

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 850

H.P. 627

House of Representatives, February 20, 2003

An Act To Establish a New School Funding Formula

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative McKENNEY of Cumberland.
Cosponsored by Representatives: COLLINS of Wells, MURPHY of Kennebunk.

2 **2. Notification of allocation; commissioner's duty;**
3 **superintendent's duty.** The following provisions apply to the
4 commissioner's and each superintendent's duties regarding
5 notification of allocation.

6 A. The commissioner shall annually, prior to March 1st,
7 notify each school board of the amount allocated to the
8 school administrative unit.

9 B. Each superintendent shall report to the municipal
10 officers whenever the school administrative unit is notified
11 of the allocation or a change is made in the allocation
12 resulting from an adjustment.

13 **3. Payments of state subsidy to unit's treasurer.** The
14 commissioner shall make subsidy payments directly to the
15 treasurer of each school administrative unit.

16 **4. Appeals.** A school board may appeal the computation of
17 state subsidy for the school administrative unit to the state
18 board in writing within 30 days of the date of notification of
19 the computed amount. The state board shall review the appeal and
20 make an adjustment if, in its judgment, an adjustment is
21 justified. The state board's decision is final as to facts
22 supported by the record of the appeal.

23 **5. School purpose expense requirement.** Notwithstanding any
24 other law, money allocated for school purposes must be expended
25 only for school purposes.

26 **6. Balance of allocations.** Notwithstanding any other law,
27 general operating fund balances at the end of a school
28 administrative unit's fiscal year must be carried forward to meet
29 the next year's school needs. Unallocated balances in excess of
30 3% of the previous year's school budget must be used to reduce
31 the state and local allocations for the purpose of computing
32 state subsidy. School boards have the discretion of carrying
33 forward unallocated balances in excess of 3% of the previous
34 year's school budget and disbursing these funds in the next year
35 or over a period not to exceed 3 years.

36 **Sec. 4. Statutes review; cross-references.** The Department of
37 Education shall review the Maine Revised Statutes and submit a
38 bill to the Second Regular Session of the 121st Legislature to
39 correct and update any cross-reference in the statutes to
40 provisions of law repealed in this Act.

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SUMMARY

2 This bill repeals the Maine Revised Statutes, Title 20-A,
chapter 606, the School Finance Act of 1985; Title 20-A, chapter
4 606-A, the School Finance Act of 1995; and Title 20-A, chapter
6 606-B, Essential Programs and Services. The bill provides that
the general purpose aid to local schools program would be
recreated to provide a certain amount of state subsidy to each
8 pupil in the State regardless of where the pupil resides or
attends school.