

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1488

H.P. 1066

House of Representatives, May 4, 1989

Reference to the Committee on Education suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative SEAVEY of Kennebunkport.

STATE OF MAINE

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

**An Act to Alter Cost-sharing Agreements Among Municipalities in
School Administrative Districts.**



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

3 **Sec. 1. 20-A MRSA §1301, sub-§1, ¶C is enacted to read:**

5 C. Under the school funding formula method, municipalities
7 within a district shall share costs for the district's
9 operating allocation in the same manner in which the maximum
11 local shares for each municipality are calculated in section
13 15609, subsection 1, paragraph A. Operating cost
15 expenditures above the operating allocation shall be shared
17 on the same percentage basis as costs within the
19 allocation. Program and debt service costs shall be shared
21 in accordance with the property valuation method in
23 paragraph A. Program and debt service expenditures above
25 the program and debt service allocations shall be shared on
27 the same percentage basis as costs within the allocation.

19 **Sec. 2. 20-A MRSA §1301, sub-§4 is enacted to read:**

21 4. Required review of cost-sharing formulas enacted prior
23 to 1974. Any cost-sharing agreement which was entered into among
25 municipalities in a school administrative district prior to
27 January 1, 1974, shall be void as of July 1, 1990.

29 A. The municipalities in the school administrative district
31 shall hold a joint meeting, as described in section 1202,
33 subsections 3 and 4, solely for the purpose of determining
35 the method of cost-sharing to be used in the district on and
37 after July 1, 1990. The method chosen shall be voted upon
39 in municipal elections to be governed by the provisions of
41 section 1202, subsections 5 through 7.

43 B. If the article is not approved by a majority of the
45 voters in each municipality, as required by section 1202,
47 subsection 7, the municipalities shall share costs in
49 accordance with the school funding formula method under
51 section 1301, subsection 1, paragraph C, adjusted as follows.

53 C. The dollar amount to be levied by each municipality, as
55 calculated under the school funding formula method, shall be
57 divided by the number of resident pupils in the
59 municipality. This figure shall be referred to as the per
61 pupil levy. If the school funding formula method would
63 require a municipality to make a per pupil levy which
65 exceeds 1.2 times the foundation per pupil operating rate
67 established for the school year, the amount in excess of 1.2
69 times the foundation per pupil operating rate shall be
71 subtracted from that municipality, and shall be shared among
73 all municipalities in the district on the basis of pupils.

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STATEMENT OF FACT

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5 The purpose of the bill is to require that all cost-sharing
7 agreements among municipalities in school administrative
9 districts be renegotiated, if the agreements were made prior to
11 1974. The bill would also add to the list of options for cost
13 sharing a third option based on the formula used to split costs
15 between the State and the district under the School Finance Act.

11

13 If municipalities in a school administrative district whose
15 cost-sharing agreement is voided by this legislation cannot agree
17 on a method of cost sharing, they must use the school funding
19 formula method, with an adjustment designed to equalize, to a
21 limited extent, the per pupil levy required by each
23 municipality. The per pupil levy is the amount a municipality
 would be required to raise under the school funding formula
 method of cost sharing, divided by the number of resident pupils
 in the municipality who are educated by the district. If the per
 pupil levy of any municipality is more than 1.2 times the
 foundation per pupil operating rate for that year, the amount in
 excess of 1.2 will be spread among the municipalities on the
 basis of pupils.