

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1783
6

7 S.P. 698

In Senate, January 9, 1986

8 Approved for introduction by a majority of the Legislative Council
9 pursuant to Joint Rule 26.

Reference to the Committee on Education suggested and ordered printed.

10 JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Brown of Washington.

11 Cosponsored by Senator Pearson of Penobscot, Representative Rydell of
Brunswick and Representative Brown of Gorham.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SIX
16

17 AN ACT to Provide State Funding for the
18 Educational Costs of Students Placed
19 by State Agencies.
20

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

23 Sec. 1. 20-A MRSA §1, sub-§24-A is enacted to
24 read:

25 24-A. Residential placement. "Residential
26 placement" means the following:

27 A. An "emergency shelter," which is a facility
28 operated by a corporation and licensed for the
29 purpose of providing board and care to no more
30 than 10 children over the age of 12 years, who
31 may be runaways or abused children or whose well-
32 being is jeopardized by some other crisis or
33 emergency and providing services to a child for
34 not more than 21 consecutive days, except with
35 special permission;

1 B. A "foster home," which is a private home oc-
2 cupied and operated by the owner and licensed to
3 provide 24-hour care for no more than 6
4 nonrelated children;

5 C. A "group home," which is a residential child
6 care facility operated by a corporation and li-
7 icensed for the purpose of providing board and
8 care for up to 10 children;

9 D. A "residential agency," which is a residen-
10 tial child care facility operated by a corpora-
11 tion and licensed for the purpose of providing
12 board and care to more than 10 children;

13 E. A "residential treatment center," which is a
14 residential child care facility operated by a
15 corporation and licensed for the purpose of pro-
16 viding therapeutically-planned, group living sit-
17 uations within which educational, recreational,
18 medical and sociopsychotherapeutic components are
19 integrated for children whose present handicaps
20 preclude community outpatient treatment;

21 F. A "residential treatment facility," which is
22 a residential child care facility operated by a
23 corporation and licensed for the purpose of pro-
24 viding board, care and treatment for more than 10
25 moderately to severely handicapped children and
26 which does not contain an educational component;
27 and

28 G. A "therapeutic group home," which is a resi-
29 dential child care facility operated by a corpo-
30 ration and licensed for the purpose of providing
31 board, care and treatment for up to 10 moderately
32 to severely handicapped children.

33 Sec. 2. 20-A MRSA §1, sub-§34-A is enacted to
34 read:

35 34-A. State agency client. "State agency cli-
36 ent" means a child of eligible school age who is:

37 A. In the care or custody, or both, of the De-
38 partment of Human Services, the Department of
39 Mental Health and Mental Retardation or the De-
40 partment of Corrections;

1 B. Placed, with the recommendation of a Bureau
2 of Mental Retardation case manager or an employee
3 of the Office of Children's Services, Department
4 of Mental Health and Mental Retardation, with a
5 person who is not the child's parent, legal
6 guardian or relative;

7 C. On entrustment or absent-with-leave status
8 from the Maine Youth Center; or

9 D. Attending a public or private school while
10 still a resident of a state-operated institution.

11 Sec. 3. 20-A MRSA §5202, sub-§2, as amended by
12 PL 1983, c. 806, §57, is further amended to read:

13 2. General rule. Persons shall be considered
14 residents of the school administrative unit where
15 their parents reside. A person is eligible to attend
16 schools in the school administrative unit where the
17 person's parent resides or where the person resides
18 upon reaching the age of 18 years or upon becoming an
19 emancipated minor. A federal installation shall be
20 considered part of the school administrative unit in
21 which it is located.

22 Sec. 4. 20-A MRSA §15613, sub-§5, as enacted by
23 PL 1983, c. 859, Pt. G, §§2 and 4, is repealed and
24 the following enacted in its place:

25 5. Payment of state agency client costs. Pay-
26 ment of state agency client costs shall be as fol-
27 lows.

28 A. For the purposes of this subsection, "state
29 agency client" is defined in section 1, subsec-
30 tion 34-A.

31 B. The commissioner may pay approved special ed-
32 ucation costs for all state agency clients placed
33 in residential placements by an authorized agent
34 of a state agency. These payments shall be con-
35 sidered part of the State's share of the total
36 allocation in meeting the requirements of section
37 15602, subsection 1.

1 C. Special education costs authorized by this
2 subsection for state agency clients shall be paid
3 by the department in the year of allocation at
4 100% of actual costs, limited to the amount of
5 funds appropriated by the Legislature for that
6 purpose. Once the funds appropriated by the Leg-
7 islature have been exhausted, all additional
8 costs for the balance of the year of allocation
9 shall be paid by the school administrative unit
10 where the parents of the student reside. Resi-
11 dency shall be determined in accordance with
12 chapter 213. These additional costs shall be in-
13 cluded as special education costs when approved
14 by the commissioner.

15 D. In the fiscal year beginning July 1, 1987,
16 and every fiscal year thereafter, the commis-
17 sioner shall pay only approved special education
18 costs authorized by this subsection for state
19 agency clients and shall not allocate, except as
20 provided in paragraph C, for those costs incurred
21 by the administrative unit for state agency cli-
22 ents in the base years starting July 1, 1985, and
23 every base year thereafter.

24 Sec. 5. Effective date. This Act shall take ef-
25 fect on July 1, 1987.

26 FISCAL NOTE

27 Under the present school aid formula, the local
28 school unit where the "state agency client" goes to
29 school, or where the parent resides if known, pays
30 the program costs for the first 2 years. After 2
31 years, the school unit will receive a state subsidy
32 based on the 2-year-old costs update for one year in-
33 flation. After the first 2 years, the school unit
34 with the "state agency client" is responsible for the
35 2nd year of inflation and all expanded service costs.
36 The "subsidized costs" are divided 55% state and 45%
37 spread statewide over the property tax.

38 The change proposed in this bill continues to di-
39 vide the "subsidized costs" under the present formula
40 into 55% state share and 45% statewide property tax

1 share. It also shifts from the local school unit to
2 the "subsidized formula costs" the cost of the 2nd
3 year inflation expanded program costs and costs asso-
4 ciated with an increase in the number of clients
5 served. This results in a savings to the individual
6 local units which were previously responsible for
7 these costs of about \$1,000,000; an increase to the
8 State of about \$550,000, which represents its share
9 of inflation and increased services; and in an in-
10 crease in the subsidy index for all local units to
11 cover the increased statewide local share of
12 \$450,000.

13

STATEMENT OF FACT

14 There are a number of special education students
15 who attend local school programs, but reside outside
16 their own homes. Some of these students are placed
17 directly by local school unit Pupil Evaluation Team.
18 Others are placed for family and social reasons by
19 other state agencies, for example, in foster home and
20 group homes. These students are clients of those
21 other state agencies. In paying the costs for educa-
22 tional programs for these students, both the unit
23 where the students' parents live and the receiving
24 unit feel it is unfair for them to pay the bill. The
25 units where the parents live may already have a pro-
26 gram and do not feel they should pay double by also
27 paying tuition to another unit. Since the student's
28 parents do not reside in the unit where the student
29 attends school, the receiving school does not feel it
30 should pay for the added costs.

31 The present bill retains the divisions of costs
32 of 55% state and 45% statewide property tax. This
33 bill shifts the burden of the upfront costs for new
34 students, expanded program and the final one-year of
35 inflation from the local unit providing the program,
36 or where the parents live, to the state subsidy for-
37 mula.

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