

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 960

S. P. 330

In Senate, February 20, 1981

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

MAY M. ROSS, Secretary of the Senate

Presented by Senator Trotzky of Penobscot.

Cosponsor: Representative Thompson of South Portland.

STATE OF MAINE

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

AN ACT Relating to the Calculation of State Average Per Pupil Operating Costs and the Basic Education Allocation for Operating Costs.

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

Sec. 1. 20 MRSA § 4749, sub-§ 1, ¶¶ A and B, as enacted by PL 1977, c. 625, § 8, are amended to read:

A. If the administrative unit's average elementary or secondary per pupil operating cost in the base year is less than the basic elementary or secondary per pupil operating rate, the unit's per pupil state-local allocation for elementary or secondary pupils respectively shall be limited to an amount which equals the unit's average elementary or secondary per pupil operating costs for the base year, plus an amount equivalent to $\frac{1}{3}$ ~~1/3~~ $\frac{1}{2}$ of the difference between the unit's per pupil elementary or secondary cost for the base year, as adjusted, and the basic elementary or secondary per pupil operating rate respectively.

B. If the administrative unit's average elementary or secondary per pupil operating cost for the base year is above the basic elementary or secondary per pupil operating rate, the per pupil allocation for elementary or secondary pupils respectively shall be the basic elementary or secondary per pupil operating rate respectively, ~~except if the 1973-74 expended local average elementary or secondary per pupil operating cost respectively exceeds the average~~

~~elementary or secondary per pupil operating rate respectively, the per pupil allocation for elementary or secondary pupils respectively shall be increased by 1/2 the lesser amount of the 2 following differences:~~

- (1) The difference between the basic elementary or secondary per pupil operating rate respectively and the local average elementary or secondary per pupil operating cost respectively; or
- (2) The difference between the basic elementary and secondary per pupil operating rate respectively and the local average elementary or secondary per pupil operating cost respectively, expended during 1973-74 school year.

Sec. 2. Effective date. This Act shall take effect on July 1, 1982.

STATEMENT OF FACT

This bill expands the "maintenance of effort" feature contained in the present School Finance Act by allocating 1/2 of the difference between a unit's per pupil operating cost and the state average operating for all units that are above the state average rate. This feature was a part of the funding law enacted in 1973, but was removed 2 years ago.

The bill also increased the amount of the adjustment made in computing the allocation for units that are spending below the state average rate from 1/3 to 1/2 the difference between the local units per pupil cost and the state average or base rate.

The fiscal impact of this bill is to raise the state/local allocation by \$2,260,883 for those units below state average and \$7,546,554 for units above average. The state's cost of 53.97% would be \$5,293,073 for the 1981-82 fiscal year.