

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 951

H.P. 598

House of Representatives, March 2, 2023

**An Act to Amend the State Education Funding Formula to Create
Equity Between Municipalities by Adding Median Income to the
Formula**

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

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GEIGER of Rockland.
Cosponsored by Senator BEEBE-CENTER of Knox and
Representative: MATLACK of St. George.

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

2 **Sec. 1. 20-A MRSA §15672, sub-§23**, as repealed and replaced by PL 2021, c.
3 571, §27, is amended to read:

4 **23. Property fiscal capacity.** "Property fiscal capacity" means ~~the average of the~~
5 ~~certified state valuations for the 3 most recent years prior to the most recently certified state~~
6 ~~valuation or the certified state valuation for the most recent prior year, whichever is lower,~~
7 with respect to a local unit of government as defined in Title 30-A, section 5685, subsection
8 1, paragraph B, a capacity that is calculated using:

9 F. A property valuation number calculated by dividing the local unit of government's
10 average certified state valuations for the 3 most recent years prior to the most recently
11 certified state valuation or the certified state valuation for the most recent prior year,
12 whichever is lower; and

13 G. An income number calculated by dividing the median household income of
14 residents of the local unit of government, as most recently determined by the Federal
15 Decennial Census, by the statewide median household income, as most recently
16 determined by the Federal Decennial Census.

17 The calculation under this subsection must give equal weight to the property valuation
18 number and income number.

19 **SUMMARY**

20 This bill amends the calculation of the property fiscal capacity used in determining a
21 municipality's contribution to the total cost of funding public education from kindergarten
22 to grade 12 so that the land valuation and median income of a municipality are given equal
23 weight.