

# MAINE STATE LEGISLATURE

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ACTS, RESOLVES AND CONSTITUTIONAL RESOLUTIONS

AS PASSED BY THE

One Hundred and Sixth Legislature

OF THE

STATE OF MAINE

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THE KNOWLTON AND McLEARY COMPANY  
FARMINGTON, MAINE  
1973

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PUBLIC LAWS  
OF THE  
STATE OF MAINE  
AS PASSED BY THE  
One Hundred and Sixth Legislature

1973

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Sec. 20. R. S., T. 26, § 1223, sub-§ 1, amended. The first sentence of subsection 1 of section 1223 of Title 26 of the Revised Statutes is amended to read as follows:

Contributions, unpaid on the date on which they are due and payable as prescribed by the commission, shall bear interest at the rate of  $\frac{1}{2}$  ~~of~~ 1% per month from and after such date until payment is received by the commission.

Sec. 21. Effective date. Section 11 of this Act shall become effective on January 1, 1974.

Effective October 3, 1973

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## CHAPTER 556

### AN ACT Equalizing the Financial Support of School Units.

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

Sec. 1. R. S., T. 20, c. 510, additional. Title 20 of the Revised Statutes is amended by adding a new chapter 510 to read as follows:

## CHAPTER 510

### FUNDING OF PUBLIC SCHOOLS

#### § 3711. Intent

It is declared to be the intent of the Legislature to reduce the burden of education program costs in public schools which are borne by the property tax to 40% and to provide 60% of the total cost of education from state tax sources. The Legislature intends to implement the program over a 3-year period—50% State, 50% local in 1974-75 and thereafter. It is further declared to be the intent of the Legislature to finance the 40% property tax share through a uniform property tax rate applied to all administrative units alike. The uniform property tax as described in sections 451 and 453 of Title 36 shall be implemented during the same 3-year period to minimize the impact on local property taxes in any one year. The Legislature intends that a limit be placed upon additional local taxes that may be imposed on property for school purposes, thus encouraging more efficient management of the available resources.

#### § 3712. Definitions

The following definitions shall apply to state and administrative units' computations under this chapter.

1. Operating costs. Elementary or secondary operating costs shall include all costs, except transportation, community services, capital outlay and debt service, reduced by tuition receipts, expenditures from all federal revenue sources and expenditures for special and vocational education programs as defined in subsection 4.

2. Average elementary per pupil operating costs. Elementary grades shall include a childhood educational program as defined by section 859, through grade 8. Average elementary per pupil operating costs shall be computed by dividing elementary operating costs by the average number of resident elementary pupils, excluding those students in special education programs, on October 1st and April 1st in the unit in the same fiscal year, July 1st to June 30th. Those average costs so computed shall be used in the distribution of funds to the local units for the succeeding fiscal year.

3. Average secondary per pupil operating costs. Secondary grades shall mean grades 9 through 12. Average secondary per pupil operating costs shall be computed by dividing secondary operating costs by the average number of resident secondary pupils, excluding full-time students in special and vocational education programs, on October 1st and April 1st in the unit in the same fiscal year, July 1st to June 30th. Any student graduating from grade 12 during the school year prior to April 1st shall be counted as though he were in attendance on April 1st of that year. Those average costs so computed shall be used in the distribution of funds to the local units for the succeeding fiscal year.

4. Excess costs. Excess costs are expenditures made by local units for special and vocational education programs.

5. Special education programs for subsidy purposes. Special education, for subsidy purposes, shall include programs which have been approved by the commissioner for children with special needs.

6. Vocational education for subsidy purposes. Vocational education, for subsidy purposes only, shall mean training in trade, industrial, agricultural, technical and service occupations. It shall not include business education, consumer education or home economics programs.

7. Year. Year means a fiscal year starting July 1 and ending June 30th of the succeeding year.

8. School aid payments. School aid payments shall be made directly to the treasurer of each administrative unit and shall be based upon the number of resident pupils educated at public expense and contingent expenditures as outlined in this chapter based upon audited financial reports submitted by the various administrative units.

9. Appeals. The computation of aid for any unit may be appealed in writing to the State Board of Education by the school committee or board of directors of any school unit within 30 days from the date of notification of the computed amount. The board shall review the appeal and make an adjustment, if in its judgment such an adjustment is fully justified. The board's decision shall be final as to facts supported by the records of the appeal.

#### § 3713. Computation of unit allocations

In the year prior to the convening of the Legislature, a sum of money shall be recommended by the State Board of Education to the Bureau of the Budget, said sum to equal the estimated cost of education for each year. This sum should reflect the board's best estimate as to changes in pupil enrollment, economic factors and other considerations which might effect a change in the

costs of education. The board shall be ever conscious of the need for prudent restraint in educational financing. Fifty percent of the sum shall come from state sources and 50% of the sum from the uniform property tax in 1974-75 and thereafter. The Bureau of the Budget shall include this recommended amount in the Part I budget.

The basis of allocation of funds to each unit shall be computed as follows:

1. The average number of resident pupils educated at public expense on October 1st and April 1st of each school year, excluding full-time students in vocational education and special education programs, shall be used in the computation of aid as follows:

A. Multiply the average number of resident elementary pupils in the unit by the state average elementary per pupil cost. The amount to be distributed for the 1974-75 fiscal year only shall be \$600 per pupil;

B. Multiply the average number of resident secondary pupils in the unit by the state average secondary per pupil cost. The amount to be distributed for the 1974-75 fiscal year only shall be \$915 per pupil;

C. Compute the operating cost for special education programs in the preceding year;

D. Compute the operating cost for vocational education programs in the preceding year;

E. Record expenditures of the preceding year for transportation of pupils. Reimbursement for such expenditures shall be limited to an amount not in excess of a 7% increase over the preceding year, except said limitation shall not apply to units that did not, in the preceding year, provide transportation for all students living beyond a reasonable walking distance from school;

F. Record the expenditures of the preceding year for capital outlay projects approved by the local unit and the State Board;

G. Record the expenditures of the preceding year for debt service projects which have been approved by the local unit and the State Board.

It is the intention of the Legislature that 40% of the cost of the capital outlay and debt service projects shall be paid from the uniform property tax and that 60% of the cost of such projects shall be paid from nonproperty tax revenues with the program being implemented over a 3-year period—50% State, 50% local in 1974-75, 55% State, 45% local in 1975-76 and 60% State, 40% local in 1976-77 and thereafter.

2. Total the amounts computed and recorded for subsection 1, paragraphs A to G. The sum thus obtained shall become the basis for allocation to the unit, subject to adjustments as defined below. If the unit's allocation exceeds the uniform property tax as set forth in Title 36, section 451, the commissioner shall authorize such payments minus the tax levied under Title 36, sections 451 and 453.

3. Adjustments to the allocation in subsection 1, paragraph A and subsection 1, paragraph B may be made as follows:

A. If the per pupil operating cost in the unit for the preceding year was less than the state average elementary or secondary per pupil operating cost, the per pupil allocation for elementary or secondary pupils respectively shall be limited to an increase of  $\frac{1}{3}$  of the difference between the per pupil operating cost of the unit and the state average elementary or secondary per pupil operating cost respectively;

B. If the per pupil operating cost in the unit for the preceding year is above the state average elementary or secondary per pupil operating cost, the per pupil allocation for elementary or secondary pupils respectively shall be frozen at  $\frac{1}{2}$  the difference between the state average elementary or secondary per pupil operating cost respectively and the local average elementary or secondary per pupil operating cost respectively expended during the 1973-74 school year or the state elementary or secondary average per pupil allocation respectively, whichever is greater. Each unit may appropriate additional local funds to maintain its average elementary or secondary per pupil operating costs as computed for the 1973-74 school year;

C. If the unit is declared to be geographically isolated by the State Board of Education, the board shall adjust, at its discretion, the per pupil allocation to that unit to meet the educational needs of that unit, except that no adjustments shall be made until the local additional appropriations, as specified in subsection 7, have been used and are shown to be inadequate;

D. When a unit enrolls pupils who reside on land under control of the Federal Government, or any agency thereof, or on a Federal Military Reservation, such pupils shall not be considered as resident pupils for subsidy purposes. Special arrangements may be made by the State or any school administrative unit, or both, to provide elementary and secondary school privileges in cooperation with the United States Government for a child or children residing on land under control of the Federal Government, or any agency thereof, or on a Federal Military Reservation. Every unit eligible to receive assistance in federally affected areas shall annually file application to receive such funds. The State Board of Education may withhold aid from any unit which fails to apply for federally impacted area funds for which the unit is eligible.

E. Whenever a unit's school tax rate for the preceding year is less than the school tax rate determined by the State Tax Assessor as required in sections 451 and 453 of Title 36 and the sum levied by the State Tax Assessor is greater than the unit's school tax rate of the preceding year by more than  $2\frac{1}{2}$  mills on state valuation adjusted to 100%, the unit's allocation shall be adjusted as set forth below. A unit's school tax rate shall be determined by dividing the amount appropriated for school purposes from property taxes, less any adjustment made under this subsection, by state valuation adjusted to 100%.

To the unit's allocation as determined in subsection 2 and this subsection, shall be added a sum equal to the difference between the unit's school appropriation of the preceding year plus  $2\frac{1}{2}$  mills and the amount required by the State Tax Assessor in Title 36, sections 451 and 453. A unit's school tax rate as adjusted under this subsection shall be used in determining whether or not future adjustments shall be made in subsequent years. Any adjustment paid to a unit as a result of this subsection shall be credited to the general fund of the unit and may be used for municipal purposes upon proper authorization by that unit. An adjustment under this subsection is not subject to subsections 8 and 9.

4. Allocations in the months of July through November shall be based on the October 1st and April 1st average number of resident pupils of the preceding year.

5. Allocations in the months of July through November shall be based on the state average per pupil operating cost of the 2nd year preceding allocation adjusted by a  $7\frac{1}{2}\%$  increase.

6. Allocations shall be subsequently adjusted to give each unit its proper allocation based upon the preceding year's state average cost and the number of resident pupils in the current year.

7. The legislative body of the administrative unit may, in addition to any local funds raised and appropriated under subsection 3, paragraph B, authorize an additional expenditure per pupil for either elementary or secondary pupils, or both, not to exceed a local appropriation of  $2\frac{1}{2}$  mills on the state valuation of the unit adjusted to 100% valuation. For each mill authorized by the local unit for elementary or secondary pupils, or both, the state shall distribute \$50 per pupil, or a prorated portion thereof, for each portion of a mill appropriated by the unit within the unit's fiscal year. Whenever a unit has authorized an additional school levy under this section, it shall pay to the Treasurer of State that part of its appropriation which is in excess of \$50, multiplied by the average number of pupils on October 1st and April 1st of the preceding year, times the authorized additional local school mill levy. The remaining sum shall be credited to the treasurer of the administrative unit.

8. Notwithstanding any other public or private statute to the contrary, all money allocated for school purposes must be expended for school purposes only.

9. Balances of allocations at the end of the year may be carried forward to meet the next year's school needs in an amount not to exceed 10% of the total allocation of the year just completed. Any excess above this amount shall be returned to the Treasurer of State.

Sec. 2. R. S., T. 20, § 220, amended. Section 220 of Title 20 of the Revised Statutes, as amended by section 2 of chapter 425 of the public laws of 1967, is further amended by adding at the end the following:

Each unit shall file with the commissioner a description of the transportation services provided in that unit during the 1973-74 school year. Such a description shall be in the format which the commissioner shall prescribe. Additional transportation services and the purchase of new buses shall be accomplished in the most economical manner that is consistent with the welfare and safety of pupils.

Sec. 3. R. S., T. 20, § 358, amended. Section 358 of Title 20 of the Revised Statutes is amended by adding a new paragraph at the end to read as follows:

Each unit shall file with the commissioner a description of the transportation services provided in that unit during the 1973-74 school year. Such a description shall be in the format which the commissioner shall prescribe. Additional transportation services and the purchase of new buses shall be accomplished in the most economical manner that is consistent with the welfare and safety of pupils.



Sec. 4. R. S., T. 20, § 3561, amended. Section 3561 of Title 20 of the Revised Statutes, as amended, is further amended by adding at the end the following:

Each unit shall file with the commissioner a description of the transportation services provided in that unit during the 1973-74 school year. Such a description shall be in the format which the commissioner shall prescribe. Additional transportation services and the purchase of new buses shall be accomplished in the most economical manner that is consistent with the welfare and safety of pupils.

Sec. 5. R. S., T. 20, c. 512, repealed. Chapter 512 of Title 20 of the Revised Statutes, as enacted by section 2 of chapter 496 of the public laws of 1969, and as amended, is repealed.

Sec. 6. R. S., T. 36, § 451, repealed and replaced. Section 451 of Title 36 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

#### § 451. Rate of tax

The Commissioner of Educational and Cultural Services, with the approval of the State Board of Education, shall annually, prior to February 15th, certify to the State Tax Assessor 50% of the estimated total public school education costs in 1973-74 and thereafter, for the current school year to be completed. For the necessary expenses of local and state government, a tax is assessed at a rate that is equivalent to 50% in 1973-74 and thereafter, of the estimated total state public school education costs divided by the total of the most recent state valuation adjusted upward to the nearest quarter mill as filed under section 381 to 100% valuation plus  $7\frac{3}{4}$  mills on the dollar applied to a 100% valuation for the property tax year commencing April 1, 1974;  $9\frac{1}{4}$  mills effective April 1, 1975;  $10\frac{3}{4}$  mills effective April 1, 1976;  $12\frac{1}{4}$  mills effective April 1, 1977; and  $13\frac{3}{4}$  mills effective April 1, 1978 and every year thereafter upon each municipality, township and each lot and parcel not included in any township in the State. In any event, such rate shall never exceed whatever shall from time to time be the weighted average municipal tax rate. The "weighted average municipal tax rate" means the total municipal property taxes levied state-wide for the previous year, as determined by the State Tax Assessor from the annual return of municipal assessors pursuant to section 383, divided by the state valuation of municipalities in effect for the previous year adjusted to a 100% basis. The valuation as determined by the State Tax Assessor, as set forth in the statement filed by him as provided by section 381, shall be the basis for the computation and apportionment of the tax assessed.

Sec. 7. R. S., T. 36, § 453, repealed and replaced. Section 453 of Title 36 of the Revised Statutes, as amended by section 7 of chapter 616 of the public laws of 1971, is repealed and the following enacted in place thereof:

#### § 453. Payment of state tax by municipalities

The Treasurer of State, in his said warrants, shall require the said mayor and aldermen, selectmen or assessors, respectively, to pay or to issue their several warrants requiring the collectors of their several municipalities to collect and to pay to the treasurers of their respective municipalities the sums against said municipalities required by this subchapter.

Said municipal treasurer shall pay to the Treasurer of State a sum equivalent to that portion of the tax levied under section 451 which is based upon a percentage of public school education costs which exceeds the allocation to the unit as computed under Title 20, section 3713. Said municipal treasurer shall pay to the treasurer of the School Administrative District or community school district in quarterly installments that portion of the tax levied under section 451 of public school education costs which is not in excess of the allocation to the unit as computed under Title 20, section 3713.

The balance of the sums so assessed in each municipality shall be disbursed by the treasurer thereof for necessary expenses of local government as determined or appropriated for the public welfare within the purposes specified in Title 30, which Title sets forth these purposes for the public welfare for which municipalities are themselves authorized to raise money by taxation. For the year 1974, the municipal treasurer shall pay  $\frac{1}{2}$  the sum provided for in this section to the Treasurer of State. Payments in 1974 shall be in 2 equal installments payable on or before the last day of September and the last day of December. For the year 1975 and thereafter, payments shall be made to the Treasurer of State in equal quarterly installments payable on or before the 15th day of March, June, September and December.

Sec. 8. R. S., T. 36, § 891-A, additional. Title 36 of the Revised Statutes is amended by adding a new section 891-A to read as follows:

**§ 891-A. School subsidies withheld from delinquent municipalities**

When any state tax assessed upon any city, town or plantation remains unpaid, such city, town or plantation may be precluded from drawing from the Treasurer of State the school subsidy set apart for such city, town or plantation so long as such tax remains unpaid.

Sec. 9. R. S., T. 20, § 1293, repealed. Section 1293 of Title 20 of the Revised Statutes, as repealed and replaced by chapter 221 of the public laws of 1971, is repealed.

Sec. 10. R. S., T. 20, c. 117, repealed. Chapter 117 of Title 20 of the Revised Statutes, as last repealed and replaced by section 23 of chapter 530 of the public laws of 1971, and as amended, is repealed.

Sec. 11. R. S., T. 20, § 2356-B, sub-§ 1, amended. The first paragraph of subsection 1 of section 2356-B of Title 20 of the Revised Statutes, as enacted by section 3 of chapter 440 of the public laws of 1965, is amended to read as follows:

~~Seventy five percent of the~~ The cost of constructing and equipping ~~subsequent to the effective date of this Act~~ a building or buildings to be used for the maintenance and operation of a regional technical and vocational center which is approved in accordance with section 2356-A shall be reimbursed to the unit in accordance with sections 3457 to 3460.

Sec. 12. R. S., T. 20, § 2356-B, sub-§ 2, amended. The first sentence of subsection 2 of section 2356-B of Title 20 of the Revised Statutes, as enacted by section 3 of chapter 440 of the public laws of 1965, is amended to read as follows:

~~Two thirds of the~~ The excess cost of instruction as defined in section 3712 in approved technical and vocational classes maintained on the secondary level through grade 12 ~~and 90%~~ shall be reimbursed. Ninety percent of the costs of instruction for approved part-time and evening classes for out-of-school youth and adults shall be reimbursed.

Sec. 13. R. S., T. 20, § 2405, amended. Section 2405 of Title 20 of the Revised Statutes, as repealed and replaced and as amended, is further amended by adding at the end a new sentence to read as follows:

Authorization to reimburse units for programs operated under this section is rescinded effective January 1, 1974.

Sec. 14. R. S., T. 20, § 3456, repealed and replaced. Section 3456 of Title 20 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

#### § 3456. Reorganized districts

Reorganized districts shall maintain:

1. Program. A program which includes kindergarten through grade 12;

2. Secondary facility. Whenever a district enrolls more than 700 pupils in grades 9 through 12, said district may operate more than one 4-year school. Whenever a district enrolls fewer than 700 pupils in grades 9 through 12, it must house the pupils in grades 10 through 12 in one facility within 4 years from the date of the district's formation. A district may meet the requirement of providing a secondary facility by contracting with another unit or with a private academy for a term of from 5 to 20 years. Said facilities may be constituted as 4-year schools, or combined with grades 7 and 8 to form a 6-year school or 2 or more 3-year schools, except for children living remote from a public school as provided in section 912.

Sec. 15. R. S., T. 20, § 3457, amended. Table II of section 3457 of Title 20 of the Revised Statutes, as enacted by section 2 of chapter 475 of the public laws of 1965 and as repealed and replaced by section 3 of chapter 500 of the public laws of 1971, is repealed and the following enacted in place thereof:

#### TABLE II

Each administrative unit shall be reimbursed the sums expended for capital outlay projects which have been approved in accordance with sections 3457 to 3460. The unit shall be reimbursed the amount of debt service which has been incurred on all approved school construction projects. Construction reimbursements shall be scheduled so that payments may be made in accordance with the payment schedules established by the administrative units. It is the intention of the Legislature, as expressed section 3711, that 50% of the cost of construction shall be paid from a uniform property tax assessed against all the municipalities in the State and that 50% of the cost of construction shall be paid from nonproperty tax revenues, with the program being implemented over a 3-year period—50% State, 50% local in 1974-75 and thereafter.

Sec. 16. Appropriation. There is appropriated to the Department of Educational and Cultural Services the sum of \$89,512,778 for the fiscal year ending June 30, 1975, to carry out the purposes of this Act.

1974-75

EDUCATIONAL & CULTURAL SERVICES,  
DEPARTMENT OF

From the General Fund

\$89,512,778

**Sec. 17. Effective date.** This Act shall become effective January 1, 1974, except for payment of aid to administrative units, which shall become effective July 1, 1974.

Effective January 1, 1974

## CHAPTER 557

### AN ACT to Increase Benefits and Reduce the Waiting Period Under Workmen's Compensation.

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

**Sec. 1. R. S., T. 39, § 53, amended.** The first sentence of section 53 of Title 39 of the Revised Statutes, as last repealed and replaced by section 80 of chapter 513 of the public laws of 1965, is amended to read as follows:

No compensation for incapacity to work shall be payable for the first ~~7~~ 3 days of incapacity, except that firemen shall receive compensation from the date of incapacity.

**Sec. 2. R. S., T. 39, § 54, amended.** The first and 3rd sentences of section 54 of Title 39 of the Revised Statutes, as amended by sections 1 and 2 of chapter 225 of the public laws of 1971, are further amended to read as follows: While the incapacity for work resulting from the injury is total, the employer shall pay the injured employee a weekly compensation equal to  $\frac{2}{3}$  his average weekly wages, earnings or salary, but not more than  ~~$\frac{2}{3}$~~   $\frac{2}{3}$  of the average weekly wage in the State of Maine as computed by the Employment Security Commission, nor less than \$18 weekly; and such weekly compensation shall be adjusted annually on July 1st so that it continues to bear the same percentage relationship to the average weekly wage in the State of Maine as computed by the Employment Security Commission, as it did at the time of the injury.

In the event of such permanent total incapacity, the employer shall pay the employee a weekly compensation equal to  $\frac{2}{3}$  his average weekly wage, earnings or salary but not more than  ~~$\frac{2}{3}$~~   $\frac{2}{3}$  of the average weekly wage in the State of Maine as computed by the Employment Security Commission, nor less than \$18 weekly; and such weekly compensation shall be adjusted annually on July 1st so that it continues to bear the same percentage relationship to the average weekly wage in the State of Maine as computed by the Employment Security Commission, as it did at the time of the injury.

**Sec. 3. R. S., T. 39, § 55, amended.** Section 55 of Title 39 of the Revised Statutes, as last repealed and replaced by section 140 of chapter 622 of the public laws of 1971, is amended to read as follows: