

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1114

S.P. 377

In Senate, March 22, 2021

An Act To Require the State To Meet the Mandatory 55 Percent Contribution to Schools

Received by the Secretary of the Senate on March 18, 2021. Referred to the Committee on Education and Cultural Affairs pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator MIRAMANT of Knox.

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

2 **Sec. 1. 20-A MRSA §5806, sub-§2**, as repealed and replaced by PL 2013, c. 497,
3 §1, is amended to read:

4 **2. Maximum allowable tuition.** The maximum allowable tuition charged to a school
5 administrative unit by a private school is the rate established under subsection 1 or the state
6 average per public secondary student cost as adjusted, whichever is lower, plus an insured
7 value factor. The insured value factor is computed by dividing 5% of the insured value of
8 school buildings and equipment by the average number of pupils enrolled in the school on
9 October 1st and April 1st of the year immediately before the school year for which the
10 tuition charge is computed. From school year 2009-2010 to school year 2013-2014, a
11 school administrative unit is not required to pay an insured value factor greater than 5% of
12 the school's tuition rate or \$500 per student, whichever is less, unless the legislative body
13 of the school administrative unit votes to authorize its school board to pay a higher insured
14 value factor that is no greater than 10% of the school's tuition rate per student. For the
15 2014-2015 school year, a school administrative unit is not required to pay an insured value
16 factor greater than 6% of the school's tuition rate per student, unless the legislative body of
17 the school administrative unit votes to authorize its school board to pay a higher insured
18 value factor that is no greater than 10% of the school's tuition rate per student. Beginning
19 in the 2015-2016 school year, a school administrative unit is not required to pay an insured
20 value factor greater than the amount of the prior school year's insured value factor adjusted
21 by a percentage equal to the percentage change in the state share percentage of the total
22 cost of funding public education in the prior school year as determined by section 15671,
23 subsection 7, paragraph ~~€~~ **B** as compared to the applicable percentage for the current school
24 year. In no case may the insured value factor be less than 6% or greater than 10% of the
25 school's tuition rate per student, unless the legislative body of the school administrative
26 unit votes to authorize its school board to pay an insured value factor that exceeds the
27 amount otherwise permitted by this subsection by no more than 5% of the school's tuition
28 rate per student. For the 2013-2014 school year only, the maximum allowable tuition
29 charged to a school administrative unit by a private school that participates in the Maine
30 Public Employees Retirement System must be increased above the amount otherwise
31 permitted under this section by an amount equal to the calculated normal cost of teacher
32 retirement for that school divided by the number of enrolled students as of October 1, 2012.

33 **Sec. 2. 20-A MRSA §15671, sub-§7, ¶B**, as amended by PL 2019, c. 616, Pt. C,
34 §1, is amended by enacting a new subparagraph (17) to read:

35 (17) For fiscal year 2021-22, the target is 55%.

36 **Sec. 3. 20-A MRSA §15671, sub-§7, ¶C**, as amended by PL 2019, c. 616, Pt. C,
37 §2, is repealed.

38 **SUMMARY**

39 This bill increases the target for the state share percentage of the statewide adjusted
40 total cost of the components of essential programs and services to 55%, as required by law,
41 beginning in fiscal year 2021-22 and continuing at that rate annually. The bill also repeals
42 the provision of law containing the annual targets for the state share percentage of the total
43 cost of funding public education from kindergarten to grade 12 that include the cost of

1 components of essential programs and services plus the state contributions to the unfunded
2 actuarial liabilities of the Maine Public Employees Retirement System that are attributable
3 to teachers, retired teachers' health insurance and retired teachers' life insurance.