

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1112

H.P. 815

House of Representatives, March 4, 2003

An Act To Restore an Annual Adjustment for Costs to the 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 COLLINS of Wells.
Cosponsored by Representatives: ANDREWS of York, GOODWIN of Pembroke, MARLEY of Portland, MARRACHÉ of Waterville, MURPHY of Kennebunk, SUSLOVIC of Portland, USHER of Westbrook.

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

2
4 **Sec. 1. 20-A MRSA §15652, sub-§4-A** is enacted to read:

6 **4-A. Normalized regional cost adjustment.** "Normalized
8 regional cost adjustment" means a factor that is used to adjust a
10 median household income value up or down to reflect variations in
12 regional costs. The statewide normalized regional cost
14 adjustment is one.

16 **Sec. 2. 20-A MRSA §15657, sub-§2**, as amended by PL 1999, c.
18 401, Pt. GG, §9, is further amended to read:

20 **2. Local median household income.** The local median
22 household income is divided by the statewide average median
24 household income. That amount is divided by the normalized
26 regional cost adjustment as defined in section 15652, subsection
28 4-A. The final result is multiplied by an income weight of
30 0.15. The department shall use local median household income
32 data as estimated at the fiscal year 1997-98 level until final
34 Federal Decennial Census figures are established for the year
 2000. The fiscal year 1997-98 estimated census figures must be
 adjusted so that no municipality's census figure exceeds twice
 the state average percentage increase from fiscal year 1996-97 to
 fiscal year 1997-98.

SUMMARY

30 The purpose of this bill is restore to the school funding
32 formula an annual adjustment to reflect variations in costs. The
34 School Finance Act of 1995 used to factor in the school funding
 formula an adjustment to reflect variations in regional costs.
 Public Law 1999, chapter 401, Part GG, section 5 eliminated this
 adjustment. This bill restores that adjustment into the formula.