special education, vocational education and transportation operation are presently based on 2-year old costs. This adversely affects local school systems in 2 ways:

1. Reimbursement levels are 2 years old and, in an inflationary period, are less than the current spending levels; and
2. Any new or expanded programming must be supported entirely by local taxes until the state subsidy program catches up with the expenditure. The ultimate effect is the limiting of program improvement and the quality of education in these categorical areas.

Under present statutes, the operating costs for elementary and secondary pupils are also based on 2-year old expenditures. However, operating costs are updated by a calculated and recommended percentage to set "an amount sufficient to meet the level of the costs in the year prior to the year of allocation" as per the Maine Revised Statutes, Title 20, section 4742, subsection 2, the intent of the Legislature.

This legislation proposes to treat special education, vocational education and transportation operation allocations in the same manner as elementary and secondary operating costs; update base year expenditures by an established percentage. The allocations for the specific categorical programs would be an amount that would meet the cost levels in the year prior to the year of distribution.