

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 128

S.P. 72

In Senate, January 11, 1991

Reference to the Committee on Education suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator ESTES of York.

Cosponsored by Representative PINES of Limestone, Senator CLARK of Cumberland and Representative LAWRENCE of Kittery.

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STATE OF MAINE

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

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**An Act Concerning Federal Impact Aid for Education.**

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

2  
4 Sec. 1. 20-A MRSA §15612, sub-§5, ¶A, as enacted by PL 1983,  
c. 859, Pt. G, §§2 and 4, is amended to read:

6 A. A school administrative unit ~~which~~ that enrolls eligible  
8 pupils under ~~the United States laws of September 30, 1950,~~  
~~chapter 1124,~~ United States Code, Title 20, Section 236, et  
10 seq., ~~Public Law 81-874,~~ shall count those pupils as  
resident pupils for purposes of this chapter.

12 Sec. 2. 20-A MRSA §15612, sub-§5, ¶B, as amended by PL 1985,  
c. 583, is repealed.

14 Sec. 3. 20-A MRSA §15612, sub-§5, ¶B-1 is enacted to read:

16  
18 B-1. The state share of the foundation allocation to that  
school administrative unit is adjusted by subtracting the  
following portion of receipts under United States Code,  
20 Title 20, section 236, et seq., computed as follows:

22 (1) The actual receipts under United States Code,  
Title 20, section 236, et seq., minus an amount equal  
24 to the product of the number of students for which  
federal aid has been received, multiplied by the amount  
26 by which the per pupil foundation expenditures of the  
unit for the base year exceeded the per pupil  
28 foundation allocation for the base year.

30 Sec. 4. 20-A MRSA §15612, sub-§5, ¶C, as amended by PL 1985,  
c. 583, is further amended to read:

32  
34 C. The amount subtracted under paragraph B B-1 may not  
exceed 90% of the school administrative unit's ~~Section 3-(c)~~  
36 {1} United States Code, Title 20, section 236, et seq.,  
payment of entitlement for the year prior to the year of  
allocation or the base year, whichever is less.

40 STATEMENT OF FACT

42 This bill provides a different method of reducing the state  
44 subsidy to school administrative units that receive federal  
impact aid. It allows each unit to retain federal impact aid to  
46 cover costs for those students above the subsidized amounts and  
subtracting any additional amounts from the state subsidy of the  
48 unit. Current law requires local units to subtract from the  
state subsidy an amount equal to the impact aid received,  
multiplied by a fraction equal to subsidizable costs in the base  
50 year divided by all costs in the base year.