

MAINE STATE LEGISLATURE

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EIGHTY - SEVENTH LEGISLATURE

Legislative Document

No. 56

H. P. 181

House of Representatives, January 17, 1935.

Referred to Committee on Education and Taxation jointly, sent up for concurrence and 5,000 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Cook of Pittsfield.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-FIVE

AN ACT to Provide for the Allotment of Additional Funds to the State School Fund and to Provide for the Equalization of the Burden of Supporting a Foundation Program of Education.

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

Sec. 1. R. S., c. 19, § 202, amended. Section 202 of chapter 19 of the revised statutes as amended is hereby further amended to read as follows:

‘Sec. 202. Equalization fund and state school fund for maintenance and support of elementary and secondary schools, how created.

I. There is hereby created an equalization fund from which shall be paid to the cities, towns, and plantations of the state such sums as are required to carry out the provisions of section 210. On or before December 1, annually, the treasurer of state shall place to the credit of the equalization fund from the indirect revenues of the state whatever amount is necessary to carry out the purposes of section 210 as certified by the commissioner of education and approved by the governor and council.

II. A tax of 3 1/3 mills on a dollar shall annually be assessed upon all the property in the state according to the value thereof, **equalized as defined in sub-paragraph III of section 210**, and said tax shall be assessed and col-

lected in the same manner as other state taxes and be paid into the state treasury. To the fund resulting from said tax the treasurer of state annually shall add the income ~~from~~ of the permanent school fund, as provided by law, and a sum equal to $\frac{1}{2}$ the amount received by the state from the tax on the franchises of savings banks and on the deposits of trust and banking companies, as provided by law. **To the above the treasurer of state shall add, on or before December 1, annually, from the indirect revenues of the state whatever additional revenues are necessary to carry out the purposes of section 205, together with all other deductions and apportionments authorized by law, as certified by the commissioner of education and approved by the governor and council.** The sum total of the amount so assessed and collected shall be designated the state school fund and after the deduction therefrom of all funds and appropriations which the treasurer of state is authorized by law to deduct, the balance shall be distributed among the several cities, towns, and plantations of the state in the manner provided for by sections ~~202~~ 204 to ~~216~~ 209, inclusive, and sections 211 to 216, inclusive, to be expended by said cities, towns, and plantations for the maintenance and support of elementary and secondary schools established and controlled by them.'

Sec. 2. R. S., c. 19, § 204. Amended. Relating to state school fund and equalization fund. Section 204 of chapter 19 of the revised statutes is hereby repealed and the following enacted as section 204-A thereof:

'Sec. 204-A. State auditor to report to commissioner of education; commissioner of education to make apportionment. On the 1st day of July annually the state auditor shall report to the commissioner of education the amount of the state school fund and all deductions therefrom provided for by law. The commissioner of education shall make apportionments to be paid from the state school fund and the equalization fund to the several cities, towns, and plantations in the manner provided for by law and shall transmit a report of said apportionment to the governor and council on or before November 1, annually, together with a statement of the amount of funds from indirect revenues required for the equalization fund and the state school fund. Upon approval of said report by the governor and council there shall be paid annually in December to the treasurers of said towns the amounts so apportioned.'

Sec. 3. R. S., c. 19, § 205, amended. Section 205 of chapter 19 of the revised statutes as amended is hereby further amended to read as follows:

'Sec. 205. Apportionments from state school fund. In addition to

~~the other funds and appropriations provided for by law to be deducted from the state school fund, there shall annually be deducted the sum of one hundred twenty-five thousand dollars, the same to be denominated the school equalization fund and to be apportioned and distributed in the manner and for the purposes provided for by section two hundred ten. From the state school fund there shall also be apportioned such sums as may be required for payment to towns for reimbursement of tuition in secondary schools as provided for by section 206; such amount as may be required for physical education as provided in sections 181 to 183, inclusive; an amount not to exceed \$150,000 such amounts as may be required to cover the obligation of the state for industrial education and evening schools under sections 163 to 168, inclusive; such amounts as may be required to cover the obligations of the state for teachers' pensions under sections 219 to 226, inclusive; such amounts as may be required to cover the obligations of the state under the teachers' retirement act under ~~paragraph 3 of section 234~~ sections 238 and 239, P. L. 1933; and such sums as may be required for payment to towns on account of teaching positions maintained as provided for by section 207; and such sums as may be required for apportionment to towns on the basis of the school census as provided for by section 208, and the balance of said state school fund shall be apportioned and distributed to towns such sums as may be required for apportionment to cities, towns, and plantations on the basis of aggregate attendance as provided for by section 209.'~~

Sec. 4. R. S., c. 19, § 209, amended. Section 209 of chapter 19 of the revised statutes is hereby amended to read as follows:

'Sec. 209. Apportionment on basis of aggregate attendance. On the basis of information furnished to the ~~state~~ commissioner of education by the return of educational statistics for the year ending July 1, annually, as provided for by section 58, the ~~state~~ commissioner of education shall apportion ~~to the several towns the amount available for this purpose on the basis of the aggregate attendance of pupils in elementary and secondary schools maintained by these towns to each town the amount of one and 55/1000 cents for each unit of aggregate attendance of pupils in elementary and secondary schools maintained by such towns.'~~

Sec. 5. R. S., c. 19 § 210, amended. Sub-paragraphs I, II, III and V of section 210 of chapter 19 of the revised statutes are hereby repealed and the following enacted as sub-paragraphs I, II, III and IV in place thereof:

'Sec. 210. Equalization aid. I. The amount of equalization aid which

any city, town, or plantation is entitled to receive in any year shall be computed as follows: To the amount equivalent to the yield of 7.3 mills on each dollar of assessed value of taxable property within such city, town, or plantation, equalized as hereinafter defined, shall be added the total amount allotted to such city, town, or plantation in the school year 1933-1934 from all state sources, but exclusive of federal aid for vocational education and exclusive of aid for educational facilities for adults. The sum of these two amounts shall be subtracted from the computed cost of maintaining the foundation program as hereinafter defined. One-quarter of the difference so computed shall be credited with any increase in aid to be received under section 205 over that received under section 205 in the school year 1933-1934, and the remainder, if any, of said one-quarter of said difference shall be paid such city, town, or plantation from the equalization fund.

Provided, however, that the equalization aid granted any city, town, or plantation shall not be less than the excess of 60% of the cost of the foundation program as hereinafter defined over the sum of a yield of a tax of 11 mills on each dollar of equalized assessed value of taxable property within the town and 60% of the aid received from industrial education and physical education, aid received under section 206 not in excess of \$46 per pupil, and all other state aids, not obtained from federal funds.

The commissioner of education shall ascertain the amount required to supplement the revenue of such city, town, or plantation in accordance with this provision, and shall apportion from the equalization fund and distribute the same to such city, town, or plantation in the same manner and at the same time as other apportionments for cities, towns, and plantations provided by law.

All funds thus received by each city, town, or plantation and the school committee thereof, shall be used to pay current operating expenses of elementary and secondary schools.

No city, town, or plantation shall continue to participate in the benefits of additional state aid, as herein provided, after July 1, 1938, which has not expended during the preceding year, exclusive of expenditures for debt service and permanent improvements other than maintenance, the larger of the following two amounts: (a) an equivalent of 60% of the computed cost of the foundation program, as hereinafter defined, or (b) an amount equivalent to the sum of all aid received from the state and the equivalent of a yield of a tax of 7.3 mills on the equalized assessed value of property in the city, town, or plantation. In computing expenditures for this purpose, expenditures of funds derived from gifts, endowments, or local permanent funds, shall not be considered.

Provided, that the amount of additional aid granted by this act for pupils attending academies and for whom state aid is paid either under section 206 or under other state aid provisions shall not exceed an amount necessary to supplement up to \$76 the aid granted under section 206 or under other state aid provisions other than aids from federal funds and the amount of aid granted per Maine resident pupil directly to the academy. When the aid granted under section 206 or granted from other than federal funds under other state aid provisions, added to the amount of aid per Maine resident pupil granted directly to the academy, exceeds \$76, no additional aid shall be paid for the pupils concerned, and the excess of present aids over \$76 shall be deducted from any increase in aid apportioned to the city, town, or plantation by this section.

II. **Definition of foundation program.** For the purposes of this act the cost of the foundation program to be used in computing state aid shall be determined as follows, on the basis of the statistics of the preceding school year:

1. The foundation program cost of a one-teacher elementary school which is declared to be a necessary part of the state school system shall be counted as \$1,305.

2. The foundation program cost of an elementary school with two or more teachers and an average daily attendance of 42 pupils or less shall be counted as \$62 for each such pupil in average daily attendance. Provided, however, that any elementary school with two or more teachers which is declared a necessary part of the educational system shall be counted as not less than \$1,305.

3. The foundation program cost of any elementary school with two or more teachers and an average daily attendance of 43 to 290 pupils, inclusive, shall be counted as \$2,610 for the first 42 pupils in average daily attendance and \$42 for each additional pupil in average daily attendance.

4. The foundation program cost of any elementary school with an average daily attendance of 291 pupils or more shall be counted as \$45 for each pupil in average daily attendance.

5. The foundation program cost of any four-year secondary school which has an average daily attendance of 36 pupils or less shall be counted as \$1,672 for the first 6 pupils in average daily attendance, and \$112 for each additional pupil up to 36 pupils.

6. The foundation program cost of any four-year secondary school which has an average daily attendance of from 37 to 725 pupils, inclusive, shall be counted as \$5,032 for the first 36 pupils and \$72.70 for each additional pupil.

7. The foundation program cost of any four-year secondary school

which has an average daily attendance of 726 pupils or more shall be counted as \$76 for each pupil in average daily attendance.

8. The foundation program costs for cities, towns, or plantations supporting a partial secondary school program shall be calculated as if they had four-year secondary schools, except as follows: any city, town, or plantation offering work in grades 9, 10, and 11 only shall have its secondary school computed foundation program cost reduced by 20%. Any city, town, or plantation offering work in grades 9 and 10 only shall have its secondary school computed foundation program cost reduced by 35%. Any city, town, or plantation offering work in grade 9 only shall have its secondary school computed foundation program cost reduced by 45%.

9. For each non-resident elementary pupil \$45, and for each non-resident secondary school pupil \$76 shall be subtracted from the cost of the foundation program for the school attended.

10. For each elementary pupil sent to school in another city, town, or plantation for whom tuition is paid, \$45 shall be added, and for each secondary school pupil sent to school in another city, town, or plantation, or in an academy, and for whom tuition is paid, \$76 shall be added to the computed cost of the foundation program of the city, town, or plantation paying the tuition.

11. The cost of a program of transportation for elementary and/or secondary pupils, or subsistence in lieu of transportation, to be determined by the commissioner of education according to rules and regulations to be established by the said commissioner of education, with the approval of the governor and council, shall be counted as a part of the computed cost of the foundation program of the city, town, or plantation supplying transportation, or subsistence in lieu of transportation.

12. Where there are two or more schools of elementary or secondary grade in a city, town, or plantation, the attendance in such schools shall be treated as if it were a single elementary school or a single secondary school, as the case may be, provided, however, that where the operation of an isolated school is considered essential by the commissioner of education, the attendance in such a school may be computed as a separate unit.

13. The commissioner of education is hereby empowered and it shall be his duty to reapportion the amount due any city, town, or plantation from the equalization fund as hereinbefore authorized when, as, and if it shall appear to him that the attendance in or condition of the schools therein have changed to such an extent as to create an emergency, and to render such reapportionment as is necessary to carry out the intent of this act. Such reapportionments must receive the approval of the governor and council.

14. In case the number of teachers supplied in any town is less than the number normally supplied, on the average, to schools of the same size in the state, and in the judgment of the commissioner of education such shortage in teachers is not offset by higher qualifications of teachers or by other services supplied in the city, town, or plantation, the commissioner of education may, with the approval of the governor and council, use \$1,305 times the number of elementary teachers and \$1,672 times the number of secondary school teachers as that part of the cost of the foundation program arising from average daily attendance, or any intermediate figure between such figure and the figure obtained by the computations outlined above.

III. **Definition of equalized value.** The equalized assessed value of the taxable property in any city, town, or plantation to be used for the purpose of this act shall be the latest available true value of such property as fixed by the state tax assessor, multiplied by the equalization ratio. The equalization ratio shall be defined as the ratio which the total assessed value of all property taxable by municipalities within the state for the same year bears to the true value of such property in the state as determined by the state tax assessor. The term "true value" shall be defined as the value of all taxable property obtained by uniformly applying the same measure of consideration to the same elements of value, although the weight given such elements may vary according to local conditions. In computing the equalization ratio the figure to be used as the total assessed value of all property taxable by municipalities within the state shall not be less than the total assessed value of such property as shown in the report of the state tax assessor for December, 1933.

On or before the first day of August, 1935, and before the first day of January for each year thereafter, the state tax assessor shall certify to the commissioner of education the assessed value of the taxable property within each city, town, and plantation, the true value of such property, the equalized assessed value of such property, and the equalization ratio for the state.

IV. When pupils are sent from one city, town, or plantation to another and any amounts of tuition for such pupils are two months or more overdue, the commissioner of education shall pay such claims as he allows to the receiving city, town, or plantation, and charge the same to the sending city, town, or plantation at the next regular annual apportionment, with interest at 6% per annum.'

Sec. 6. R. S., c. 19, § 210. Sub-paragraph amended. Sub-paragraph IV of section 210 of chapter 19 of the revised statutes is hereby renumbered sub-paragraph V and amended to read as follows:

~~IV.~~ **V.** Whenever any town through its superintendent or superintending school committee shall submit to the commissioner of education a definite plan for consolidation of schools, conveyance of pupils, housing of teachers, standardization of schools, or other projects especially worthy of encouragement, said commissioner of education shall investigate such plan and upon approval of the same may recommend to the governor and council the payment to such town of an amount, not exceeding \$500 in any one year, as an encouragement to such plan or project, provided, however, that the total amount available for aid under this paragraph shall not exceed ~~ten per cent of the equalization fund~~ \$12,500.'