

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2222

H.P. 1575

House of Representatives, January 27, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.
Reference to the Committee on Education suggested and ordered printed.

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

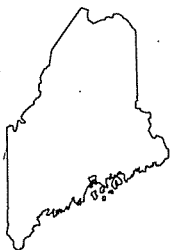
EDWIN H. PERT, Clerk

Presented by Representative SKOGLUND of St. George.
Cosponsored by Representative HEINO of Boothbay.

STATE OF MAINE

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

**An Act to Change the School Subsidy from a Valuation to a Per Pupil
Formula.**



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

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

CHAPTER 606-A

SCHOOL FINANCE ACT OF 1992

§15651. Short title

This chapter may be cited as the "School Finance Act of 1992."

§15652. State school subsidy formula revision

1. Revision of formula. Notwithstanding any provision in chapter 606, the state school subsidy formula must be revised in yearly steps from the current valuation-based formula to a per pupil-based formula.

2. Implementation. The planned or available state funds to be used for school subsidies must be separated into 2 funds, one containing the portion to be distributed by the valuation formula and one containing the portion to be distributed by the per pupil formula. Each school or school district must be allocated funds from each fund according to valuation and number of pupils.

3. Schedule. The state school subsidy formula must be implemented according to the following schedule:

<u>YEAR</u>	<u>% VALUATION</u>	<u>% PER PUPIL</u>
<u>1991-92</u>	<u>100</u>	<u>0</u>
<u>1992-93</u>	<u>75</u>	<u>25</u>
<u>1993-94</u>	<u>50</u>	<u>50</u>
<u>1994-95</u>	<u>25</u>	<u>75</u>
<u>1995-96</u>	<u>0</u>	<u>100</u>

4. Annual review and report. Each year the joint standing committee of the Legislature having jurisdiction over taxation matters shall review the school funding formula and provide a report to the joint standing committee of the Legislature having jurisdiction over education matters. The report must evaluate the fairness of the state school subsidy program, considering the ability to pay and the effect on quality of education and local property taxes. Based on this report, the joint standing committee of the Legislature having jurisdiction over education matters shall recommend to the Legislature:

2 A. That the transition plan be continued;

4 B. That the transition plan be delayed; or

6 C. That the transition plan be modified.

8 The committee shall report out a bill for consideration by the
10 Legislature to implement its recommendation.

10

12 5. Repeal. Title 20-A, chapter 606 is repealed June 30,
14 1996.

14

STATEMENT OF FACT

16

18 This bill establishes a schedule for transition to a state
20 school subsidy formula that is based on per pupil rather than
 valuation. It includes a mechanism to monitor progress and
 provides an option for correction.