

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

HOUSE AMENDMENT "A" to H.P. 1344, L.D. 1895, "Resolve, to Direct the State Board of Education to Study the School Funding Formula"

Amend the resolve by striking out everything after the title and before the summary and inserting in its place the following:

Sec. 1. Committee to study school funding formula. Resolved: That the State Board of Education shall establish a committee to study the school funding formula. The state board shall appoint 10 members to the committee, and the committee shall also coordinate its work with the state board committee studying essential programs and services. In appointing members to the committee, the state board shall give proper consideration to achieving statewide geographical representation and to representing the diverse range of interests in public education in this State and must be willing and able to make the necessary commitment to the committee. If necessary, the state board may request staffing assistance from the Department of Education and research assistance from the Education Research Institute Steering Committee. The state board shall submit its report, together with any necessary implementing legislation, to the Legislature no later than January 1, 1998; and be it further

Sec. 2. Duties. Resolved: That the committee of the State Board of Education established in section 1 shall review certain components of the school funding formula, including but not limited to the following:

- 1. The amount of state funding and the amount and mix of

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local tax revenue sources for school funding that are necessary to provide funding for equal educational programs and services to all children in the State;

2. The effectiveness and fairness of the current practice of including income and cost-of-living adjustment factors in the school funding formula and whether this practice should be continued or if state policy should return to the property tax as the sole determinant of the fiscal capacity of a school administrative unit;

3. The effectiveness and fairness of implementing any necessary state subsidy reductions by the percentage reduction method as compared to the mill rate reduction method; and

4. The effectiveness and fairness of minimum subsidies and whether or not this practice should be continued.'

FISCAL NOTE

The additional costs associated with establishing a committee to study the school funding formula can be absorbed by the State Board of Education utilizing existing budgeted resources.

The Department of Education will incur some additional costs to provide staffing and other assistance to the board. These costs can be absorbed within the department's existing budgeted resources.

The ability of the Education Research Institute to provide research assistance, if requested by the board, will depend on the availability of funding included as General Fund appropriations in LD 1841, "An Act to Appropriate Funds for the Education Research Institute."

SUMMARY

This amendment directs the State Board of Education to study several components of the school funding formula, including but not limited to the following:

1. The amount of state funding and the amount and mix of local tax revenue sources for school funding that are necessary to provide funding for equal educational programs and services to all children in the State;

2 2. The effectiveness and fairness of the current practice
3 of including income and cost-of-living adjustment factors in the
4 school funding formula and whether this practice should be
5 continued or if state policy should return to the property tax as
6 the sole determinant of the fiscal capacity of a school
administrative unit;

8 3. The effectiveness and fairness of the percentage
9 reduction method as compared to the mill rate reduction method in
10 implementing necessary state subsidy reductions; and

12 4. The effectiveness and fairness of minimum subsidies and
13 whether or not this practice should be continued.

14 In conducting its study, the state board's committee shall
15 coordinate its work with the committee studying essential
16 programs and services. If necessary, the board may request
17 staffing assistance from the Department of Education and research
18 assistance from the Education Research Institute Steering
19 Committee. The state board shall report its findings and any
20 recommended legislation to the Legislature by January 1, 1998.
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26 SPONSORED BY: Christina Baker
27 (Representative C. BAKER)

28 TOWN: Bangor
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