

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1692

H.P. 1220

House of Representatives, May 24, 1989

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.

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 BREWER of Boothbay Harbor.

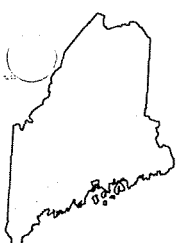
Cosponsored by Senator CLARK of Cumberland, Representative ROLDE of York and Representative ADAMS of Portland.

STATE OF MAINE

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

An Act to Establish the School Finance Act of 1989.

(AFTER DEADLINE)



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

3 Sec. 1. 20-A MRSA c. 606, as amended, is repealed.

5 Sec. 2. 20-A MRSA c. 606-A is enacted to read:

7 CHAPTER 606-A

9 SCHOOL FINANCE ACT OF 1989

11 §15621. Definitions

13 As used in this chapter, unless the context otherwise
15 indicates, the following terms have the following meanings.

17 1. Per pupil allotment. "Per pupil allotment" means the
19 total state school subsidy divided by the number of resident
21 pupils in the State.

23 2. State school subsidy. "State school subsidy" means the
25 total amount allocated by the State for purposes of subsidizing
27 the costs of education.

29 3. Year. "Year" means a fiscal year starting July 1st and
31 ending June 30th of the succeeding year.

33 §15622. Computation of subsidy

35 Beginning 1990-91, and for each succeeding year, the State
37 school subsidy shall be allocated on a per pupil basis. The
39 amount to be allocated to each school shall be calculated by
41 multiplying the per pupil allotment by the number of enrolled
43 pupils.

45 Sec. 3. Effective date. This Act shall take effect on July 1,
47 1990.

49 STATEMENT OF FACT

Under current law, the State's contribution to local educational costs is based on an allocation formula in which property valuation is a major factor. As a result, communities which have higher property values receive less state funding for education. This bill repeals the School Finance Act of 1985, and enacts a new school funding formula that allocates money on an equal per pupil basis. Operation of this new formula, which would be effective fiscal year 1990-91, will permit communities with high property values to reduce property taxes.