Title 20-A: EDUCATION

Chapter 606-B: ESSENTIAL PROGRAMS AND SERVICES

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Title 20-A: EDUCATION

Chapter 606-B: ESSENTIAL PROGRAMS AND SERVICES

§15670. SHORT TITLE

This chapter may be known and cited as "the Essential Programs and Services Funding Act." [2003, c. 504, Pt. A, §4 (NEW).]

SECTION HISTORY
2003, c. 504, §A4 (NEW).

§15671. ESSENTIAL PROGRAMS AND SERVICES

Essential programs and services are those educational resources that are identified in this chapter for all students to meet the standards in the 8 content standard subject areas of the system of learning results established in chapter 222. In order to achieve this system of learning results, school funding based on essential programs and services must be available in all schools on an equitable basis. Essential programs and services utilize resources including federal funds that are currently provided or could be adapted to implement a system of learning results, as well as additional resources that are also needed to ensure that these programs and services are available to all students. These essential programs and services must provide the basis for the system of school funding no later than 2007-08. School funding must be adequate to fully provide for all of the staffing and other material resource needs of the essential programs and services identified by the Legislature. [2001, c. 660, §1 (NEW).]

1. **State and local partnership.** The State and each local school administrative unit are jointly responsible for contributing to the cost of the components of essential programs and services described in this chapter. Except as otherwise provided in this subsection, for each fiscal year, the total cost of the components of essential programs and services may not exceed the prior fiscal year's costs multiplied by one plus the average personal income growth rate as defined in Title 5, section 1665, subsection 1. The Legislature, by an affirmative vote of each House, may exceed the limitations on increases in the total cost of the components of essential programs and services provided in this subsection, as long as that vote is taken upon legislation stating that it is the Legislature's intent to override the limitation for that fiscal year. The state contribution to the cost of the components of essential programs and services, exclusive of federal funds that are provided and accounted for in the cost of the components of essential programs and services, must be made in accordance with this subsection:

A. The level of the state share of funding attributable to the cost of the components of essential programs and services must be at least 50% of eligible state and local General Fund education costs statewide, no later than fiscal year 2006-07; and [2005, c. 2, Pt. D, §32 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. By fiscal year 2008-09 the state share of the total cost of funding public education from kindergarten to grade 12, as described by essential programs and services, must be 55%. Beginning in fiscal year 2005-06 and in each fiscal year until fiscal year 2008-09, the state share of essential programs and services described costs must increase toward the 55% level required in fiscal year 2008-09. [2005, c. 2, Pt. D, §32 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

Beginning in fiscal year 2005-06 and in each fiscal year thereafter, the commissioner shall use the funding level determined in accordance with this section as the basis for a recommended funding level for the state share of the cost of the components of essential programs and services.

[2015, c. 267, Pt. L, §10 (AMD) .]

1-A. **State funding for kindergarten to grade 12 public education.** Beginning in fiscal year 2017-18 and in each fiscal year thereafter until the state share percentage of the total cost of funding public education from kindergarten to grade 12 reaches 55% pursuant to subsection 7, paragraph B, the State shall increase the state share percentage of the funding for the cost of essential programs and services by at least one percentage point per year over the percentage of the previous year and the department, in allocating funds, shall make this increase in funding a priority. For those fiscal years that the funding appropriated or allocated for the cost of essential programs and services is not sufficient to increase the state share percentage of the total cost of funding public education from kindergarten to grade 12 by at least one percentage point, no new programs or initiatives may be established for kindergarten to grade 12 public education within the department that would divert funds that would otherwise be distributed as general purpose aid for local schools pursuant to subsection 5.

[2015, c. 389, Pt. C, §2 (AMD) .]

2. **Per-pupil rate amounts.** A per-pupil rate represents an amount of funds that is to be made available for each subsidizable pupil. Per-pupil rates are determined pursuant to section 15676.

A. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

B. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

C. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

D. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §33 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

3. **Specialized student populations.** In recognition that educational needs can be more costly for some student populations than for others, special student populations are specifically addressed in sections 15675 and 15681-A, subsection 2.

A. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

B. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

C. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

D. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §33 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §33 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Educational cost components outside the per-pupil rate.** A per-pupil rate is not a suitable method for allocation of all educational cost components. These components may include, but are not limited to, debt service, transportation, bus purchases, career and technical education, small school adjustments, teacher educational attainment and longevity of service and adjustments to general purpose aid. The funding methodology of these educational cost components must be established based on available research.

[2005, c. 2, Pt. D, §33 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF); 2005, c. 397, Pt. D, §3 (REV) .]

5. **Local control of expenditures.** Except for those components that are targeted funds, funds provided for the essential programs and services described in this section must be distributed as general purpose aid for local schools, and each school administrative unit shall make its own determination regarding the configuration of resources best suited for its pupils and how to allocate available funds for these resources.

[2001, c. 660, §1 (NEW) .]

5-A. **Funds from casino slot machines or table games.** Revenues received by the department from casino slot machines or casino table games pursuant to Title 8, section 1036, subsection 2-A, paragraph A or Title 8, section 1036, subsection 2-B, paragraph A must be distributed until the end of fiscal year 2014-15 as general purpose aid for local schools, and each school administrative unit shall make its own determination as to how to allocate these resources. Beginning in fiscal year 2017-18, $4,000,000 in revenues must be distributed by the department to provide start-up funds for approved public preschool programs for children 4 years of age in accordance with chapter 203, subchapter 3. Neither the Governor nor the Legislature may divert the revenues payable to the department to any other fund or for any other use. Any proposal to enact or amend a law to allow distribution of the revenues paid to the department from casino slot machines or casino table games for another purpose must be submitted to the Legislative Council and to the joint standing committee of the Legislature having jurisdiction over education matters at least 30 days prior to any vote or public hearing on the proposal.

[2015, c. 267, Pt. C, §5 (AMD) .]

6. **Targeted funds.** Funds for technology, implementation of a standards-based system and the costs of additional investments in educating children in kindergarten to grade 2 as described in section 15681 must be provided as targeted allocations. School administrative units shall submit a plan for the use of these funds and receive funding based on approval of the plan by the commissioner.

[2005, c. 519, Pt. LL, §1 (AMD) .]

7. **Transition; annual targets.** To achieve the system of school funding based on essential programs and services required by this section, the following annual targets are established.

A. The base total calculated pursuant to section 15683, subsection 2 is subject to the following annual targets.

(1) For fiscal year 2005-06, the target is 84%.

(2) For fiscal year 2006-07, the target is 90%.

(3) For fiscal year 2007-08, the target is 95%.

(4) For fiscal year 2008-09, the target is 97%.

(5) For fiscal year 2009-10, the target is 97%.

(6) For fiscal year 2010-11, the target is 97%.

(7) For fiscal year 2011-12, the target is 97%.

(8) For fiscal year 2012-13, the target is 97%.

(9) For fiscal year 2013-14 and succeeding years, the target is 97%. [2013, c. 368, Pt. C, §6 (AMD).]

B. The annual targets for the state share percentage of the statewide adjusted total cost of the components of essential programs and services are as follows.

(1) For fiscal year 2005-06, the target is 52.6%.

(2) For fiscal year 2006-07, the target is 53.86%.

(3) For fiscal year 2007-08, the target is 53.51%.

(4) For fiscal year 2008-09, the target is 52.52%.

(5) For fiscal year 2009-10, the target is 48.93%.

(6) For fiscal year 2010-11, the target is 45.84%.

(7) For fiscal year 2011-12, the target is 46.02%.

(8) For fiscal year 2012-13, the target is 45.87%.

(9) For fiscal year 2013-14, the target is 47.29%.

(10) For fiscal year 2014-15, the target is 46.80%.

(11) For fiscal year 2015-16, the target is 47.54%.

(12) For fiscal year 2016-17, the target is 48.14%. [2015, c. 389, Pt. C, §3 (AMD); 2015, c. 481, Pt. D, §1 (AMD).]

C. Beginning in fiscal year 2011-12, the annual targets for the state share percentage of the total cost of funding public education from kindergarten to grade 12 including the cost of the components of essential programs and services plus the state contributions to teacher retirement, retired teachers' health insurance and retired teachers' life insurance are as follows.

(1) For fiscal year 2011-12, the target is 49.47%.

(2) For fiscal year 2012-13, the target is 49.35%.

(3) For fiscal year 2013-14, the target is 50.44%.

(4) For fiscal year 2014-15, the target is 50.13%.

(5) For fiscal year 2015-16, the target is 50.08%.

(6) For fiscal year 2016-17, the target is 50.82%.

(7) For fiscal year 2017-18 and succeeding years, the target is 55%. [2015, c. 389, Pt. C, §4 (AMD); 2015, c. 481, Pt. D, §2 (AMD).]

[2015, c. 389, Pt. C, §§3, 4 (AMD); 2015, c. 481, Pt. D, §§1, 2 (AMD).]

SECTION HISTORY
2001, c. 660, §1 (NEW). 2003, c. 504, §A5 (AMD). 2003, c. 712, §§9,10 (AMD). 2005, c. 2, §§D32-34 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §UU1 (AMD). 2005, c. 12, §§UU12,13,WW 18 (AFF). 2005, c. 397, §D3 (REV). 2005, c. 519, §LL1 (AMD). 2007, c. 240, Pt. C, §2 (AMD). 2007, c. 539, Pt. C, §§3, 4 (AMD). 2009, c. 1, Pt. C, §1 (AMD). 2009, c. 213, Pt. C, §§3, 4 (AMD). 2009, c. 571, Pt. E, §§17, 18 (AMD). 2011, c. 1, Pt. C, §1 (AMD). 2011, c. 380, Pt. C, §§1-3 (AMD). 2011, c. 477, Pt. C, §§1, 2 (AMD). 2011, c. 655, Pt. C, §§2-4 (AMD). 2013, c. 1, Pt. C, §§1, 2 (AMD). 2013, c. 368, Pt. C, §§4-8 (AMD). 2013, c.

581, §6 (AMD). 2013, c. 595, Pt. C, §§1, 2 (AMD). 2015, c. 267, Pt. C, §§4-7 (AMD). 2015, c. 267, Pt. L, §10 (AMD). 2015, c. 389, Pt. C, §§2-4 (AMD). 2015, c. 481, Pt. D, §§1, 2 (AMD).

§15671-A. PROPERTY TAX CONTRIBUTION TO PUBLIC EDUCATION

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Funding public education from kindergarten to grade 12" means providing the cost of funding the essential programs and services described in this chapter, including the total allocations for other subsidizable costs, debt service costs and adjustments. [2005, c. 2, Pt. D, §35 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. "Local cost share expectation" means the maximum amount of money for funding public education from kindergarten to grade 12 that may be derived from property tax for the required local contribution established in section 15688, subsection 3-A. [2005, c. 2, Pt. D, §35 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. "Statewide total local share" means the local share, calculated on a statewide basis, of the statewide total cost of the components of essential programs and services as adjusted pursuant to section 15671, subsection 7 to reflect the application of the transition targets to the base total component. [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. "Statewide valuation" means the certified total state valuation for the year prior to the most recently certified total state valuation for all municipalities statewide. [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §35 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Local cost share expectation.** This subsection establishes full-value education mill rates that limit a municipality's required local contribution pursuant to section 15688, subsection 3-A. The full-value mill rates represent rates that, if applied to the statewide valuation, would produce the statewide total local share. Notwithstanding any other provision of law, with respect to the assessment of any property taxes for property tax years beginning on or after April 1, 2005, a municipality's required local contribution determined pursuant to section 15688, subsection 3-A establishes the local cost share expectation for that municipality.

A. The commissioner shall annually by February 1st notify each school administrative unit of its local cost share expectation. Each superintendent shall report to the municipal officers whenever a school administrative unit is notified of the local cost share expectation or a change made in the local cost share expectation resulting from an adjustment. [2005, c. 2, Pt. D, §35 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. For property tax years beginning on or after April 1, 2005, the commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must decline over the period from fiscal year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation. Full-value education mill rates must be derived according to the following schedule.

(1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.

(2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.

(3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 46.49% statewide total local share in fiscal year 2007-08.

(4) For the 2008 property tax year, the full-value education mill rate is the amount necessary to result in a 47.48% statewide total local share in fiscal year 2008-09.

(4-A) For the 2009 property tax year, the full-value education mill rate is the amount necessary to result in a 51.07% statewide total local share in fiscal year 2009-10.

(4-B) For the 2010 property tax year, the full-value education mill rate is the amount necessary to result in a 54.16% statewide total local share in fiscal year 2010-11.

(4-C) For the 2011 property tax year, the full-value education mill rate is the amount necessary to result in a 53.98% statewide total local share in fiscal year 2011-12.

(5) For the 2012 property tax year, the full-value education mill rate is the amount necessary to result in a 54.13% statewide total local share in fiscal year 2012-13.

(6) For the 2013 property tax year, the full-value education mill rate is the amount necessary to result in a 52.71% statewide total local share in fiscal year 2013-14.

(7) For the 2014 property tax year, the full-value education mill rate is the amount necessary to result in a 53.20% statewide total local share in fiscal year 2014-15.

(8) For the 2015 property tax year, the full-value education mill rate is the amount necessary to result in a 52.46% statewide total local share in fiscal year 2015-16.

(9) For the 2016 property tax year, the full-value education mill rate is the amount necessary to result in a 51.86% statewide total local share in fiscal year 2016-17.

(10) For the 2017 property tax year and subsequent tax years, the full-value education mill rate is the amount necessary to result in a 45% statewide total local share in fiscal year 2017-18 and after. [2015, c. 389, Pt. C, §5 (AMD); 2015, c. 481, Pt. D, §3 (AMD).]

[2015, c. 389, Pt. C, §5 (AMD); 2015, c. 481, Pt. D, §3 (AMD) .]

3. **Exceeding maximum local cost share expectations; separate article.** Beginning with the 2005-2006 school budget, the legislative body of a school administrative unit may adopt an additional local appropriation that exceeds the local cost share expectation established by section 15688, subsection 3-A, paragraph A only if that action is approved in a separate article by a vote of the school administrative unit's legislative body through the same process that the school budget is approved in that school administrative unit and in accordance with section 15690. If that additional appropriation causes the school administrative unit to exceed the maximum state and local spending target described in subsection 4, the requirements of subsection 5 apply.

[2005, c. 2, Pt. D, §35 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Maximum state and local spending target.** The maximum state and local spending target for a school administrative unit is the sum of the following costs calculated by the commissioner for the unit:

A. The base total calculated pursuant to section 15683, subsection 1 without the adjustment for transition targets under section 15671, subsection 7, paragraph A; [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Other subsidizable costs described in section 15681-A; and [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The debt service allocation pursuant to section 15683-A. [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

The commissioner shall annually notify each school administrative unit of its maximum state and local spending target.

[2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Exceeding maximum state and local spending target.** If the sum of a school administrative unit's required local contribution determined pursuant to section 15688, subsection 3-A plus the state contribution as calculated pursuant to section 15688, subsection 3-A, paragraph D, plus any state funds resulting from a transition adjustment pursuant to section 15686, plus any additional local amount proposed to be raised pursuant to section 15690, subsection 3 exceeds the school administrative unit's maximum state and local spending target established pursuant to subsection 4, the following provisions govern approval of that additional amount.

A. The article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B. Notwithstanding section 1304, subsection 6; section 1701, subsection 7; Title 30-A, section 2528, subsection 5, or any other provision of law, municipal charter provision or ordinance, voter approval of the article, whether in town meeting, district meeting or other voting process established by law, municipal charter or ordinance, including, but not limited to, any vote on the article initiated by voter petition, must be by referendum or written ballot. [2005, c. 2, Pt. D, §35 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. In a municipality where the responsibility for final adoption of the school budget is vested by the municipal charter in a council, this paragraph applies, except that the petition and referendum provisions apply only if the municipal charter does not otherwise provide for or prohibit a petition and referendum process with respect to the matters described in this paragraph.

(1) A majority of the entire membership of the school board or committee must approve the additional amount in a regular budget meeting.

(2) An article approving the additional amount must conform to the requirements of section 15690, subsection 3, paragraph B and be approved by a majority of the entire membership of the council in a vote taken in accordance with section 15690, subsection 5 or, if the council votes not to approve the article, by a majority of voters voting in a referendum called pursuant to subparagraph (4).

(3) If an article is approved by the council pursuant to subparagraph (2), the voters may petition for a referendum vote on the same article in accordance with subparagraph (4). If a petition is filed in accordance with subparagraph (4), the vote of the council is suspended pending the outcome of the referendum vote. Upon approval of the article by a majority of the voters voting in that referendum, the article takes effect. If the article is not approved by a majority of the voters voting in that referendum, the article does not take effect. Subsequent to the vote, the school committee or board may again propose an additional amount, subject to the requirements of this section.

(4) If a written petition, signed by at least 10% of the number of voters voting in the last gubernatorial election in the municipality, requesting a vote on the additional amount is submitted to the municipal officers within 30 days of the council's vote pursuant to subparagraph (2), the article voted on by the council must be submitted to the legal voters in the next regular election or a special election called for the purpose. The election must be held within 45 days of the submission of the petition. The election must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the clerk to post a new list of voters and absentee ballots must be prepared and made available at least 14 days prior to the date of the referendum. For the purpose of registration of voters, the registrar of voters must be in session the secular day preceding the election. The voters shall indicate by a cross or

check mark placed against the word "Yes" or "No" their opinion on the article. The results must be declared by the municipal officers and entered upon the municipal records. [2005, c. 12, Pt. WW, §3 (AMD).]

[2005, c. 519, Pt. AAAA, §2 (AMD) .]

SECTION HISTORY
2003, c. 712, §11 (NEW). 2005, c. 2, §D35 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW3 (AMD). 2005, c. 12, §WW18 (AFF). 2005, c. 519, §AAAA2 (AMD). 2007, c. 240, Pt. XXXX, §24 (AMD). 2007, c. 539, Pt. C, §5 (AMD). 2007, c. 668, §34 (AMD). 2009, c. 213, Pt. C, §5 (AMD). 2009, c. 571, Pt. E, §19 (AMD). 2011, c. 1, Pt. C, §2 (AMD). 2011, c. 380, Pt. C, §4 (AMD). 2011, c. 477, Pt. C, §3 (AMD). 2011, c. 655, Pt. C, §5 (AMD). 2013, c. 1, Pt. C, §3 (AMD). 2013, c. 368, Pt. C, §9 (AMD). 2013, c. 595, Pt. C, §3 (AMD). 2015, c. 267, Pt. C, §8 (AMD). 2015, c. 389, Pt. C, §5 (AMD). 2015, c. 481, Pt. D, §3 (AMD).

§15672. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2003, c. 504, Pt. A, §6 (NEW).]

1. **Allocation year.** "Allocation year" means the year that subsidy is distributed to school administrative units.

[2003, c. 504, Pt. A, §6 (NEW) .]

1-A. **Adjusted total cost of components of essential programs and services.** "Adjusted total cost of the components of essential programs and services" means the total cost of the components of essential programs and services adjusted to reflect the application of the transition targets to the base total component as specified in section 15671, subsection 7, paragraph A.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

1-B. **Base year.** "Base year" means the 2nd year prior to the allocation year.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

1-C. **Bus purchase costs.** "Bus purchase costs" includes expenditures for bus purchase payments approved by the commissioner and made during the year prior to the allocation year. For bus purchases approved in fiscal year 2004-05 only, 50% of first year approved payments must be allocated in fiscal year 2006-07 and 50% of first year approved payments must be allocated in fiscal year 2007-08.

[2005, c. 519, Pt. J, §1 (AMD) .]

1-D. **Career and technical education costs.** "Career and technical education costs" for subsidy purposes means all costs incurred by the career and technical education regions, centers or satellites in providing approved secondary school career and technical education programs, excluding transportation, capital costs and debt service.

[2011, c. 679, §27 (NEW) .]

2. **Clerical staff.** "Clerical staff" means full-time equivalent public school secretaries, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2-A. **Debt service costs.** "Debt service costs," for subsidy purposes, includes:

A. Principal and interest costs for approved major capital projects in the allocation year, excluding payments made with funds from state and local government accounts established under the federal Internal Revenue Code and regulations for disposition of excess, unneeded proceeds of bonds issued for a school project and excluding any principal and interest costs attributable to a school closed for lack of need pursuant to chapter 202; [2013, c. 167, Pt. B, §1 (AMD).]

B. Lease costs for school buildings when the leases, including leases under which the school administrative unit may apply the lease payments to the purchase of portable, temporary classroom space, have been approved by the commissioner for the year prior to the allocation year. Lease costs include costs for leasing:

(1) Administrative space. A school administrative unit engaged in a state-approved lease-purchase agreement for administrative space is eligible for state support until July 1, 2008;

(2) Temporary and interim instructional space. Temporary space is instructional space consisting of one or more mobile or modular buildings that are portable, that are constructed on- or off-site and that can be disassembled and moved economically to a new location. Interim instructional space is fixed instructional space that a school administrative unit rents for a defined period of time and then vacates at the end of the lease.

(a) A school administrative unit with state-approved need for instructional space may lease temporary or interim space, with state support, for a maximum of 5 years. A school administrative unit may appeal to the commissioner if this limitation presents an undue burden. When making a determination on a school administrative unit's request for relief based on undue burden, the commissioner may consider, but is not limited to considering, the following:

(i) Fiscal capacity;

(ii) Enrollment demographics; and

(iii) Unforeseen circumstances not within the control of the appealing school administrative unit.

An extension granted by the commissioner beyond the 5-year maximum for state support is limited to a period of one year. Any additional request for extensions must be submitted and reviewed on an annual basis. The commissioner's decision is final.

(b) A school administrative unit with state-approved need for instructional space may engage in a lease-purchase agreement for temporary or interim instructional space with state support for a maximum of 5 years; and

(3) Permanent small instructional space that replaces existing approved leased temporary or interim instructional space. Permanent small instructional space consists of new buildings or additions to existing buildings that are secured to a permanent foundation. Once an existing leased temporary or interim instructional space has been replaced by a permanent small instructional space through an approved financing agreement, that space is eligible for state support for a maximum of 10 years.

The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter 2-A; and [2007, c. 111, §3 (AMD).]

C. The portion of the tuition costs applicable to the insured value factor for the base year computed under section 5806 . [2007, c. 111, §4 (AMD).]

D. [2007, c. 111, §5 (RP).]

[2013, c. 167, Pt. B, §1 (AMD) .]

2-B. **Debt service adjustment mill rate.** "Debt service adjustment mill rate" is the mill rate derived by dividing 45% of the debt service costs by the property fiscal capacity for all school administrative units.

[2005, c. 519, Pt. AAAA, §3 (NEW) .]

3. **Economically disadvantaged students.** "Economically disadvantaged students" means students who are included in the department's count of students who are eligible for free or reduced-price meals or free milk or both.

[2003, c. 504, Pt. A, §6 (NEW) .]

4. **Education technician.** "Education technician" means a full-time equivalent public teacher aide or education technician I, associate teacher or education technician II or assistant teacher or education technician III but not a special education technician I, II or III, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Elementary free or reduced-price meals percentage.** "Elementary free or reduced-price meals percentage" means the percentage, as determined by the commissioner, that reflects either:

A. The actual percentage of elementary students in a school administrative unit who are eligible to receive free or reduced-price meals or free milk or both; or [2003, c. 504, Pt. A, §6 (NEW).]

B. The commissioner's estimated percentage of elementary students in a school administrative unit who are eligible to receive free or reduced-price meals or free milk or both. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

6. **Elementary grades.** "Elementary grades" means public preschool programs to grade 8.

[2007, c. 141, §13 (AMD) .]

7. **Elementary school level.** "Elementary school level" means the grades from public preschool programs to grade 5.

[2007, c. 141, §14 (AMD) .]

7-A. **EPS per-pupil rate.** "EPS per-pupil rate" means the rate calculated under section 15676 or 15676-A, as applicable.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

8. **Essential programs and services.** "Essential programs and services" means those educational resources that are identified in this chapter that enable all students to meet the standards in the 8 content standard subject areas of the system of learning results established in chapter 222.

[2003, c. 504, Pt. A, §6 (NEW) .]

9. **Essential programs and services transition percentage.** "Essential programs and services transition percentage" means the percentage of the base total calculated pursuant to section 15671, subsection 7, paragraph A.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

9-A. **Gifted and talented costs.** "Gifted and talented costs" means the cost of programs for gifted and talented students that have been approved by the commissioner.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

10. **Grade 9 to 12 portion.** "Grade 9 to 12 portion" means those pupils in the secondary grades or high school level.

[2003, c. 504, Pt. A, §6 (NEW) .]

11. **Guidance staff.** "Guidance staff" means full-time equivalent public guidance counselors, directors of guidance or school social workers, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

12. **Health staff.** "Health staff" means full-time equivalent public school nurses, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

13. **High school level.** "High school level" means grade 9 to grade 12.

[2003, c. 504, Pt. A, §6 (NEW) .]

13-A. **Institutional resident.** "Institutional resident" means a person between 5 years of age and 20 years of age who is attending a public school of the school administrative unit and who is committed or otherwise legally admitted to and residing at a state-operated institution. "Institutional resident" does not include students attending private facilities, regardless of the means of placement.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

14. **Income weight.**

[2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF) .]

15. **Kindergarten to grade 8 portion.** "Kindergarten to grade 8 portion" means those pupils in the elementary grades or a combination of the elementary school level and middle school level.

[2003, c. 504, Pt. A, §6 (NEW) .]

16. **Kindergarten to grade 2 student.** "Kindergarten to grade 2 student" means a student in any grade from prekindergarten to grade 2 who is at least 4 years old on October 15th of the school year.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

17. **Librarian.** "Librarian" means a full-time equivalent public librarian or media specialist, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

18. **Limited English proficiency student.** "Limited English proficiency student" means a student who was not born in the United States or whose native language is a language other than English and who satisfies the definition of a limited English proficient student under the federal No Child Left Behind Act of 2001, 20 United States Code, Chapter 70.

[2003, c. 504, Pt. A, §6 (NEW) .]

18-A. **Major capital costs.** "Major capital costs" means costs relating to school construction projects, as defined in section 15901.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

19. **Media assistant.** "Media assistant" means a full-time equivalent public librarian aide or library technician I, librarian assistant or library technician II or librarian associate or library technician III, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

20. **Middle school level.** "Middle school level" means grade 6 to grade 8.

[2003, c. 504, Pt. A, §6 (NEW) .]

20-A. **Minor capital costs.** "Minor capital costs" means costs relating to plant maintenance, minor remodeling, site development or the purchase of land not in conjunction with a construction project.

A. "Minor capital costs" does not include construction of new buildings or the purchase of land in conjunction with a school construction project. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Expenditures to repay funds borrowed for minor capital expenditures must be considered minor capital costs in the year in which these funds are repaid. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. Purchase of land made in accordance with this subsection must be approved:

(1) By the legislative body of the school administrative unit; and

(2) By the commissioner, under rules adopted for this purpose. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

21. **Municipality.** "Municipality" means a city, town or organized plantation.

[2003, c. 504, Pt. A, §6 (NEW) .]

21-A. **Other subsidizable costs.** "Other subsidizable costs" means those costs identified in section 15681-A. These costs are part of the total operating allocation under section 15683.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

21-B. **Portable, temporary classroom space.** "Portable, temporary classroom space" means one or more mobile or modular buildings that are at least partially constructed off site and that are designed to be moved to other sites with a minimum of disassembly and reassembly.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

22. **Per-pupil guarantee.**

[2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF) .]

22-A. **Predicted per-pupil transportation costs.** "Predicted per-pupil transportation costs" means the greater of:

A. A pupil density model based on the net cost per resident pupil for each school administrative unit that is predicted by pupil density per mile of Class 1 to Class 5 roads in the school administrative unit and approved adjustments; and [2005, c. 519, Pt. AAAA, §4 (NEW).]

B. The average of the pupil density model under paragraph A and an odometer miles model based on the gross cost per pupil conveyed for each school administrative unit that is predicted by the odometer miles traveled per pupil conveyed by the school administrative unit. [2005, c. 519, Pt. AAAA, §4 (NEW).]

Approved adjustments include a per-mile rate equal to the state average gross transportation operating costs per mile driven for transportation associated with out-of-district special education programs, up to 2 round trips per day to each facility for transportation associated with career and technical education programs, and adjustments for expenditures for ferry services within a school administrative unit, transportation of homeless children in accordance with section 5205 and transportation costs of island school administrative units.

[2005, c. 519, Pt. AAAA, §4 (RPR) .]

23. **Property fiscal capacity.** "Property fiscal capacity" means:

A. Prior to fiscal year 2014-15, the certified state valuation for the year prior to the most recently certified state valuation; [2013, c. 203, §1 (NEW).]

B. For fiscal year 2014-15, the average of the certified state valuations for the 2 most recent years prior to the most recently certified state valuation; and [2013, c. 203, §1 (NEW).]

C. For fiscal year 2015-16 and each subsequent fiscal year, the average of the certified state valuations for the 3 most recent years prior to the most recently certified state valuation. [2013, c. 203, §1 (NEW).]

[2013, c. 203, §1 (RPR) .]

24. **Property weight.**

[2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF) .]

25. **School administrative staff.** "School administrative staff" means full-time equivalent public school principals and assistant principals, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

25-A. **School administrative unit.** "School administrative unit" means a school administrative unit as defined by section 1, subsection 26, paragraphs A to G.

[2011, c. 655, Pt. C, §6 (AMD) .]

26. **School administrative unit's local contribution to EPS per-pupil rate.** "School administrative unit's local contribution to the EPS per-pupil rate" means the funds that a school administrative unit provides for each subsidizable pupil who resides in that unit.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

27. **School administrative unit's state contribution to EPS per-pupil rate.** "School administrative unit's state contribution to the EPS per-pupil rate" means the funds that the State provides to a school administrative unit for each subsidizable pupil who resides in that unit.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

28. **School level.** "School level" means elementary level, middle school level and high school level.

[2003, c. 504, Pt. A, §6 (NEW) .]

29. **School level teaching staff.** "School level teaching staff" means full-time equivalent public classroom teachers, itinerant classroom teachers and special teachers of reading or literacy specialists excluding special education teachers and career and technical education teachers, as documented in the department's database.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF); 2005, c. 397, Pt. D, §3 (REV) .]

30. **Secondary grades.** "Secondary grades" means grade 9 to grade 12.

[2003, c. 504, Pt. A, §6 (NEW) .]

30-A. **Special education costs.** "Special education costs" for subsidy purposes includes:

A. The salary and benefit costs of certified professionals, assistants and aides or costs of persons contracted to perform a special education service; [2005, c. 12, Pt. WW, §4 (AMD).]

B. The costs of tuition and board to other schools for programs that have been approved by the commissioner and not paid directly by the State. Medical costs are not allowable as part of a tuition charge; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The following preschool handicapped services:

(1) The salary and benefit costs of certified professionals, assistants and aides or persons contracted to perform preschool handicapped services that have been approved by the commissioner; and

(2) The cost of tuition to other schools for programs that have been approved by the commissioner; and [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. Special education costs that are the costs of educational services provided to students who are temporarily unable to participate in regular school programs. Students who may be included are pregnant students, hospitalized students or those confined to their homes for illness or injury, students involved in substance abuse programs within hospital settings or in residential rehabilitation facilities licensed by the Department of Health and Human Services, Office of Alcoholism and Drug Abuse Prevention for less than 6 weeks duration or students suffering from other temporary conditions that prohibit their attendance at school. Students served under this paragraph may not be counted as children with disabilities for federal reporting purposes. [2005, c. 662, Pt. A, §41 (AMD).]

[2005, c. 662, Pt. A, §41 (AMD) .]

30-B. **State-operated institution.** "State-operated institution" means any residential facility or institution that is operated by the Department of Health and Human Services or a school operated by the Department of Education.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

31. **State share percentage.** "State share percentage" means the percentage of the state contribution determined under section 15688, subsection 3-A, paragraph D divided by the total cost determined in section 15688, subsection 1.

A. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

B. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

C. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

D. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §36 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 1, §3 (COR) .]

31-A. **State subsidy.** "State subsidy" means the total of the state contribution determined under section 15688, subsection 3-A, paragraph B and any applicable adjustment under section 15689.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

31-B. **Subsidizable costs.** "Subsidizable costs" includes the costs described in paragraphs A to C and used to calculate the total allocation amount:

A. The total operating allocation under section 15683; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Debt service cost; and [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. Adjustments and miscellaneous costs under sections 15689 and 15689-A including special education tuition and board, excluding medical costs. For purposes of this paragraph, "special education tuition and board" means:

(1) Tuition and board for pupils placed directly by the State in accordance with rules adopted or amended by the commissioner; and

(2) Special education tuition and other tuition for institutional residents of state-operated institutions attending programs in school administrative units or private schools in accordance with rules adopted or amended by the commissioner. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

32. **Subsidizable pupils.** "Subsidizable pupils" means all school level pupils who reside in a school administrative unit and who are educated at public expense at a public school or at a private school approved for tuition purposes.

[2005, c. 2, Pt. D, §36 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

32-A. **Total allocation.** "Total allocation" means the total of the operating allocation as described in section 15683 and the debt service allocation as described in section 15683-A.

Nonsubsidizable costs are not considered in the calculation of the total allocation. "Nonsubsidizable costs" includes the following:

A. Community service costs; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Major capital costs; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. Expenditures from all federal revenue sources, except for amounts received under United States Public Law 81-874; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. Transportation costs not associated with transporting students from home to school and back home each day; and [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

E. Costs payable to the Maine Public Employees Retirement System under Title 5, section 17154, subsections 10 and 11. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF); 2007, c. 58, §3 (REV).]

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF); 2007, c. 58, §3 (REV) .]

32-B. **Total cost of components of essential programs and services.** "Total cost of the components of essential programs and services" means the total of the following components:

A. The base total determined pursuant to section 15683, subsection 1; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Other subsidizable costs identified in section 15681-A; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. Debt service costs; [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. Adjustments determined pursuant to section 15689; and [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

E. Miscellaneous costs appropriated pursuant to section 15689-A. [2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

32-C. **Transportation operating costs.** "Transportation operating costs" means all costs incurred in the transportation of pupils in kindergarten to grade 12, including lease costs for bus garage and maintenance facilities and lease-purchase costs that the school administrative unit may apply to the purchase of bus garage and maintenance facilities, when the leases and lease-purchase agreements have been approved by the commissioner, but excluding the costs of bus purchases and excluding all costs not associated with transporting students from home to school and back home each day. The amount includable for determining the subsidy for a school administrative unit for lease-purchase of bus garage and maintenance facilities may not exceed the amount for the lease of a comparable facility.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

32-D. **Vocational education costs.**

[2011, c. 679, §28 (RP) .]

32-E. **Year.** "Year" means a fiscal year starting July 1st and ending June 30th of the succeeding year.

[2005, c. 2, Pt. D, §36 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

33. **Year of funding.** "Year of funding" means the fiscal year during which state subsidies are disbursed to school administrative units, except as specified in section 15005, subsection 1.

[2003, c. 504, Pt. A, §6 (NEW) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2003, c. 712, §12 (AMD). RR 2005, c. 1, §3 (COR). 2005, c. 2, §D36 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW4 (AMD). 2005, c. 12, §WW18 (AFF). 2005, c. 397, §D3 (REV). 2005, c. 519, §§J1,AAAA3,4 (AMD). 2005, c. 662, §A41 (AMD). 2007, c. 58, §3 (REV). 2007, c. 111, §§3-5 (AMD). 2007, c. 141, §§13, 14 (AMD). 2007, c. 668, §35 (AMD). 2011, c. 655, Pt. C, §6 (AMD). 2011, c. 679, §§27, 28 (AMD). 2013, c. 167, Pt. B, §1 (AMD). 2013, c. 203, §1 (AMD).

§15673. RELATIONSHIP TO SCHOOL FINANCE ACT OF 1985

(REPEALED)

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2003, c. 712, §13 (RPR). 2005, c. 2, §§D72,74 (AFF). 2005, c. 2, §D37 (RP). 2005, c. 12, §WW18 (AFF).

§15674. PUPIL COUNTS

1. **Pupil counts used for determination of operating costs.** In addition to the additional weighted counts authorized under section 15675 and except as provided in subsection 2, the pupil count used for operating costs in this Act is the sum of:

A. The average number of secondary school-age persons enrolled in an adult education course counted during the most recent calendar year counted pursuant to section 8605, subsection 2; [2003, c. 504, Pt. A, §6 (NEW).]

B. The average number of students in equivalent instruction programs during the most recent calendar year, as reported pursuant to section 5021, subsection 8; and [2003, c. 504, Pt. A, §6 (NEW).]

C. The greater of:

(1) The average of the 2 pupil counts for April 1st and October 1st of the most recent calendar year prior to the year of funding, reported in accordance with section 6004, including the counts of students enrolled in an alternative education program made in accordance with section 5104-A; and

(2) The average of the 6 pupil counts for April 1st and October 1st of the 3 most recent calendar years prior to the year of funding, reported in accordance with section 6004, including the counts of students enrolled in an alternative education program and counted in accordance with section 5104-A. [2007, c. 667, §15 (AMD).]

[2007, c. 667, §15 (AMD) .]

2. **Exception.** Notwithstanding subsection 1, paragraph C, the pupil count identified in subsection 1, paragraph C, subparagraph (1) must be used for:

A. Elementary school level and middle school level students for school administrative units that send all their elementary school level and middle school level students as tuition students to schools elsewhere in the State; [2003, c. 504, Pt. A, §6 (NEW).]

B. High school level students for school administrative units that send all their high school level students as tuition students to schools elsewhere in the State; and [2003, c. 504, Pt. A, §6 (NEW).]

C. School level students for school administrative units that send all their school level students to schools elsewhere in the State. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

3. **Pupil count for public preschool programs.** Beginning with funding for the 2015-2016 school year, the pupil count for students 4 years of age and students 5 years of age attending public preschool programs must be based on the most recent October 1st count prior to the year of funding.

[2013, c. 581, §7 (NEW) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2007, c. 667, §15 (AMD). 2013, c. 581, §7 (AMD).

§15675. SPECIALIZED STUDENT POPULATIONS; ADDITIONAL WEIGHTS

For the purpose of calculating the total operating allocation under this chapter pursuant to section 15683, the following additional weights must be added to the per-pupil count calculated under section 15674, subsection 1, paragraph C, subparagraph (1). [2003, c. 504, Pt. A, §6 (NEW).]

1. **Limited English proficiency students.** The additional weights for school administrative units with limited English proficiency students are as follows:

A. For a school administrative unit with 15 or fewer limited English proficiency students, the unit receives an additional weight of .70 per student; [2007, c. 539, Pt. C, §6 (AMD).]

B. For a school administrative unit with more than 15 and fewer than 251 limited English proficiency students, the unit receives an additional weight of .50 per student; [2007, c. 539, Pt. C, §7 (AMD).]

C. For a school administrative unit with 251 or more limited English proficiency students, the unit receives an additional weight of .525 per student; and [2007, c. 539, Pt. C, §8 (AMD).]

Eligibility for state funds under this subsection is limited to school administrative units that are providing services to limited English proficiency students through programs approved by the department.

[2007, c. 539, Pt. C, §§6-8 (AMD) .]

2. **Economically disadvantaged students.** For each economically disadvantaged student, a school administrative unit receives an additional weight of .15. The number of economically disadvantaged students for each unit is determined by multiplying the number of resident pupils in the most recent calendar year by the most recent available elementary free or reduced-price meals percentage. The elementary free or reduced-price meals percentage may be applied to determine the number of economically disadvantaged students in the unit's secondary grades.

[2003, c. 504, Pt. A, §6 (NEW) .]

3. **Public preschool program to grade 2 students.** If a school administrative unit is eligible to receive targeted funds for its public preschool to grade 2 program under section 15681, then for each public preschool program to grade 2 student the unit receives an additional weight of .10.

A. For purposes of the additional weight under this subsection, the count of public preschool program to grade 2 students is calculated based on the number of resident pupils in the most recent calendar year. Beginning with funding for the 2015-2016 school year, the pupil count for students 4 years of age and students 5 years of age attending public preschool programs must be based on the most recent October 1st count prior to the allocation year. [2013, c. 581, §8 (AMD).]

B. Only school administrative units with public preschool to grade 2 programs approved by the department are eligible for funds pursuant to this subsection or other comparable index. [2007, c. 141, §15 (AMD).]

C. Funds provided pursuant to this subsection may be expended only on behalf of public preschool program to grade 2 students. [2007, c. 141, §15 (AMD).]

[2013, c. 581, §8 (AMD) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 2, §D38 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §UU2 (AMD). 2005, c. 12, §§UU12,13,WW 18 (AFF). 2005, c. 519, §AAAA5 (AMD). 2007, c. 141, §15 (AMD). 2007, c. 539, Pt. C, §§6-8 (AMD). 2013, c. 581, §8 (AMD).

§15676. EPS PER-PUPIL RATE

For each school administrative unit, the commissioner shall calculate the unit's EPS per-pupil rate for each year as the sum of: [2005, c. 2, Pt. D, §39 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Teaching staff costs.** The salary and benefit costs for school level teaching staff that are necessary to carry out this Act, calculated in accordance with section 15678, adjusted by the regional adjustment under section 15682 and reduced by the amount of funds received by the school administrative unit during the most recent fiscal year under Title I of the federal Elementary and Secondary Education Act of 1965, 20 United States Code, Section 6301 et seq.;

[2011, c. 2, §19 (COR) .]

2. **Other staff costs.** The salary and benefit costs for school-level staff who are not teachers, but including substitute teachers, that are necessary to carry out this Act, calculated in accordance with section 15679, adjusted by the regional adjustment under section 15682 and reduced by the amount of funds received by the school administrative unit during the most recent fiscal year under Title I of the federal Elementary and Secondary Education Act of 1965, 20 United States Code, Section 6301 et seq.; and

[2011, c. 2, §19 (COR) .]

3. **Additional costs.** The per-pupil amounts not related to staffing, calculated in accordance with section 15680.

[2003, c. 504, Pt. A, §6 (NEW) .]

The EPS per-pupil rate is calculated on the basis of which schools students attend. For school administrative units that do not operate their own schools, the EPS per-pupil rate is calculated under section 15676-A. [2005, c. 2, Pt. D, §39 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 2, §D39 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). RR 2011, c. 2, §19 (COR).

§15676-A. EPS PER-PUPIL RATE FOR UNITS THAT DO NOT OPERATE SCHOOLS

1. **Definitions.** For purposes of this section, the following terms have the following meanings.

A. "Receiving unit" means the school administrative unit to which students are sent by the sending unit. [2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. "Receiving unit cost" means the amount arrived at by multiplying the receiving unit's EPS rate by the number of students sent to that unit by the sending unit. [2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. "Sending unit" means the school administrative unit sending students to other school administrative units. [2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Calculation of EPS per-pupil rate.** For school administrative units that do not operate certain types of schools, the commissioner shall calculate that unit's EPS per-pupil rate for each year as follows.

A. For units that do not operate elementary grade schools, the EPS per-pupil rate for elementary grades is calculated by multiplying the number of students sent by the sending unit to an elementary grade receiving unit multiplied by the receiving unit's EPS per-pupil rate for elementary grades and the result

divided by the number of students sent by the sending unit to that elementary grade receiving unit. If the sending unit sends students to more than one elementary grade receiving unit, then the elementary grade receiving unit cost for each student sent by the sending unit is added and the result divided by the total number of students sent to elementary grade receiving units by the sending unit. The result is the average elementary grade EPS per-pupil rate for the sending unit.

The EPS per-pupil rate for private schools approved for tuition purposes under chapter 117 is the statewide average EPS per-pupil rate for elementary grades. The elementary attending student count is the most recent October 1st count prior to the allocation year. [2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. For units that do not operate secondary grade schools, the EPS per-pupil rate for secondary grades is calculated by multiplying the number of students sent by the sending unit to a secondary grade receiving unit multiplied by the receiving unit's EPS per-pupil rate for secondary grades and the result divided by the number of students sent by the sending unit to that secondary grade receiving unit. If the sending unit sends students to more than one secondary grade receiving unit, then the secondary grade receiving unit cost for each student sent by the sending unit is added and the result divided by the total number of students sent to secondary grade receiving units by the sending unit. The result is the average secondary grade EPS per-pupil rate for the sending unit.

The EPS per-pupil rate for private schools approved for tuition purposes under chapter 117 is the statewide average EPS per-pupil rate for secondary grades. The secondary attending student count is the most recent October 1st count prior to the allocation year. [2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §40 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D40 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF).

§15677. SALARY MATRIX

1. **Salary matrix defined.** For purposes of this section, "salary matrix" means the relationships on a statewide basis between average staff salaries and:

A. Years of staff experience; and [2003, c. 504, Pt. A, §6 (NEW).]

B. Levels of staff education. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

2. **Determination of matrix.** The salary matrix must be determined in accordance with the following.

A. For fiscal year 2005-06, the commissioner, using information provided by a statewide education policy research institute, shall establish the salary matrix based on the most recently available relevant data and appropriate trends in the Consumer Price Index or other comparable index. [2003, c. 504, Pt. A, §6 (NEW).]

B. For fiscal year 2006-07 and each subsequent year, the commissioner shall update the previous year's salary matrix to reflect appropriate trends in the Consumer Price Index or other comparable index. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

SECTION HISTORY

2003, c. 504, §A6 (NEW).

§15678. CALCULATION OF SALARY AND BENEFIT COSTS; SCHOOL LEVEL TEACHING STAFF

1. **Salary and benefit costs; teaching positions.** The commissioner shall annually determine, for each school administrative unit, the salary and benefit costs of all school level teaching positions that are necessary to carry out this Act.

[2003, c. 504, Pt. A, §6 (NEW) .]

2. **Ratios.** In calculating the salary and benefit costs pursuant to this section, the commissioner shall utilize the following student-to-teacher ratios.

A. For the elementary school level, the student-to-teacher ratio is 17:1. [2003, c. 504, Pt. A, §6 (NEW).]

B. For the middle school level, the student-to-teacher ratio is 16:1. [2003, c. 504, Pt. A, §6 (NEW).]

C. For the high school level, the student-to-teacher ratio is 15:1. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

3. **Number of teaching positions required.** The commissioner shall identify for each school administrative unit, using the pupil count arrived at under section 15674, subsection 1, paragraph C, subparagraph (1), the number of school level teaching positions that are required in order to achieve the student-to-teacher ratios set forth in subsection 2.

[2003, c. 504, Pt. A, §6 (NEW) .]

4. **Estimated salary costs.** The commissioner shall determine the estimated salary cost for the number of school level teaching positions required under subsection 3. In order to calculate this amount, the commissioner shall use the salary matrix pursuant to section 15677 for all school level teaching positions in each category.

[2003, c. 504, Pt. A, §6 (NEW) .]

5. **Total salary and benefit costs for school level teaching staff.** The total salary and benefit costs for school level teaching staff are equal to the sum of:

A. The amount identified pursuant to subsection 4; and [2003, c. 504, Pt. A, §6 (NEW).]

B. The amount, as determined by the commissioner, that equals the statewide percentage of salary costs that represents the statewide average benefit costs. [2005, c. 2, Pt. D, §41 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §41 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 2, §D41 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF).

§15679. CALCULATION OF SALARY AND BENEFIT COSTS; OTHER SCHOOL LEVEL STAFF

1. **Salary and benefit costs; other school level positions.** The commissioner shall annually determine, for each school administrative unit, the salary and benefit costs of all school level positions other than teaching positions, referred to in this section as "staff," that are necessary to carry out this Act.

[2003, c. 504, Pt. A, §6 (NEW) .]

2. **Students-to-staff ratios.** In calculating the salary and benefit costs pursuant to this section, the commissioner shall utilize the student-to-staff ratios specified in paragraphs A and B and adjusted as provided in paragraph C.

A. For the elementary school level and the middle school level:

(1) The student-to-education technician ratio is 100:1;

(2) The student-to-guidance staff ratio is 350:1;

(3) The student-to-librarian ratio is 800:1;

(4) The student-to-media assistant ratio is 500:1;

(5) The student-to-health staff ratio is 800:1;

(6) The student-to-school administrative staff ratio is 305:1; and

(7) The student-to-clerical staff ratio is 200:1. [2003, c. 504, Pt. A, §6 (NEW).]

B. For the high school level:

(1) The student-to-education technician ratio is 250:1;

(2) The student-to-guidance staff ratio is 250:1;

(3) The student-to-librarian ratio is 800:1;

(4) The student-to-media assistant ratio is 500:1;

(5) The student-to-health staff ratio is 800:1;

(6) The student-to-school administrative staff ratio is 315:1; and

(7) The student-to-clerical staff ratio is 200:1. [2003, c. 504, Pt. A, §6 (NEW).]

C. Beginning in fiscal year 2012-13, and for each subsequent fiscal year, if the total attending student population for a school administrative unit is less than 1,200 students, the commissioner shall reduce the ratios set forth in paragraphs A and B by 10%. [2011, c. 419, §1 (NEW).]

[2011, c. 419, §1 (AMD) .]

3. **Number of staff positions required.** The commissioner shall identify for each school administrative unit, using the pupil count arrived at under section 15674, subsection 1, paragraph C, subparagraph (1), the number of staff positions that are required in order to achieve the student-to-staff ratios set forth in subsection 2.

[2003, c. 504, Pt. A, §6 (NEW) .]

4. **Estimated salary costs.** The commissioner shall determine the estimated salary costs for the number of staff positions required under subsection 3. In order to calculate this amount, the commissioner, where appropriate, shall use the salary matrix pursuant to section 15677 for all staff positions in each category.

[2003, c. 504, Pt. A, §6 (NEW) .]

5. **Salary costs for substitute teachers.** The commissioner shall calculate the additional salary costs for substitute teachers for each school administrative unit using the pupil count arrived at under section 15674, subsection 1, paragraph C, subparagraph (1). In order to calculate this amount, the commissioner shall establish a per-pupil rate for the cost of a substitute teacher for 1/2 day.

[2003, c. 504, Pt. A, §6 (NEW) .]

6. **Total salary and benefit costs for staff.** The total salary and benefit costs for staff is equal to the sum of:

A. The estimated salary costs determined pursuant to subsection 4; [2003, c. 504, Pt. A, §6 (NEW).]

B. The amount, as determined by the commissioner, that equals the statewide percentage of estimated salary costs determined pursuant to subsection 4 that represents the statewide benefit costs; and [2003, c. 504, Pt. A, §6 (NEW).]

C. The substitute teacher salary costs determined pursuant to subsection 5. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2011, c. 419, §1 (AMD).

§15680. PER-PUPIL AMOUNTS NOT RELATED TO STAFFING

1. **Additional cost components.** The commissioner shall calculate one set of per-pupil amounts for each of the following cost categories to be applied to the elementary school level and middle school level and shall calculate another set of per-pupil amounts for each of the following cost categories to be applied to the high school level:

A. System administration. The per-pupil amount for "system administration" is the actual system administration expenditures, as defined in the State's accounting handbook for local school systems, for the most recent year available excluding expenditures for leases and the purchase of land and buildings, less revenues to system administration for services to other governments and refunds from a statewide school management association, divided by the average October and April enrollment counts for that fiscal year and then inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index. Beginning in school year 2008-2009, this per-pupil amount must be based on school year 2005-2006 system administration expenditures then reduced by 50% and inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index; [2007, c. 240, Pt. XXXX, §25 (AMD).]

B. Operation and maintenance of plant. The per-pupil amount for "operation and maintenance of plant" is the actual operation and maintenance of plant expenditures, as defined in the State's accounting handbook for local school systems, for the most recent year available excluding expenditures for leases and the purchase of land and buildings, divided by the average October and April enrollment counts for that fiscal year and then inflated to an estimated allocation year level by a 10-year average increase in the Consumer Price Index or other comparable index. For school year 2008-2009, the resulting per-pupil amount must be reduced by 5%; [2007, c. 240, Pt. XXXX, §26 (AMD).]

C. Supplies and equipment; [2003, c. 504, Pt. A, §6 (NEW).]

D. Cocurricular and extracurricular activities; [2003, c. 504, Pt. A, §6 (NEW).]

E. Professional development; and [2003, c. 504, Pt. A, §6 (NEW).]

F. Instructional leadership support. [2003, c. 504, Pt. A, §6 (NEW).]

[2007, c. 240, Pt. XXXX, §§25, 26 (AMD) .]

2. **Fiscal year 2005-06.** For fiscal year 2005-06, the commissioner shall submit the per-pupil amounts for additional cost components under subsection 1 to the state board for approval.

[2003, c. 504, Pt. A, §6 (NEW) .]

3. **Fiscal year 2006-07 and beyond.** For fiscal year 2006-07 and for each subsequent year, the commissioner shall recalculate the per-pupil amounts for additional cost components under subsection 1 using the amounts approved by the state board under subsection 2 as a base and appropriate trends in the Consumer Price Index or other comparable index.

[2003, c. 504, Pt. A, §6 (NEW) .]

4. **Review; approval.**

[2005, c. 519, Pt. AAAA, §6 (RP) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 519, §AAAA6 (AMD). 2007, c. 240, Pt. XXXX, §§25, 26 (AMD).

§15681. TARGETED FUNDS

1. **Eligibility.** In order for a school administrative unit to receive targeted funds under this section, the school administrative unit must meet the following eligibility criteria.

A. To receive targeted student assessment funds calculated pursuant to subsection 2, a school administrative unit must be in compliance with applicable state statutes and department rules regarding local assessment systems for the system of learning results established in section 6209 and be in compliance with applicable federal statutes and regulations pertaining to student assessment as required by the federal No Child Left Behind Act of 2001, 20 United States Code, Chapter 70. [2003, c. 504, Pt. A, §6 (NEW).]

B. To receive targeted technology resource funds calculated pursuant to subsection 3, a school administrative unit must be in compliance with the technology components of the unit's comprehensive education plan as required under section 4502, subsection 1. [2003, c. 504, Pt. A, §6 (NEW).]

C. To receive targeted public preschool program to grade 2 funds calculated pursuant to subsection 4, the school administrative unit must be in compliance with any applicable reporting requirements for local early childhood programs. Any program must be in compliance with chapter 203, subchapter 2 or 3. [2013, c. 581, §9 (AMD).]

D. To receive targeted educator evaluation funds, a school administrative unit must have or be in the process of developing a performance evaluation and professional growth system pursuant to chapter 508 and the rules adopted pursuant to that chapter. [2011, c. 635, Pt. A, §4 (NEW).]

[2013, c. 581, §9 (AMD) .]

2. **Targeted student assessment funds.**

[2005, c. 519, Pt. LL, §2 (RP) .]

2-A. **Targeted funds to implement a standards-based system.** For targeted funds to implement a standards-based system, the commissioner shall:

A. [2013, c. 506, §16 (RP).]

B. For fiscal year 2007-08 and every subsequent year, calculate an amount to be made available to address the components of a standards-based system. [2005, c. 635, §7 (NEW).]

[2013, c. 506, §16 (AMD) .]

3. **Targeted technology resource funds.** For targeted technology resource funds, the commissioner shall calculate one amount that may be made available to the elementary school level and middle school level and another amount that may be made available to the high school level in accordance with the following.

A. For fiscal year 2005-06, the commissioner shall establish a per-pupil amount for targeted technology resource funds. [2003, c. 504, Pt. A, §6 (NEW).]

B. For fiscal year 2006-07 and each subsequent year, the commissioner shall recalculate the per-pupil amount by using the amount calculated under paragraph A as a base and appropriate trends in the Consumer Price Index or other comparable index. [2003, c. 504, Pt. A, §6 (NEW).]

[2003, c. 504, Pt. A, §6 (NEW) .]

4. **Public preschool program to grade 2 funds.** For targeted public preschool program to grade 2 funds, the commissioner shall calculate the amount that may be made available to eligible school administrative units as follows.

A. For fiscal year 2005-06, the amount equals the product of the per-pupil guarantee calculated pursuant to section 15676 multiplied by the additional weight calculated pursuant to section 15675, subsection 3. [2003, c. 504, Pt. A, §6 (NEW).]

B. For fiscal year 2006-07 and each subsequent year, the commissioner shall recalculate the amount by using the amount calculated under paragraph A as a base and appropriate trends in the Consumer Price Index or other comparable index. [2003, c. 504, Pt. A, §6 (NEW).]

[2007, c. 141, §17 (AMD) .]

5. **Review; approval.**

[2005, c. 519, Pt. AAAA, §7 (RP) .]

6. **Targeted funds for educator evaluation.** For educator evaluation funds beginning with the 2013-2014 school year, the commissioner shall calculate the amount available to assist school administrative units in developing and implementing performance evaluation and professional growth systems pursuant to chapter 508.

[2011, c. 635, Pt. A, §5 (NEW) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 12, §D2 (AMD). 2005, c. 519, §§LL2,3,AAAA 7 (AMD). 2005, c. 635, §7 (AMD). 2007, c. 141, §§16, 17 (AMD). 2011, c. 635, Pt. A, §§4, 5 (AMD). 2013, c. 506, §16 (AMD). 2013, c. 581, §9 (AMD).

§15681-A. OTHER SUBSIDIZABLE COSTS

The following are other subsidizable costs: [2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Bus purchases.** Bus purchase costs;

[2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Special education costs.** Beginning in fiscal year 2005-06, a school administrative unit receives an additional weight of at least 1.20 but not greater than 1.40 for each special education student identified on the annual December 1st child count as required by the federal Individuals with Disabilities Education Act for the most recent year, up to a maximum of 15% of the school administrative unit's resident pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1). For those school administrative units in which the annual December 1st child count for the most recent year is less than 15% of the school administrative unit's resident pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1), the special education child count percentage may not increase more than 0.5% in any given year, up to a maximum of 1.0% in any given 3-year period. For each special education student above the 15% maximum, the unit receives an additional weight of .38. In addition, each school administrative unit must receive additional funds:

A. For lower staff-student ratios and expenditures for related services for school administrative units with fewer than 20 special education students identified on the annual December 1st child count as required by the federal Individuals with Disabilities Education Act for the most recent year; [2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. For high-cost in-district special education placements. Additional funds must be allocated for each student estimated to cost 3 times the statewide special education EPS per-pupil rate. The additional funds for each student must equal the amount by which that student's estimated costs exceed 3 times the statewide special education EPS per-pupil rate; [2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. For high-cost out-of-district special education placements. Additional funds must be allocated for each student estimated to cost 4 times the statewide special education EPS per-pupil rate. The additional funds for each student must equal the amount by which that student's estimated costs exceed 4 times the statewide special education EPS per-pupil rate; and [2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. To ensure the school administrative unit meets the federal maintenance of effort requirement for receiving federal Individuals with Disabilities Education Act funds. [2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

The commissioner shall develop an appeals procedure for calculated special education costs for school administrative units;

[2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2-A. **Reduction for fiscal year 2008-09.** For fiscal year 2008-09, the commissioner shall reduce by 5% the allocation for special education costs as described in subsection 2. These calculated special education costs for school administrative units for fiscal year 2008-09 are subject to the appeals procedure described in subsection 2.

[2007, c. 240, Pt. XXXX, §27 (NEW) .]

3. **Transportation costs.** For fiscal year 2006-07, the commissioner, using information provided by a statewide education policy research institute, shall establish for each school administrative unit a predicted per-pupil transportation cost as defined in section 15672, subsection 22-A. The established predicted per-pupil transportation cost multiplied by the number of the school administrative unit's resident

students for each school administrative unit must be no less than 90% of the most recent year's reported net transportation expenditures. Beginning in fiscal year 2007-08, and for each subsequent fiscal year, the per-pupil transportation costs for each school administrative unit are its predicted per-pupil transportation cost for the most recent year adjusted by the Consumer Price Index or other comparable index, except that the established predicted per-pupil transportation cost multiplied by the number of the school administrative unit's resident students for each school administrative unit must be no less than 90% of the most recent year's reported net transportation expenditures. The commissioner shall develop an appeals procedure for established per-pupil transportation costs for school administrative units;

[2005, c. 519, Pt. AAAA, §8 (RPR) .]

3-A. **Reduction for fiscal year 2008-09.** For fiscal year 2008-09, the commissioner shall reduce by 5% the allocation for transportation costs as described in subsection 3. These calculated transportation costs for school administrative units for fiscal year 2008-09 are subject to the appeals procedure described in subsection 3.

[2007, c. 240, Pt. XXXX, §28 (NEW) .]

4. **Career and technical education costs.** Career and technical education costs in the base year adjusted to the year prior to the allocation year. This subsection does not apply to the 2017-18 funding year and thereafter; and

[2015, c. 267, Pt. C, §9 (AMD) .]

5. **Gifted and talented education costs.** Gifted and talented education costs in the base year adjusted to the year prior to the allocation year.

[2005, c. 2, Pt. D, §44 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D44 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §UU3 (AMD). 2005, c. 12, §§UU12,13,WW 18 (AFF). 2005, c. 397, §D3 (REV). 2005, c. 519, §AAAA8 (AMD). 2007, c. 240, Pt. XXXX, §§27, 28 (AMD). 2013, c. 368, Pt. C, §10 (AMD). 2013, c. 595, Pt. C, §4 (AMD). 2015, c. 267, Pt. C, §9 (AMD).

§15682. REGIONAL ADJUSTMENT

The commissioner shall make a regional adjustment in the total operating allocation for each school administrative unit determined pursuant to section 15683. The regional adjustment must be based on the regional differences in teacher salary costs, for labor market areas in which the school administrative unit is located, as computed by a statewide education policy research institute, and must be applied only to appropriate teacher salary and benefits costs as calculated under section 15678 and salary and benefit costs of other school-level staff who are not teachers as calculated under section 15679. Beginning in fiscal year 2012-13, and for each subsequent fiscal year, the commissioner shall make a regional adjustment in the total operating allocation for each school administrative unit determined pursuant to section 15683. The regional adjustment must be based on the regional differences in teacher salary costs, for labor market areas in which the school administrative unit is located, as computed by a statewide education policy research institute, and must be applied only to appropriate teacher salary costs as calculated under section 15678 and salary costs of other school-level staff who are not teachers as calculated under section 15679. [2011, c. 419, §2 (AMD).]

SECTION HISTORY

2003, c. 504, §A6 (NEW). 2005, c. 2, §D46 (AMD). 2005, c. 2, §D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2005, c. 519, §AAAA9 (AMD). 2009, c. 213, Pt. C, §6 (AMD). 2011, c. 419, §2 (AMD).

§15683. TOTAL OPERATING ALLOCATION

For each school administrative unit, that unit's total operating allocation is the base total set forth in subsection 1 as adjusted in accordance with subsection 2 and including the total amount of other subsidizable costs as described in section 15681-A. [2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Base total.** The base total of a school administrative unit's total operating allocation is the sum of:

A. The product of the school administrative unit's kindergarten to grade 8 EPS per-pupil rate multiplied by the total of the kindergarten to grade 8 portions of the following pupil counts:

(1) The pupil count set forth in section 15674, subsection 1, paragraph C;

(2) The additional weight for limited English proficiency students calculated pursuant to section 15675, subsection 1; and

(3) The additional weight for economically disadvantaged students calculated pursuant to section 15675, subsection 2; [2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. The product of the school administrative unit's grade 9 to 12 EPS per-pupil rate multiplied by the total of the grade 9 to 12 portion of the following pupil counts:

(1) The pupil count set forth in section 15674, subsection 1, paragraphs A, B and C;

(2) The additional weight for limited English proficiency students calculated pursuant to section 15675, subsection 1; and

(3) The additional weight for economically disadvantaged students calculated pursuant to section 15675, subsection 2; [2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. If the school administrative unit is eligible for targeted funds for the implementation of a standards-based system pursuant to section 15681, subsection 1, the sum of:

(1) The product of the elementary school level and middle school level per-pupil amount for targeted funds for the implementation of a standards-based system calculated pursuant to section 15681, subsection 2 multiplied by the kindergarten to grade 8 portion of the pupil count calculated pursuant to section 15674, subsection 1, paragraph C, subparagraph (1); and

(2) The product of the high school level per-pupil amount for targeted funds for the implementation of a standards-based system calculated pursuant to section 15681, subsection 2 multiplied by the grade 9 to 12 portion of the pupil count calculated pursuant to section 15674, subsection 1, paragraph C, subparagraph (1); [2005, c. 635, §8 (AMD).]

D. If the school administrative unit is eligible for targeted technology resource funds pursuant to section 15681, subsection 1, the sum of:

(1) The product of the elementary school level and middle school level per-pupil amount for targeted technology resource funds calculated pursuant to section 15681, subsection 3 multiplied by the kindergarten to grade 8 portion of the pupil count calculated pursuant to section 15674, subsection 1, paragraph C, subparagraph (1); and

(2) The product of the high school level per-pupil amount for targeted technology resource funds calculated pursuant of section 15681, subsection 3 multiplied by the grade 9 to 12 portion of the pupil count calculated pursuant to section 15674, subsection 1, paragraph C, subparagraph (1); [2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

E. If the school administrative unit is eligible for targeted kindergarten to grade 2 funds pursuant to section 15681, subsection 1, the product of the EPS per-pupil rate multiplied by the additional weight for kindergarten to grade 2 calculated pursuant to section 15675, subsection 3; and [2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

F. An isolated small unit adjustment. A school administrative unit is eligible for an isolated small school adjustment when the unit meets the size and distance criteria as established by the commissioner. The amount of the adjustment is the result of adjusting the necessary student-to-staff ratios determined in section 15679, subsection 2, the per-pupil amount for operation and maintenance of plant in section 15680, subsection 1, paragraph B or other essential programs and services components in chapter 606-B, as recommended by the commissioner. The isolated small school adjustment must be applied to discrete school buildings that meet the criteria for the adjustment. The adjustment is not applicable to sections, wings or other parts of a building that are dedicated to certain grade spans. [2009, c. 571, Pt. E, §20 (AMD).]

[2009, c. 571, Pt. E, §20 (AMD) .]

2. Adjustments. The base total calculated pursuant to subsection 1 must be adjusted by multiplying it by the appropriate transition percentage in accordance with section 15671, subsection 7, paragraph A.

A. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §47 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

B. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §47 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

C. [2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §47 (RP); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §47 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
IB 2003, c. 2, §1 (NEW). 2003, c. 504, §A6 (NEW). 2003, c. 712, §14 (AMD). 2005, c. 2, §D47 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 2, §D48 (RP). 2005, c. 12, §WW18 (AFF). 2005, c. 519, §AAAA10 (AMD). 2005, c. 635, §8 (AMD). 2009, c. 571, Pt. E, §20 (AMD).

§15683-A. TOTAL DEBT SERVICE ALLOCATION

For each school administrative unit, that unit's total debt service allocation is that unit's debt service costs as defined in section 15672, subsection 2-A. Each school administrative unit's total debt service allocation must include the portion of the tuition cost applicable to the insured value factor for the base year computed under section 5806. Beginning in school year 2014-2015, each school administrative unit's total debt service allocation must include the portion of the tuition cost applicable to the insured value factor for the base year computed under section 5806 limited to an insured value factor no greater than the percentage established in section 5806, excluding any higher percentage authorized by local school boards, for each eligible student for the base year. [2013, c. 418, §2 (AMD).]

SECTION HISTORY

2005, c. 2, §D49 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2007, c. 539, Pt. C, §9 (AMD). 2009, c. 213, Pt. C, §7 (AMD). 2011, c. 655, Pt. C, §7 (AMD). 2013, c. 418, §2 (AMD).

§15683-B. PUBLIC CHARTER SCHOOLS; CALCULATION OF TOTAL ALLOCATION AND STATE CONTRIBUTION

Beginning with fiscal year 2015-16, this section applies to public charter schools authorized by the Maine Charter School Commission, established under Title 5, section 12004-G, subsection 10-D, in accordance with the funding provisions established in section 2413-A. [2015, c. 54, §6 (NEW).]

1. **Calculation of EPS per-pupil rates.** If there is only one school administrative unit sending students to a public charter school in a school year, the commissioner shall use that resident school administrative unit's EPS per-pupil rate. If there is more than one school administrative unit sending students to the public charter school, the commissioner shall calculate a public charter school's EPS per-pupil rate for each year as follows.

A. When there are elementary students from outside of a single resident school administrative unit sending students to an elementary public charter school, the EPS per-pupil rate for elementary grades is calculated by multiplying the number of students from a resident school administrative unit attending the public charter school by that resident school administrative unit's elementary EPS per-pupil rate to find the total cost for elementary students enrolled in the public charter school in that resident school administrative unit, then adding the total cost for elementary students enrolled in the public charter school from each resident school administrative unit. The result is divided by the total number of elementary students in the public charter school. [2015, c. 54, §6 (NEW).]

B. When there are secondary students from outside of a single resident school administrative unit sending students to a secondary public charter school, the EPS per-pupil rate for secondary grades is calculated by multiplying the number of students from a resident school administrative unit attending the public charter school by that resident school administrative unit's secondary EPS per-pupil rate to find the total cost for secondary students enrolled in the public charter school in that resident school administrative unit, then adding the total cost for secondary students enrolled in the public charter school from each resident school administrative unit. The result is divided by the total number of secondary students in the public charter school. [2015, c. 54, §6 (NEW).]

[2015, c. 54, §6 (NEW) .]

2. **Pupil counts.** Notwithstanding section 15674, the commissioner shall determine a public charter school's student counts for each year as follows.

A. The basic student count for a public charter school is the pupil count for October 1st of the most recent calendar year prior to the year of funding. [2015, c. 54, §6 (NEW).]

B. The number of economically disadvantaged students for each public charter school is determined by multiplying the number of students at the public charter school by the most recent available elementary free or reduced-price meals percentage for that public charter school. The elementary free or reduced-price meals percentage may be applied to determine the number of economically disadvantaged students in the public charter school secondary grades. If the public charter school does not operate elementary grades, the most recent available secondary free or reduced-price meals percentage must be used in place of the elementary free or reduced-price meals percentage. [2015, c. 54, §6 (NEW).]

C. The number of limited English proficiency students for each public charter school is the number of limited English proficiency students from the most recent October count prior to the year of funding. [2015, c. 54, §6 (NEW).]

D. The number of special education students for each public charter school is the number of special education students from the most recent October count prior to the year of funding. [2015, c. 54, §6 (NEW).]

[2015, c. 54, §6 (NEW) .]

3. **Operating allocation.** The commissioner shall determine a public charter school's operating allocation for each year as the sum of:

A. The base allocation, which is the pupil count pursuant to subsection 2, paragraph A multiplied by the public charter school's EPS per-pupil rates calculated pursuant to subsection 1; [2015, c. 54, §6 (NEW).]

B. The economically disadvantaged student allocation, which is the pupil count determined pursuant to subsection 2, paragraph B multiplied by the additional weight for each economically disadvantaged student pursuant to section 15675, subsection 2; [2015, c. 54, §6 (NEW).]

C. The limited English proficiency student allocation, which is the pupil count pursuant to subsection 2, paragraph C multiplied by the additional weight for each limited English proficiency student pursuant to section 15675, subsection 1; [2015, c. 54, §6 (NEW).]

D. The targeted funds for standards-based system allocation, which is based on the per-pupil amount pursuant to section 15683, subsection 1, paragraph C multiplied by the pupil count pursuant to subsection 2, paragraph A; [2015, c. 54, §6 (NEW).]

E. The targeted funds for technology resource allocation, which is based on the per-pupil amount pursuant to section 15683, subsection 1, paragraph D multiplied by the pupil count in subsection 2, paragraph A; and [2015, c. 54, §6 (NEW).]

F. The targeted funds for public preschool to grade 2 student allocation, which is based on the preschool to grade 2 pupil count pursuant to subsection 2, paragraph A multiplied by the public charter school's elementary EPS per-pupil rates in subsection 1. [2015, c. 54, §6 (NEW).]

The operating allocation calculated pursuant to this subsection must be adjusted by multiplying it by the appropriate transition percentage in accordance with section 15671, subsection 7.

[2015, c. 54, §6 (NEW) .]

4. **Other subsidizable costs allocation.** The commissioner shall determine a public charter school's other subsidizable costs allocation for each year as the sum of:

A. The gifted and talented allocation pursuant to section 2413-A, subsection 2, paragraph A, subparagraph (4); [2015, c. 54, §6 (NEW).]

B. The special education allocation pursuant to section 2413-A, subsection 2, paragraph B. The special education allocation may not be less than 90% of the public charter school base year expenditures for special education; and [2015, c. 54, §6 (NEW).]

C. The transportation operating allocation, which is the statewide per-pupil essential programs and services transportation operating allocation multiplied by a percentage established by the Maine Charter School Commission for that public charter school based on the cost of transportation services provided by the public charter school to the student but not to exceed 100% multiplied by the pupil count in subsection 2, paragraph A. [2015, c. 54, §6 (NEW).]

A public charter school is not entitled to career and technical education funding. The school administrative unit in which the public charter school student resides must pay the cost of attendance for the student at a career and technical education program.

[2015, c. 54, §6 (NEW) .]

5. **Total allocation and state contribution.** The commissioner shall determine a public charter school's total allocation as the sum of the school's operating allocation under subsection 3 and other subsidizable costs allocation under subsection 4. That total allocation is the state contribution, except that up to 3% of this amount must be withheld in accordance with section 2405, subsection 5, paragraph B and transferred to the Maine Charter School Commission.

[2015, c. 54, §6 (NEW) .]

6. **Payment of state contribution.** The commissioner shall authorize state subsidy payments to be made to public charter schools in accordance with the same schedule of payments for school administrative units pursuant to section 15689-B.

[2015, c. 54, §6 (NEW) .]

7. **MaineCare seed.** The commissioner may deduct from a public charter school's state subsidy and pay on behalf of the public charter school allowable school-based costs that represent the public charter school's portion of MaineCare payments. A transfer of payment by the department to the Department of Health and Human Services must be made pursuant to a schedule agreed upon by the Department of Health and Human Services and the department and based on documentation of payments made from MaineCare funds.

[2015, c. 54, §6 (NEW) .]

8. **Curtailment adjustment.** In any funding year, if general purpose aid for local schools funding is curtailed, then the public charter school state contribution under this chapter must be curtailed by the proportional percentage that school administrative units have been curtailed.

[2015, c. 54, §6 (NEW) .]

9. **Phase-in procedures for new or newly expanded public charter schools.** For new or newly expanded public charter schools, the commissioner shall make a preliminary calculation of total allocation based on the following:

A. Estimated student counts not to exceed the enrollment limit established by the Maine Charter School Commission; [2015, c. 54, §6 (NEW).]

B. Estimated rates and weights based on statewide averages; and [2015, c. 54, §6 (NEW).]

C. The preliminary calculation of total allocation, which must be replaced with actual student data once students have been enrolled for the new school year. The new or newly expanded public charter school shall enroll new students no later than August 1st in a student information system maintained by the department. [2015, c. 54, §6 (NEW).]

[2015, c. 54, §6 (NEW) .]

SECTION HISTORY
2015, c. 54, §6 (NEW).

§15684. SCHOOL ADMINISTRATIVE UNIT CONTRIBUTIONS TO TOTAL OPERATING ALLOCATION

(REPEALED)

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2003, c. 712, §15 (AMD). MRSA T. 20-A, §15684, sub-§3 (RP).

§15685. WEIGHTED RELATIVE PROPERTY FISCAL CAPACITY

(REPEALED)

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 2, §D51 (RP). 2005, c. 12, §WW18 (AFF).

§15686. TRANSITION ADJUSTMENT

For each of the fiscal years described in section 15671, subsection 7, the commissioner shall establish a transition adjustment calculated to minimize the adverse fiscal impact that may be experienced by some municipalities as a result of the phase-in of this Act. The transition adjustment for a municipality must be directly related to the phase-in of essential programs and services and the local cost share expectation method under section 15671-A of determining the local contribution to the cost of funding essential programs and services. The amount of this adjustment must decline with each successive fiscal year, and the adjustments must end no later than fiscal year 2008-09. [2005, c. 2, Pt. D, §52 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Adjustment in fiscal year 2005-06.** A school administrative unit is eligible for a transition adjustment in fiscal year 2005-06 according to the provisions of this subsection.

A. A school administrative unit is eligible to receive a transition adjustment in fiscal year 2005-06 if the school administrative unit's state share of the total allocation, including the debt service adjustment pursuant to section 15689, subsection 2, and the minimum state share of its total allocation pursuant to section 15689, subsection 1 is less than the fiscal year 2004-05 state share of its total allocation, including the minimum state share of its total allocation pursuant to former section 15689, subsection 1 and the adjustment for geographic isolation pursuant to section 15612, subsection 2. The state share adjustment is an amount equal to that difference less the losses due to reduced expenditures for buses, debt service, special education, gifted and talented education and career and technical education.

(1) A school administrative unit that meets the criteria under this paragraph is eligible to receive no less than a 5% transition adjustment in fiscal year 2005-06 if the school administrative unit operates an elementary or secondary school and also has a student count of less than 1,000.

(2) A school administrative unit that meets the criteria under this paragraph is eligible to receive no less than a 2.5% transition adjustment in fiscal year 2005-06 if the school administrative unit operates an elementary or secondary school and also has a student count of 1,000 or more. [2005, c. 12, Pt. UU, §§12, 13 (AFF); 2005, c. 12, Pt. UU, §4 (RPR); 2005, c. 12, Pt. WW, §18 (AFF); 2005, c. 397, Pt. D, §3 (REV).]

B. A small school administrative unit is eligible to receive a transition adjustment in fiscal year 2005-06 if the school administrative unit operates an elementary or secondary school, raises the maximum local cost share expectation pursuant to section 15671-A and also has a student count of less than 500. A school administrative unit that meets these criteria is eligible to receive 86% instead of 84% of the base total calculated pursuant to section 15683, subsection 2 in fiscal year 2005-06. [2005, c. 12, Pt. UU, §4 (NEW); 2005, c. 12, Pt. UU, §§12, 13 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 12, Pt. UU, §§12, 13 (AFF); 2005, c. 12, Pt. UU, §4 (RPR); 2005, c. 12, Pt. WW, §18 (AFF); 2005, c. 397, Pt. D, §3 (REV) .]

2. **Adjustment in fiscal year 2006-07.** A school administrative unit is eligible for a transition adjustment in fiscal year 2006-07 to mitigate a significant increase in state-certified property valuation according to the provisions of this subsection.

A. A school admistrative unit is eligible under this subsection if it meets the following tier 1 criteria:

(1) The school administrative unit's state subsidy for fiscal year 2006-07, including the transition adjustment under this section, is less than the state subsidy the school administrative unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service; and

(2) The school administrative unit's state-certified valuation's increase from 2004 to 2005 is greater than the increase in statewide state-certified valuation during the same period.

School administrative units meeting the criteria in subparagraphs (1) and (2) are eligible to receive a transition adjustment amount equal to the result of the unit's valuation over the state average increase in valuation up to 4% multiplied by the statewide mill expectation established for fiscal year 2006-07 that may not result in a state share greater than the unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service. [2005, c. 519, Pt. AAAA, §11 (NEW).]

B. A school administrative unit is eligible under this subsection if it meets the following tier 2 criteria:

(1) The school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section, is less than the state subsidy the school administrative unit received in fiscal year 2005-06, including transition adjustments and adjustments for the decline in debt service;

(2) The school administrative unit's adjusted mill expectation is below the statewide mill expectation established for fiscal year 2006-07;

(3) The school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section, is less than the school administrative unit's fiscal year 2004-05 state share of its total allocation, including the minimum state share of its total allocation pursuant to section 15689, subsection 1 and the adjustment for geographic isolation pursuant to former section 15612, subsection 2 and including the adjustment due to reduced expenditures for buses, debt service, special education, gifted and talented education and career and technical education;

(4) The school administrative unit's state subsidy in fiscal year 2005-06 did not include a transition adjustment; and

(5) The school administrative unit operates an elementary or secondary school.

School administrative units meeting all the criteria in this paragraph are eligible to receive a transition adjustment in an amount equal to the difference between the following: the school administrative unit's state subsidy in fiscal year 2006-07, including the transition adjustment under this section; and the fiscal year 2004-05 state share of the school administrative unit's total allocation, including the minimum state share of its total allocation pursuant to section 15689, subsection 1 and the adjustment for geographic isolation pursuant to former section 15612, subsection 2 and including the adjustment due to reduced expenditures for buses, debt service, special education, gifted and talented education and career and technical education plus 5%. [2005, c. 519, Pt. AAAA, §11 (NEW).]

[2005, c. 519, Pt. AAAA, §11 (NEW) .]

SECTION HISTORY
2003, c. 504, §A6 (NEW). 2003, c. 712, §16 (AMD). 2005, c. 2, §D52 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §UU4 (AMD). 2005, c. 12, §§UU12,13 (AFF). 2005, c. 12, §WW18 (AFF). 2005, c. 397, §D3 (REV). 2005, c. 519, §AAAA11 (AMD).

§15686-A. REVIEW OF ESSENTIAL PROGRAMS AND SERVICES COMPONENTS

1. **Components to be reviewed beginning in fiscal year 2006-07.** Beginning in fiscal year 2006-07, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services student-to-staff ratios, salary and benefits matrices, transportation, small schools adjustments, labor markets and gifted and talented components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

[2005, c. 519, Pt. AAAA, §12 (NEW) .]

2. **Components to be reviewed beginning in fiscal year 2007-08.** Beginning in fiscal year 2007-08, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services career and technical education, special education, specialized student populations, system administration and operations and maintenance components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

[2005, c. 519, Pt. AAAA, §12 (NEW) .]

3. **Components to be reviewed beginning in fiscal years 2008-09 and 2016-17.** Beginning in fiscal year 2008-09, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services professional development, student assessment, technology, leadership support, cocurricular and extra-curricular activities, supplies and equipment and, beginning in fiscal year 2016-17, charter school components under this chapter and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended changes for legislative action.

[2015, c. 389, Pt. C, §6 (AMD) .]

4. **Components to be reviewed beginning in fiscal year 2017-18.** Beginning in fiscal year 2017-18, and at least every 3 years thereafter, the commissioner, using information provided by a statewide education policy research institute, shall review the essential programs and services components under this chapter related to implementation of proficiency-based reporting and graduation requirements and shall submit to the joint standing committee of the Legislature having jurisdiction over education matters any recommended legislative changes.

[2015, c. 489, §8 (NEW) .]

SECTION HISTORY
2005, c. 519, §AAAA12 (NEW). 2015, c. 389, Pt. C, §6 (AMD). 2015, c. 489, §8 (AMD).

§15687. RULES

The commissioner shall adopt rules to implement this Act. Rules adopted pursuant to this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A. [2003, c. 504, Pt. A, §6 (NEW).]

SECTION HISTORY
2003, c. 504, §A6 (NEW).

§15688. SCHOOL ADMINISTRATIVE UNIT CONTRIBUTION TO TOTAL COST OF FUNDING PUBLIC EDUCATION FROM KINDERGARTEN TO GRADE 12

1. **School administrative unit; total cost.** For each school administrative unit, the commissioner shall annually determine the school administrative unit's total cost of education. A school administrative unit's total cost of education must include:

A. The school administrative unit's base total calculated pursuant to section 15683, subsection 1, adjusted pursuant to the transition targets described in section 15671, subsection 7, paragraph A; [2005, c. 2, Pt. D, §53 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. The other subsidizable costs described in section 15681-A; [2013, c. 368, Pt. C, §11 (AMD).]

C. The total debt service allocation described in section 15683-A; and [2013, c. 368, Pt. C, §11 (AMD).]

D. Beginning in the 2013-14 funding year, the normal cost of retirement for a teacher pursuant to Title 5, section 17154, subsection 6. [2013, c. 368, Pt. C, §11 (NEW).]

[2013, c. 368, Pt. C, §11 (AMD) .]

2. **Member municipalities in school administrative districts, community school districts, regional school units; total costs.** For each municipality that is a member of a school administrative district, community school district or regional school unit, the commissioner shall annually determine each municipality's total cost of education. A municipality's total cost of education is the school administrative district's, community school district's or regional school unit's total cost of education multiplied by the percentage that the municipality's most recent calendar year average pupil count is to the school administrative district's, community school district's or regional school unit's most recent calendar year average pupil count.

[2007, c. 240, Pt. XXXX, §29 (AMD) .]

3. **School administrative unit; contribution.**

[2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 2, Pt. D, §55 (RP); 2005, c. 12, Pt. WW, §18 (AFF) .]

3-A. **School administrative unit; contribution.** For each school administrative unit, the commissioner shall annually determine the school administrative unit's required contribution, the required contribution of each municipality that is a member of the unit, if the unit has more than one member, and the State's contribution to the unit's total cost of education in accordance with the following.

A. For a school administrative unit composed of only one municipality, the contribution of the unit and the municipality is the same and is the lesser of:

(1) The total cost described in subsection 1; and

(2) The total of the full-value education mill rate calculated in section 15671-A, subsection 2 multiplied by the property fiscal capacity of the municipality. [2005, c. 2, Pt. D, §56 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. For a school administrative district, community school district or regional school unit composed of more than one municipality, each municipality's contribution to the total cost of education is the lesser of:

(1) The municipality's total cost as described in subsection 2; and

(2) The total of the full-value education mill rate calculated in section 15671-A, subsection 2 multiplied by the property fiscal capacity of the municipality. [2015, c. 494, Pt. A, §13 (AMD).]

B-1. [2007, c. 668, §36 (RP).]

C. For a school administrative district, community school district or regional school unit composed of more than one municipality, the unit's contribution to the total cost of education is the lesser of:

(1) The total cost as described in subsection 1; and

(2) The sum of the totals calculated for each member municipality pursuant to paragraph B, subparagraph (2). [2007, c. 668, §37 (AMD).]

D. The state contribution to the school administrative unit's total cost of education is the total cost of education calculated pursuant to subsection 1 less the school administrative unit's contribution calculated pursuant to paragraph A or C, as applicable. The state contribution is subject to reduction in accordance with section 15690, subsection 1, paragraph C. [2005, c. 2, Pt. D, §56 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2015, c. 494, Pt. A, §13 (AMD) .]

4. **Method of cost sharing; exception.** For the purpose of local cost sharing, the provisions of subsection 3-A do not apply to municipalities that are members of a school administrative district or a community school district whose cost sharing formula was established pursuant to private and special law prior to January 1, 2004. For each municipality that is a member of a school administrative district or a community school district whose cost sharing formula was established pursuant to private and special law prior to January 1, 2004, the cost sharing formula established pursuant to private and special law determines each municipality's local cost of education.

[2005, c. 2, Pt. D, §57 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Effective date.** This section takes effect July 1, 2005.

[2003, c. 712, §17 (NEW) .]

SECTION HISTORY
2003, c. 712, §17 (NEW). 2005, c. 2, §§D53-57 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2007, c. 240, Pt. XXXX, §§29, 30 (AMD). 2007, c. 668, §§36, 37 (AMD). 2013, c. 368, Pt. C, §11 (AMD). 2015, c. 494, Pt. A, §13 (AMD).

§15688-A. ENHANCING STUDENT PERFORMANCE AND OPPORTUNITY; COSTS

Beginning in fiscal year 2013-14, the commissioner may expend and disburse funds to meet the purposes of this section to the appropriate school administrative unit or institution or to meet contractual obligations. [2013, c. 368, Pt. C, §12 (NEW).]

1. **Career and technical education costs.** Beginning in fiscal year 2017-18, the allocation for career and technical education must be based upon a program-driven model that considers components for direct instruction, central administration, supplies, operation and maintenance of plant, other student and staff support and equipment. Monthly payments must be made directly to school administrative units with career and technical education centers and directly to career and technical education regions. If a school

administrative unit with a career and technical education center or a career and technical education region has any unexpended funds at the end of the fiscal year, these funds must be carried forward for the purposes of career and technical education.

[2015, c. 267, Pt. C, §10 (AMD) .]

2. **College transitions programs.** The commissioner may expend and disburse funds to provide for expanded access to programs designed to provide college transitions programs through the State's adult education system.

[2013, c. 368, Pt. C, §12 (NEW) .]

3. **Transition to proficiency-based diplomas.** The commissioner may expend and disburse funds to support the transition to proficiency-based diplomas pursuant to section 4722-A, subsection 4, including the proficiency-based reporting and credentials requirements of section 6209, subsection 3-A.

[2015, c. 489, §9 (AMD) .]

4. **New or expanded public preschool programs for children 4 years of age.** Beginning in fiscal year 2015-16 and for each subsequent fiscal year, the commissioner may expend and disburse one-time, start-up funds to provide grants for expanded access to public preschool programs for children 4 years of age pursuant to chapter 203, subchapter 3. The amounts of the grant funding provided to qualified school administrative units pursuant to chapter 203, subchapter 3 are limited to the amounts appropriated, allocated or authorized by the Legislature for the operation of public preschool programs. Any balance of funds appropriated, allocated or authorized by the Legislature remaining at the end of a fiscal year do not lapse and are carried forward to the next fiscal year to carry out the purposes of chapter 203, subchapter 3.

[2013, c. 581, §10 (NEW) .]

5. **School improvement and support.** The commissioner may expend and disburse funds to support school improvement activities in accordance with chapter 222.

[2015, c. 267, Pt. C, §11 (NEW) .]

6. **National industry standards for career and technical education.** The commissioner may expend and disburse funds to support enhancements to career and technical education programs that align those programs with national industry standards, in accordance with chapter 313.

[2015, c. 267, Pt. C, §11 (NEW) .]

7. **Educator effectiveness.** The commissioner may expend and disburse funds to support the implementation of performance evaluation and professional growth systems in accordance with chapter 508.

[2015, c. 267, Pt. C, §11 (NEW) .]

SECTION HISTORY
2013, c. 368, Pt. C, §12 (NEW). 2013, c. 581, §10 (AMD). 2013, c. 595, Pt. C, §5 (AMD). 2015, c. 267, Pt. C, §§10, 11 (AMD). 2015, c. 489, §9 (AMD).

§15689. ADJUSTMENTS TO STATE SHARE OF TOTAL ALLOCATION

Beginning July 1, 2005, adjustments to the state share of the total allocation must be made as set out in this section. [2003, c. 712, §17 (NEW).]

1. **Minimum state allocation.** Each school administrative unit must be guaranteed a minimum state share of its total allocation that is an amount equal to the greater of the following:

A. The sum of the following calculations:

(1) Multiplying 5% of each school administrative unit's essential programs and services per-pupil elementary rate by the average number of resident kindergarten to grade 8 pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1); and

(2) Multiplying 5% of each school administrative unit's essential programs and services per-pupil secondary rate by the average number of resident grade 9 to grade 12 pupils as determined under section 15674, subsection 1, paragraph C, subparagraph (1).

The 5% factor in subparagraphs (1) and (2) must be replaced by: 4% for the 2009-10 funding year including funds provided under Title XIV of the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act of 2009; 3% for the 2010-11 funding year including funds provided under Title XIV of the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act of 2009; 3% for the 2011-12 funding year; and 3% for the 2012-13 funding year and subsequent years; and [2013, c. 1, Pt. C, §4 (AMD).]

B. The school administrative unit's special education costs as calculated pursuant to section 15681-A, subsection 2 multiplied by the following transition percentages:

(1) In fiscal year 2005-06, 84%;

(2) In fiscal year 2006-07, 84%;

(3) In fiscal year 2007-08, 84%;

(4) In fiscal year 2008-09, 45%;

(5) In fiscal year 2009-10, 40% including funds provided under Title XIV of the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act of 2009;

(6) In fiscal year 2010-11, 35% including funds provided under Title XIV of the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act of 2009;

(7) In fiscal year 2011-12, 30%;

(8) In fiscal year 2012-13, 30%;

(9) In fiscal year 2013-14, 35%;

(10) In fiscal year 2014-15, 30%;

(11) In fiscal year 2015-16, 30%;

(12) In fiscal year 2016-17, 30%;

(13) In fiscal year 2017-18, 35%;

(14) In fiscal year 2018-19, 40%;

(15) In fiscal year 2019-20, 45%; and

(16) In fiscal year 2020-21 and succeeding years, 50%. [2015, c. 389, Pt. C, §7 (AMD).]

These funds must be an adjustment to the school administrative unit's state and local allocation after the state and local allocation has been adjusted for debt service pursuant to subsection 2. Beginning July 1, 2007, these funds must be an adjustment to the school administrative unit's state and local allocation in addition to the state and local allocation that has been adjusted for debt service pursuant to subsection 2.

[2015, c. 389, Pt. C, §7 (AMD) .]

1-A. **Adjustments to state contributions to member municipalities in certain school districts.**

[2011, c. 380, Pt. C, §5 (RP) .]

1-B. **Adjustments to state contributions to member municipalities in regional school units or alternative organizational structure.** The minimum state allocation provisions of subsection 1, paragraph B are applicable for each case in which the school administrative units in existence prior to the operational date of the new regional school unit or alternative organizational structure received an adjustment under subsection 1, paragraph B for fiscal year 2007-08 or fiscal year 2008-09. For each regional school unit or alternative organizational structure eligible under this subsection, the minimum state allocation provisions of subsection 1, paragraph B are applicable for each member municipality that was a member of the eligible school administrative units in existence prior to the operational date of the new regional school unit or alternative organizational structure.

[2007, c. 668, §38 (NEW) .]

2. **Adjustment for debt service.** Each school administrative unit may receive an adjustment for a debt service determined as follows.

A. A school administrative unit is eligible for this adjustment under the following conditions.

(1) The school administrative unit's local share results in a full-value education mill rate less than the local cost share expectation as described in section 15671-A through the 2009-10 fiscal year. Beginning in fiscal year 2010-11 and in subsequent fiscal years, the school administrative unit's debt service allocation must include principal and interest payments as defined in section 15672, subsection 2-A, paragraph A.

(2) The school administrative unit has debt service costs defined under section 15672, subsection 2-A that have been placed on the state board's priority list by January 2005.

(3) Beginning in fiscal year 2010-11 and in subsequent years, the school administrative unit's total debt service costs less the local share amount in paragraph B, subparagraph (2), division (b) is greater than the current state share of the total allocation. [2009, c. 571, Pt. E, §23 (AMD).]

B. The amount of the adjustment is the difference, but not less than zero, between the state share of the total allocation under this chapter and the amount computed as follows.

(2) Beginning July 1, 2007, the school administrative unit's state share of the total allocation if the local share was the sum of the following:

(a) The local share amount for the school administrative unit calculated as the lesser of the total allocation excluding debt service costs and the school administrative unit's fiscal capacity multiplied by the mill rate expectation established in section 15671-A less the debt service adjustment mill rate defined in section 15672, subsection 2-B; and

(b) The local share amount for the school administrative unit calculated as the lesser of the debt service costs and the school administrative unit's fiscal capacity multiplied by the debt service adjustment mill rate defined in section 15672, subsection 2-B. [2005, c. 519, Pt. AAAA, §15 (AMD).]

C. Beginning in fiscal year 2016-17, the debt service adjustment in this subsection must be applied to each member municipality of a school administrative district, community school district and regional school unit. [2015, c. 267, Pt. C, §12 (NEW).]

[2015, c. 267, Pt. C, §12 (AMD) .]

3. **Adjustment limitations.** The amounts of the adjustments paid to school administrative units or municipalities pursuant to this section are limited to the amounts appropriated by the Legislature for these adjustments.

[2005, c. 2, Pt. D, §59 (AMD); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Audit adjustments.** The following provisions apply to audit adjustments.

A. If errors are revealed by audit and by the commissioner, the school administrative unit's state subsidy must be adjusted to include corrections. [2005, c. 2, Pt. D, §60 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. If audit adjustments are discovered after the funding level is certified by the commissioner and the state board on December 15th pursuant to section 15689-C, the department may request the necessary additional funds, if any, to pay for these adjustments. These amounts, if any, are in addition to the audit adjustment amount certified by the commissioner and state board on the prior December 15th. [2005, c. 2, Pt. D, §60 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §60 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Adjustment for cost of educating eligible students in long-term drug treatment centers.** A school administrative unit that operates an educational program approved pursuant to chapter 327 to serve eligible students in licensed drug treatment centers must be reimbursed in the year in which costs are incurred as follows.

A. Reimbursements must be limited to the state average tuition rate for the number of students in the approved program plan. [2009, c. 213, Pt. AAA, §2 (AMD).]

B. The rate of reimbursement per student may not exceed the state average tuition rates in effect during the year of placement as computed under sections 5804 and 5805. The tuition rates must be computed based on the state average secondary tuition rate and may be adjusted if the program is approved to operate beyond the 180-day school year. [2005, c. 2, Pt. D, §60 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2009, c. 213, Pt. AAA, §2 (AMD) .]

6. **Adjustment for uncertified personnel.** The commissioner shall reduce the state share of the total allocation to a school administrative unit in the current year or following year by an amount that represents the state share of expenditures for salaries and benefits paid to uncertified personnel.

[2005, c. 2, Pt. D, §60 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

7. **Adjustment for minimum teacher salary.**

[2011, c. 477, Pt. D, §3 (AFF); 2011, c. 477, Pt. D, §1 (RP) .]

8. **Payments for minimum salary adjustments.**

[2011, c. 477, Pt. D, §3 (AFF); 2011, c. 477, Pt. D, §2 (RP) .]

9. **Regionalization, consolidation and efficiency assistance adjustment.** The commissioner may expend and disburse funds limited to the amount appropriated by the Legislature to carry out the purposes of promoting regionalization, consolidation and efficiency. These funds must be an adjustment to the qualifying school administrative unit's state allocation.

[2007, c. 240, Pt. D, §6 (NEW) .]

10. **Innovative school construction project adjustment.** For any fiscal year, if the appropriation for the state share of debt service exceeds the annual payments, the commissioner may expend and disburse the balance of funds to carry out the purposes of innovative school construction.

[2009, c. 213, Pt. C, §9 (NEW) .]

11. **Minimum economically disadvantaged student adjustment.** Beginning in fiscal year 2012-13, and for each subsequent fiscal year, each school administrative unit may receive an adjustment for economically disadvantaged students determined as follows.

A. A school administrative unit is eligible for the adjustment for economically disadvantaged students under the following conditions:

(1) The school administrative unit receives an adjustment for the minimum state allocation pursuant to subsection 1;

(2) The school administrative unit's percentage of economically disadvantaged students as determined pursuant to section 15675, subsection 2 is greater than the state average percentage of economically disadvantaged students; and

(3) The school administrative unit operates a school. [2011, c. 419, §3 (NEW).]

B. The amount of the adjustment for economically disadvantaged students is the difference, but not less than zero, between the state share of the total allocation under this chapter and the amount computed as the school administrative unit's total allocation for economically disadvantaged students, multiplied by the relevant percentage in subsection 1, paragraph B. For the 2012-13 funding year, this adjustment is reduced to 98% of the amount otherwise calculated under this paragraph. [2013, c. 1, Pt. C, §5 (AMD).]

[2013, c. 1, Pt. C, §5 (AMD) .]

12. **Adjustment of subsidy for statewide contract purchases.** The commissioner may expend and disburse funds on behalf of school administrative units for purchases of items available on statewide contracts. The school administrative unit's available state subsidy must be reduced based on the cost of the items purchased and upon prior agreement with the school administrative unit. If sufficient state subsidy funds are not available in the fiscal year in which the items were purchased, the reduction to the school administrative unit's available state subsidy may occur in the following fiscal year's state subsidy.

(Subsection 12 as enacted by PL 2011, c. 655, Pt. F, §1 is REALLOCATED TO TITLE 20-A, SECTION 15689, SUBSECTION 13)

[2011, c. 655, Pt. C, §10 (NEW) .]

13. (REALLOCATED FROM T. 20-A, §15689, sub-§12) **Bus refurbishing program.** Beginning in fiscal year 2012-13 and in each subsequent year, the commissioner may increase the state share of the total allocation to a qualifying school administrative unit for the approved refurbishing of a bus.

A. Approval of bus refurbishing must be based on eligibility requirements established by the commissioner, including, but not limited to, the age, mileage and expected useful life of the bus. [2011, c. 2, §20 (RAL).]

B. Adjustment to the state share of the total allocation under this subsection must occur in the fiscal year following the school administrative unit's expenditure and be based on the total amount approved by the commissioner, or the actual expenditure by a school administrative unit if less, for bus refurbishing, multiplied by the school administrative unit's state share percentage except that if a school administrative unit's state share percentage is less than 30% the multiplication factor is 30% and if a school administrative unit's state share percentage is greater than 70% the multiplication factor is 70%. [2011, c. 2, §20 (RAL).]

[2011, c. 2, §20 (RAL) .]

SECTION HISTORY
2003, c. 712, §17 (NEW). 2005, c. 2, §§D58-60 (AMD). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2005, c. 457, §I1 (AMD). 2005, c. 519, §§AAAA13-15 (AMD). 2005, c. 635, §9 (AMD). 2005, c. 683, §H2 (AMD). 2007, c. 58, §3 (REV). 2007, c. 240, Pt. C, §3 (AMD). 2007, c. 240, Pt. D, §§3-6 (AMD). 2007, c. 466, Pt. B, §16 (AMD). 2007, c. 539, Pt. C, §10 (AMD). 2007, c. 668, §38 (AMD). 2009, c. 1, Pt. C, §2 (AMD). 2009, c. 213, Pt. AAA, §2 (AMD). 2009, c. 213, Pt. C, §§8, 9 (AMD). 2009, c. 571, Pt. E, §§21-23 (AMD). RR 2011, c. 2, §20 (COR). 2011, c. 380, Pt. C, §5 (AMD). 2011, c. 419, §3 (AMD). 2011, c. 477, Pt. D, §§1, 2 (AMD). 2011, c. 477, Pt. D, §3 (AFF). 2011, c. 655, Pt. C, §§8-10 (AMD). 2011, c. 655, Pt. F, §1 (AMD). 2013, c. 1, Pt. C, §§4, 5 (AMD). 2013, c. 368, Pt. C, §13 (AMD). 2015, c. 267, Pt. C, §12 (AMD). 2015, c. 389, Pt. C, §7 (AMD).

§15689-A. AUTHORIZATION OF PAYMENT OF MISCELLANEOUS COSTS

1. **Payment of state agency client costs.** State agency client costs are payable pursuant to this subsection. As used in this subsection, "state agency client" has the same meaning as defined in section 1, subsection 34-A.

A. The commissioner shall approve special education costs and supportive services, including transportation, for all state agency clients placed in residential placements by an authorized agent of a state agency. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Special education costs authorized by this subsection for state agency clients must be paid by the department in the allocation year at 100% of actual costs. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The commissioner shall pay only approved special education costs and supportive services, including transportation, authorized by this subsection for state agency clients and may not allocate for those special education costs and supportive services, including transportation, incurred by the school administrative unit for state agency clients in the base years starting July 1, 1985, and every base year thereafter. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

D. Transportation costs for state agency clients, when provided in accordance with rules established by the commissioner under section 7204, must be paid by the department in the allocation year at 100% of actual costs. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Education of institutional residents.** The commissioner may pay tuition to school administrative units or private schools for institutional residents within the limits of the allocation made under this section.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

3. **Essential programs and services components contract.** The commissioner may contract for the updating of the essential programs and services component with a statewide education research institute.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Learning results implementation, assessment and accountability.** The commissioner may expend and disburse funds limited to the amount appropriated by the Legislature to carry out the purposes of Public Law 1995, chapter 649, sections 5 and 8.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Regionalization, consolidation and efficiency assistance.**

[2007, c. 240, Pt. D, §7 (RP) .]

6. **Education research contract.** The commissioner may contract for the compilation and analysis of education data with a statewide education research institute.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

7. **Disbursement limitations.** The funds disbursed in accordance with this section are limited to the amounts appropriated by the Legislature for these purposes.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

8. **Laptop program.** The commissioner may pay costs attributed to the contracted support services and annual payments for a program that provides laptop computers to middle school students.

[2005, c. 12, Pt. D, §3 (NEW) .]

9. **Emergency bus loan.** The commissioner may pay annual payments for an emergency bus loan.

[2005, c. 12, Pt. D, §3 (NEW) .]

10. **Data management and support services for essential programs and services.** The commissioner may pay costs attributed to system maintenance and staff support consisting of 11 positions that provide professional and administrative support to general purpose aid for local schools necessary to implement the requirements of the Essential Programs and Services Funding Act.

[2009, c. 213, Pt. C, §10 (AMD) .]

11. **Courses for credit at eligible postsecondary institutions.** The commissioner may pay costs for secondary students to take postsecondary courses at eligible institutions. For the purposes of this subsection, "secondary student" includes a student in a home instruction program pursuant to section 5001-A, subsection 3, paragraph A, subparagraph (4) but does not include a student that is not a resident of the State pursuant to section 5205, subsection 10.

[2013, c. 368, Pt. C, §14 (AMD) .]

12. **National board certification salary supplement.** The commissioner may pay annual salary supplement payments to school administrative units or a publicly supported secondary school for payment to school teachers who have attained certification from the National Board for Professional Teaching Standards or its successor organization pursuant to section 13013-A.

[2011, c. 702, §3 (AMD) .]

12-A. **Learning through technology.** The commissioner may pay costs attributed to staff support consisting of one Education Team and Policy Director position, 2 Education Specialist III positions, one Planning and Research Associate I position, one Director of Special Projects position and 2 Education Specialist II positions, professional development and training in the use of open educational resources and open-source textbooks and system maintenance for a program that promotes learning through technology. A transfer of All Other funds from the General Purpose Aid for Local Schools account to the All Other line category in the Learning Through Technology General Fund nonlapsing account sufficient to support the All Other costs and the agreement that provides one-to-one wireless computers for 7th grade, 8th grade and high school students and educators may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

[2011, c. 354, §2 (AMD) .]

13. **Jobs for Maine's Graduates.** The commissioner may expend and disburse funds for the Jobs for Maine's Graduates in accordance with the provisions of chapter 226.

[2007, c. 240, Pt. C, §4 (NEW) .]

14. **Maine School of Science and Mathematics.** The commissioner may expend and disburse funds for the Maine School of Science and Mathematics in accordance with the provisions of chapter 312.

[2007, c. 240, Pt. C, §5 (NEW) .]

15. **Maine Educational Center for the Deaf and Hard of Hearing and the Governor Baxter School for the Deaf.** The commissioner may expend and disburse funds for the Maine Educational Center for the Deaf and Hard of Hearing and the Governor Baxter School for the Deaf in accordance with provisions of chapter 304.

[2007, c. 240, Pt. C, §6 (NEW) .]

16. **Transportation administration.** The commissioner may pay costs attributed to one Education Specialist III position and system maintenance necessary to implement the transportation requirements of this chapter and chapter 215.

(Subsection 16 as enacted by PL 2007, c. 539, Pt. W, §2 is REALLOCATED TO TITLE 20-A, SECTION 15689-A, SUBSECTION 18)

[2009, c. 213, Pt. C, §12 (AMD) .]

17. **Special education for juvenile offenders.** The commissioner may pay certain costs attributed to staff support and associated operating costs for providing special education to juvenile offenders at youth development centers in Charleston and South Portland. A transfer of All Other funds from the General Purpose Aid for Local Schools account to the Personal Services and All Other line categories in the Long Creek Youth Development Center General Fund account within the Department of Corrections, sufficient to support 2 Teacher positions, and to the Mountain View Youth Development Center General Fund account within the Department of Corrections, sufficient to support one Teacher position, may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

[2007, c. 539, Pt. W, §3 (NEW) .]

18. (REALLOCATED FROM T. 20-A, §15689-A, sub-§16) **Coordination of services for juvenile offenders.** The commissioner may pay certain costs attributed to staff support and associated operating costs for providing coordination of education, treatment and other services for juvenile offenders at youth development centers in Charleston and South Portland. A transfer of All Other funds from the General Purpose Aid for Local Schools account to the Personal Services and All Other line categories in the Long Creek Youth Development Center, General Fund account within the Department of Corrections sufficient to support one Education Specialist II position and one Office Associate II position and to the Mountain View Youth Development Center, General Fund account within the Department of Corrections sufficient to support one Education Specialist II position and one Office Associate II position may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

[2015, c. 267, Pt. C, §13 (AMD) .]

19. **Miscellaneous costs limitations.** The amounts of the miscellaneous costs pursuant to this section are limited to the amounts appropriated by the Legislature for these costs.

[2009, c. 213, Pt. C, §14 (NEW) .]

20. **Center of Excellence for At-risk Students.** The commissioner may expend and disburse funds for the Center of Excellence for At-risk Students in accordance with the provisions of chapter 227.

[2011, c. 380, Pt. C, §6 (NEW) .]

21. **Fund for the Efficient Delivery of Educational Services.** The commissioner may expend and disburse funds from the Fund for the Efficient Delivery of Educational Services in accordance with the provisions of chapter 114-A.

[2011, c. 655, Pt. C, §11 (NEW) .]

22. **MaineCare seed for school administrative units.** The commissioner may deduct from a school administrative unit's state subsidy and pay on behalf of the school administrative unit allowable school-based costs that represent the school administrative unit's portion of MaineCare payments. A transfer of payment by the department to the Department of Health and Human Services must be made pursuant to a schedule agreed upon by the Department of Health and Human Services and the department and in a manner that remains in compliance with federal intergovernmental transfer requirements. No later than 90 days after the incurrence of allowable school-based payments to schools, the Department of Health and Human Services shall provide the detailed payment information to the department. The department shall make this information available and apply the adjustment to the appropriate school administrative units within 30 days of receipt of the detailed payment information from the Department of Health and Human Services.

[2015, c. 63, §1 (AMD) .]

23. **Comprehensive early college programs.** The commissioner may expend and disburse funds to support early college programs that:

A. Provide secondary students with the opportunity to graduate from high school in 4 years with a high school diploma and at least 30 regionally accredited transferable postsecondary credits allowing for completion of an associate degree within one additional year of postsecondary schooling; [2013, c. 368, Pt. C, §15 (NEW).]

B. Involve a high school, a career and technical education center or region and one or more institutions of higher education; [2013, c. 368, Pt. C, §15 (NEW).]

C. Organize students into cohort groups and provide them with extensive additional guidance and support throughout the program with the goals of raising aspirations, increasing employability and encouraging postsecondary degree attainment; and [2013, c. 368, Pt. C, §15 (NEW).]

D. Maintain a focus on serving students who might not otherwise pursue a postsecondary education. [2013, c. 368, Pt. C, §15 (NEW).]

[2013, c. 595, Pt. C, §6 (AMD) .]

24. **Postsecondary education attainment in Androscoggin County.** The commissioner shall expend and disburse $75,000 in fiscal year 2015-16 and $75,000 in fiscal year 2016-17 to support postsecondary education attainment in Androscoggin County.

[2015, c. 267, Pt. C, §14 (AMD) .]

25. **Community schools.** The commissioner may expend and disburse funds for the establishment of community schools in accordance with the provisions of chapter 333.

(Subsection 25 as enacted by PL 2015, c. 363, §5 is REALLOCATED TO TITLE 20-A, SECTION 15689-A, SUBSECTION 26)

[2015, c. 267, Pt. GGG, §2 (NEW) .]

26. (REALLOCATED FROM T. 20-A, §15689-A, sub-§25) **Maine School for Marine Science, Technology, Transportation and Engineering.** The commissioner may expend and disburse funds for the Maine School for Marine Science, Technology, Transportation and Engineering in accordance with the provisions of chapter 312-A.

[2015, c. 1, §15 (RAL) .]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §D3 (AMD). 2005, c. 12, §WW18 (AFF). 2005, c. 519, §§J2,XX5,AAAA16 (AMD). RR 2007, c. 2, §6 (RAL). 2007, c. 240, Pt. C, §§4-6 (AMD). 2007, c. 240, Pt. D, §§7-9 (AMD). 2007, c. 539, Pt. C, §§11, 12 (AMD). 2007, c. 539, Pt. W, §§1-3 (AMD). 2009, c. 213, Pt. C, §§10-14 (AMD). 2011, c. 354, §2 (AMD). 2011, c. 380, Pt. C, §6 (AMD). 2011, c. 655, Pt. C, §11 (AMD). 2011, c. 702, §3 (AMD). 2013, c. 368, Pt. C, §§14, 15 (AMD). 2013, c. 595, Pt. C, §6 (AMD). RR 2015, c. 1, §15 (COR). 2015, c. 63, §1 (AMD). 2015, c. 267, Pt. C, §§13, 14 (AMD). 2015, c. 267, Pt. GGG, §2 (AMD). 2015, c. 363, §5 (AMD).

§15689-B. AUTHORIZATION AND SCHEDULES OF PAYMENT OF STATE SUBSIDY; APPEALS

1. **Schedules of payment of unit allocation.** The commissioner shall authorize state subsidy payments to the school administrative units to be made in accordance with time schedules set forth in sections 15005, 15689-D and 15901 to 15910.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Notification of allocation; commissioner's duty; superintendent's duty.** The following provisions apply to notification of allocation by the commissioner and each superintendent.

A. The commissioner shall annually, prior to February 1st, notify each school board of the estimated amount to be allocated to the school administrative unit. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Each superintendent shall report to the municipal officers whenever the school administrative unit is notified of the allocation or a change is made in the allocation resulting from an adjustment. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2-A. **Notification of state contribution to public charter schools.** The commissioner shall annually, prior to February 1st, notify the governing board of each public charter school of the estimated amount of state contribution to be allocated to the public charter school pursuant to section 15683-B and post these estimated contributions on the department's publicly accessible website.

[2015, c. 54, §7 (NEW) .]

3. **Payments of state subsidy to unit's treasurer; basis.** State subsidy payments must be made directly to the treasurer of each school administrative unit. The payments must be based on audited financial reports submitted by school administrative units.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Appeals.** A school board may appeal the computation of state subsidy for the school administrative unit to the state board in writing within 30 days of the date of the initial notification of the computed amount of the component that is the subject of this appeal. The state board shall review the appeal and make an adjustment if in its judgment an adjustment is justified. The state board's decision is final as to facts supported by the record of the appeal.

[2009, c. 571, Pt. E, §24 (AMD) .]

5. **School purpose expense requirement.** Notwithstanding any other law, money allocated for school purposes may be expended only for school purposes.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

6. **Balance of allocations.** Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances in excess of 3% of the previous fiscal year's school

budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy. School boards may carry forward unallocated balances in excess of 3% of the previous year's school budget and disburse these funds in the next year or over a period not to exceed 3 years. For fiscal years 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 only, the carry-forward of a school administrative unit's unallocated balances is not limited to 3% of the previous fiscal year's school budget.

[2009, c. 571, Pt. XXX, §1 (AMD) .]

7. **Required data; subsidy payments withheld.** A school administrative unit shall provide the commissioner with information that the commissioner requests to carry out the purposes of this chapter, according to time schedules that the commissioner establishes. The commissioner may withhold monthly subsidy payments from a school administrative unit when information is not filed in the specified format and with specific content and within the specified time schedules. If the school administrative unit files the information in the specified format, the department shall include the payment of the withheld subsidy in the next regularly scheduled monthly subsidy payment.

[2011, c. 223, §2 (AMD) .]

7-A. **Penalty for late submission of required data.** Notwithstanding any other provision of this Title, the commissioner may implement the following subsidy penalty for a school administrative unit that is not in compliance with subsection 7. If a school administrative unit has not filed the required data pursuant to subsection 7 within 3 months of the due date, a penalty equal to 1% of that unit's monthly subsidy check times the number of months past due is assessed.

[2007, c. 539, Pt. C, §14 (NEW) .]

8. **Unobligated balances.** Unobligated balances from amounts appropriated for general purpose aid for local schools may not lapse but must be carried forward to the next fiscal year.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2007, c. 539, Pt. C, §§13, 14 (AMD). 2009, c. 213, Pt. C, §15 (AMD). 2009, c. 448, §2 (AMD). 2009, c. 571, Pt. E, §24 (AMD). 2009, c. 571, Pt. XXX, §1 (AMD). 2011, c. 223, §2 (AMD). 2015, c. 54, §7 (AMD).

§15689-C. COMMISSIONER'S RECOMMENDATION FOR FUNDING LEVELS; COMPUTATIONS

1. **Annual recommendations.** Prior to January 20th of each fiscal year, the commissioner, with the approval of the state board, shall recommend to the Governor and the Department of Administrative and Financial Services, Bureau of the Budget the funding levels that the commissioner recommends for the purposes of this chapter on the basis of section 15671. Beginning with the recommendations due in 2009, the commissioner’s annual recommendations must be in the form and manner described in subsection 4.

[2015, c. 389, Pt. C, §8 (AMD); 2015, c. 489, §10 (AMD) .]

2. **Funding level computations.** The following are the funding level computations that support the commissioner's funding level recommendations:

A. The requested funding levels for the operating allocation under sections 15683 and 15683-B; [2015, c. 54, §8 (AMD).]

B. The requested funding levels for debt service under section 15683-A, which are as follows:

(1) The known obligations and estimates of anticipated principal and interest costs for the allocation year;

(2) The expenditures for the insured value factor for the base year;

(3) The level of lease payments and lease-purchase payments pursuant to section 15672, subsection 2-A for the year prior to the allocation year; and

(4) Funds allocated by the state board for new school construction projects funded in the current fiscal year; [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The requested funding levels for adjustments under section 15689, which must be computed by estimating costs for the allocation year; [2013, c. 368, Pt. C, §16 (AMD).]

D. The requested funding levels for miscellaneous costs under section 15689-A; [2013, c. 368, Pt. C, §16 (AMD).]

E. The requested funding levels for the costs of enhancing student performance and opportunity under section 15688-A; and [2013, c. 368, Pt. C, §17 (NEW).]

F. The normal costs of teacher retirement pursuant to Title 5, section 17154, subsection 6. [2013, c. 368, Pt. C, §17 (NEW).]

[2015, c. 54, §8 (AMD) .]

3. **Guidelines for updating other subsidizable costs.** The commissioner's recommendation for updating percentages to bring base year actual costs to the equivalent of one-year-old costs may not exceed the average of the 2 most recent percentages of annual increase in the Consumer Price Index.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

4. **Guidelines for updating adjustments and miscellaneous costs.** The commissioner's recommendations regarding the adjustments and miscellaneous costs components as set forth in subsection 2 also must delineate each amount that is recommended for each subsection and paragraph under sections 15689 and 15689-A and the purposes for each cost in these sections. For each amount shown in the commissioner's recommendations, the commissioner's recommendation must also show the amount for the same component or purpose that is included in the most recently approved state budget, the differences between the amounts in the most recently approved state budget and the commissioner's recommendations and the reasons for the changes.

[2009, c. 275, §2 (NEW) .]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2009, c. 275, §§1, 2 (AMD). 2013, c. 368, Pt. C, §§16, 17 (AMD). 2015, c. 54, §8 (AMD). 2015, c. 389, Pt. C, §8 (AMD). 2015, c. 489, §10 (AMD).

§15689-D. GOVERNOR'S RECOMMENDATION FOR FUNDING LEVELS

1. **Annual recommendations.** The Department of Administrative and Financial Services, Bureau of the Budget shall annually certify to the Legislature the funding levels that the Governor recommends under sections 15671, 15671-A, 15683, 15683-A, 15683-B, 15688-A, 15689 and 15689-A and the amount for any other components of the total cost of funding public education from kindergarten to grade 12 pursuant

to this chapter. The Governor's recommendations must be transmitted to the Legislature within the time schedules set forth in Title 5, section 1666 and in the form and manner described in subsection 2 and these recommendations must be posted on the department's publicly accessible website. The commissioner may adjust, consistent with the Governor's recommendation for funding levels, per-pupil amounts not related to staffing pursuant to section 15680 and targeted funds pursuant to section 15681.

[2015, c. 489, §11 (AMD) .]

2. **Funding level computations.** The Governor's recommendations under subsection 1 must specify the amounts that are recommended for the total operating allocations pursuant to section 15683 including the total allocation pursuant to section 15683-B, the total of other subsidizable costs pursuant to section 15681-A, the total debt service allocation pursuant to section 15683-A, the total costs of enhancing student performance and opportunity pursuant to section 15688-A, the total adjustments pursuant to section 15689, the total miscellaneous costs pursuant to section 15689-A, the amount for any other components of the total cost of funding public education from kindergarten to grade 12 and the total cost of funding public education from kindergarten to grade 12 pursuant to this chapter. The Governor's recommendations regarding the adjustments and miscellaneous costs components also must delineate each amount that is recommended for each subsection and paragraph under sections 15689 and 15689-A and the purposes for each cost in these sections. For each amount shown in the Governor's recommendations, the Governor's recommendations must also show the amount for the same component or purpose that is included in the most recently approved state budget, the differences between the amounts in the most recently approved state budget and the Governor's recommendations and the reasons for the changes. These computations must be posted on the department's publicly accessible website.

[2015, c. 54, §9 (AMD) .]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2007, c. 240, Pt. C, §7 (AMD). 2009, c. 275, §3 (RPR). 2013, c. 368, Pt. C, §18 (AMD). 2015, c. 54, §9 (AMD). 2015, c. 489, §11 (AMD).

§15689-E. ACTIONS BY LEGISLATURE

The Legislature shall annually, prior to March 15th, enact legislation to: [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Appropriation for state share of adjustments, debt service and operating; single account.** Appropriate the necessary funds for the State's share for general purpose aid for local schools with a separate amount for each of the following components:

A. Adjustments and miscellaneous costs described in sections 15689 and 15689-A, including an appropriation for special education pupils placed directly by the State, for:

(1) Tuition and board for pupils placed directly by the State in accordance with rules adopted or amended by the commissioner; and

(2) Special education tuition and other tuition for residents of state-operated institutions attending programs in school administrative units or private schools in accordance with rules adopted or amended by the commissioner; [2013, c. 368, Pt. C, §19 (AMD).]

B. The state share of the total operating allocation and the total debt service allocation described in sections 15683, 15683-A and 15683-B; [2015, c. 54, §10 (AMD).]

C. The state share of the total costs of enhancing student performance and opportunity described in section 15688-A; and [2013, c. 368, Pt. C, §19 (NEW).]

D. The state share of the total normal cost of teacher retirement pursuant to Title 5, section 17154, subsection 6; and [2013, c. 368, Pt. C, §19 (NEW).]

[2015, c. 54, §10 (AMD) .]

2. **Local cost share expectation.** Establish the local cost share expectation described in section 15671-A.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

Funds for appropriations under this section must be placed in a single account. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2013, c. 368, Pt. C, §19 (AMD). 2015, c. 54, §10 (AMD).

§15689-F. ACTIONS BY DEPARTMENT

Within the annual appropriations, the department shall follow the procedures described in this section. [2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **State's obligation.** If the State's continued obligation for any program provided by one of the appropriated amounts under section 15689-E exceeds the appropriated amount, any unexpended balance from another of those appropriated amounts may be applied by the commissioner toward the obligation for that program.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Cash flow.** For the purpose of cash flow, the commissioner may pay the full state and local share of the payment amounts due on bond issues for school construction from that school administrative unit's state subsidy, excluding payments on non-state-funded projects. This subsection does not apply if a school administrative unit has less subsidy than the total principal and interest payment on bonds.

[2005, c. 2, Pt. D, §61 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

3. **Casino revenues.** If the annual funding for public education for children in public preschool programs and for children in kindergarten and grades one to 12 is supported by casino revenues credited to the department pursuant to Title 8, section 1036, the department shall journal expenditures from the General Purpose Aid for Local Schools, General Fund account to the K-12 Essential Programs and Services, Other Special Revenue Funds account to meet financial obligations and for purposes of cash flow.

[2013, c. 581, §11 (AMD) .]

SECTION HISTORY
2005, c. 2, §D61 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2013, c. 368, Pt. C, §20 (AMD). 2013, c. 581, §11 (AMD).

§15690. LOCAL APPROPRIATIONS

Beginning with the budget for the 2005-2006 school year, the following provisions apply to local appropriations for school purposes. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **School administrative unit contribution to total cost of funding public education from kindergarten to grade 12.** The legislative body of each school administrative unit may vote to raise and appropriate an amount up to its required contribution to the total cost of education as described in section 15688, except that funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to a school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose aid as determined under this chapter must be used to lower the school administrative unit's required contribution to the total cost of education.

A. For a municipal school unit, an article in substantially the following form must be used when a single municipal school administrative unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article.....: To see what sum the municipality will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (Recommend $.....) and to see what sum the municipality will raise as the municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688. (Recommend $.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars." [2005, c. 12, Pt. WW, §5 (AMD).]

B. For a school administrative district, a community school district or a regional school unit, an article in substantially the following form must be used when the school administrative district, community school district or regional school unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article ....: To see what sum the district will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the district will raise and assess as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth below):

Total Appropriated (by municipality):	Total raised (district assessments by municipality):
Town A ($amount)	Town A ($amount)
Town B ($amount)	Town B ($amount)
Town C ($amount)	Town C ($amount)
School District	School District
Total Appropriated	Total Raised
($sum of above)	($sum of above)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the

amount of money determined by state law to be the minimum amount that the district must raise and assess in order to receive the full amount of state dollars." [2007, c. 240, Pt. XXXX, §31 (AMD).]

C. The state share of the total cost of funding public education from kindergarten to grade 12 as described in section 15688, excluding state-funded debt service for each school administrative unit, is limited to the same proportion as the local school administrative unit raises of its required contribution to the total cost of education as described in section 15688, excluding state-funded debt service costs. [2015, c. 389, Pt. C, §9 (AMD).]

D. [2013, c. 171, §1 (RPR); T. 20-A, §15690, 1, ¶D (RP).]

[2015, c. 389, Pt. C, §9 (AMD) .]

2. **Non-state-funded debt service.** For a school administrative unit's indebtedness previously approved by its legislative body for non-state-funded major capital school construction projects or non-state-funded portions of major capital school construction projects, the legislative body of each school administrative unit may vote to raise and appropriate an amount up to the municipality's or district's annual payments for non-state-funded debt service.

A. An article in substantially the following form must be used when a school administrative unit is considering the appropriation for debt service allocation for non-state-funded school construction projects or non-state-funded portions of school construction projects.

(1) "Article ....: To see what sum the (municipality or district) will raise and appropriate for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects or non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12. (Recommend $.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the (municipality's or district's) long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters or other legislative body." [2009, c. 571, Pt. E, §26 (AMD).]

[2009, c. 571, Pt. E, §26 (AMD) .]

3. **Additional local appropriation.** A school administrative unit may raise and expend funds for educational purposes in addition to the funds under subsections 1 and 2.

A. If the amount of the additional funds does not result in the unit's exceeding its maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the following form must be used when a school administrative unit is considering the appropriation of additional local funds:

(1) "Article ....: To see what sum the (municipality or district) will raise and to appropriate the sum of (Recommend $.....) in additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690. (Recommend $.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the school administrative unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state-funded debt service that will help achieve the (municipality's or district's) budget for educational programs." [2005, c. 519, Pt. AAAA, §17 (AMD).]

B. If the amount exceeds the unit's maximum state and local spending target established pursuant to section 15671-A, subsection 4, an article in substantially the following form must be used when a school administrative unit is considering an appropriation of additional local funds.

(1) "Article ....: Shall (name of municipality or district) raise and appropriate $..... in additional local funds, which exceeds the State's Essential Programs and Services allocation model by $..... as required to fund the budget recommended by the (school committee or board of directors)?"

The (school committee or board of directors) recommends $..... for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by $.....:

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The additional local funds are those locally raised funds over and above the school administrative unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state-funded debt service that will help achieve the (municipality's or district's) budget for educational programs." [2005, c. 519, Pt. AAAA, §18 (AMD).]

[2005, c. 519, Pt. AAAA, §§17, 18 (AMD) .]

4. **Total budget article.** A school administrative unit must include a summary article indicating the total annual budget for funding public education from kindergarten to grade 12 in the school administrative unit. The amount recommended must be the gross budget of the school system. This article does not provide money unless the other articles are approved.

A. "Article ....: To see what sum the (municipality or district) will authorize the school committee to expend for the fiscal year beginning (July 1, ...) and ending (June 30, ...) from the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools. (Recommend $.....)" [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Vote.** Actions taken pursuant to subsections 1 to 4 must be taken by a recorded vote.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

6. **Administrative costs for units with no pupils.** If a school administrative unit is required to pay administrative costs and has no allocation of state or local funds, that unit may raise and expend funds for administrative costs.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §§WW5-7 (AMD). 2005, c. 12, §WW18 (AFF). 2005, c. 519, §§AAAA17,18 (AMD). 2007, c. 240, Pt. XXXX, §31 (AMD). 2007, c. 539, Pt. C, §15 (AMD). 2009, c. 213, Pt. C, §16 (AMD). 2009, c. 571, Pt. E, §§25, 26 (AMD). 2011, c. 655, Pt. C, §12 (AMD). 2013, c. 1, Pt. C, §6 (AMD). 2013, c. 171, §1 (AMD). 2015, c. 389, Pt. C, §9 (AMD).

§15691. MUNICIPAL ASSESSMENT PAID TO DISTRICT

1. **Presentation of assessment schedule.** The assessment schedule based on the budget approved at a community school district or school administrative district budget meeting must be presented to the treasurer of each municipality that is a member of the district.

The assessment schedule must include each member municipality's share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in section 15688, the school administrative unit's contribution to debt service for non-state-funded school construction projects and additional local funds for school purposes under section 15690.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Municipal treasurer's payment schedule.** The treasurer of the member municipality, after being presented with the assessment schedule, shall forward 1/12 of that member municipality's share to the treasurer of the district on or before the 20th day of each month of the fiscal year beginning in July.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF).

§15691-A. MUNICIPAL ASSESSMENT PAID TO A REGIONAL SCHOOL UNIT

Beginning with the 2008-2009 school year, this section applies to municipal assessments paid to a regional school unit. [2007, c. 240, Pt. XXXX, §32 (NEW).]

1. **Presentation of assessment schedule.** The assessment schedule based on the budget approved at a regional school unit budget meeting must be presented to the treasurer of each municipality that is a member of the regional school unit. The assessment schedule must include each member municipality's share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in section 15688 and the school administrative unit's contribution to debt service for non-state-funded school construction projects and additional local funds for school purposes under section 15690.

[2007, c. 240, Pt. XXXX, §32 (NEW) .]

2. **Municipal treasurer's payment schedule.** The treasurer of the member municipality, after being presented with the assessment schedule under subsection 1, shall forward 1/12 of that member municipality's share to the treasurer of the regional school unit on or before the 20th day of each month of the fiscal year.

[2007, c. 240, Pt. XXXX, §32 (NEW) .]

SECTION HISTORY
2007, c. 240, Pt. XXXX, §32 (NEW).

§15692. SPECIAL SCHOOL DISTRICTS

1. **School administrative unit.** For the purposes of section 15695 and Title 20, sections 3457 to 3460, a special school district is deemed to be a school administrative unit.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Debt service.** Debt service on bonds or notes issued by a special school district must be included in the school budget of the school administrative unit that operates the schools constructed by that district. The school board for the school administrative unit that operates the special district's schools shall pay to the special school district all sums necessary to meet the payments of principal and interest on bonds or notes when due and to cover maintenance or other costs for which the special school district is responsible.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF).

§15693. SCHOOL BUDGET; BUDGET FORMATS

1. **Content.** A school administrative unit shall include in its school budget document:

A. The school administrative unit's total cost of funding public education from kindergarten to grade 12, its non-state-funded debt service, if any, and any additional expenditures authorized by law; [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. A summary of anticipated revenues and estimated school expenditures for the fiscal year; and [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The following statement, including the estimated dollar amount of state retirement payments: "This budget does not include the estimated amount of $..... in employer share of teacher retirement costs that is paid directly by the State." [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Budget deadlines.** The following time limitations apply to adoption of a school budget under this section.

A. At least 7 days before the initial meeting of the legislative body responsible for adopting a budget, the school administrative unit shall provide a detailed budget document to that legislative body and to any person who requests one and resides within the geographic area served by the school administrative unit. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. Notwithstanding a provision of law or charter to the contrary, school administrative units may adopt an annual budget prior to June 30th. The school budgets for career and technical education regions must be adopted on or before August 1st. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. Notwithstanding any municipal charter provision, ordinance or other law to the contrary, if the level of state subsidy for the next school year is not finalized in accordance with this chapter before June 1st, the school board may delay a school budget meeting otherwise required to be held before July 1st to a date after July 1st. If a school board elects to delay a school budget meeting under this paragraph, the meeting must be held and the budget approved within 30 days of the date the commissioner notifies the school board of the amount allocated to the school administrative unit under section 15689-B. When a school budget meeting is delayed under this paragraph, the school administrative unit may continue operation of the unit at the same budget levels as were approved for the previous year. Continued operation under the budget for the previous year is limited to the time between July 1st and the date the new budget goes into effect. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

3. **Budget format.** The following provisions apply to a budget format.

A. Except as provided in subsection 4, the budget format is that prescribed by a majority of the school board until an article prescribing the school budget format is approved by a majority of voters in an election in which the total vote is at least 20% of the number of votes cast in the municipality in the last gubernatorial election, or 200, whichever is less. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. The format of the school budget may be determined in accordance with section 1485. [2009, c. 571, Pt. E, §27 (AMD).]

C. It is the intent of the Legislature that a school board shall attempt to obtain public participation in the development of the school budget format. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2009, c. 571, Pt. E, §27 (AMD) .]

4. **Budget format; town or city charter.** In a municipality where the responsibility for final adoption of the school budget is vested by municipal charter in a council, the school budget format may be changed through amendment of the charter under the home rule procedures of Title 30-A, chapter 111, except that the amendment must be approved by a majority of voters in an election in which the total vote is at least 20% of the number of votes cast in the municipality in the last gubernatorial election.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

5. **Budget format; town meeting.** When the final budget authority is vested in a town meeting operating under the general enabling procedures of Title 30-A, the format of the school budget may be determined by the town meeting or under the procedures of Title 30-A, section 2522 or 2528.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

6. **Budget format; community school district.** The following provisions apply to the budget format of a community school district.

A. An article containing the district's proposed budget format must be placed on the next warrant issued or ballot printed if:

(1) A majority of the district school committee votes to place it on the warrant or ballot; or

(2) A written petition signed by at least 10% of the number of voters voting in the last gubernatorial election in each municipality within the community school district requests it to be on the warrant or ballot. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

B. The article containing the budget format may be voted on by secret ballot at an election conducted in accordance with Title 30-A, sections 2528 to 2532. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

C. The district school committee shall:

(1) Issue a warrant specifying that the municipal officers of the municipalities within the community school district shall place the budget format article on the secret ballot; and

(2) Prepare and furnish the required number of ballots for carrying out the election, including absentee ballots. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

7. **Budget format; articles.** The articles prescribed in this chapter must be included in the budget format and be voted on in the adoption of the budget in order to determine state and local cost sharing.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

8. **Change in budget format.** Any change in the budget format must be voted on at least 90 days prior to the budget year for which that change is to be effective.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2009, c. 571, Pt. E, §27 (AMD).

§15694. ACTIONS ON BUDGET

The following provisions apply to approving a school budget under this chapter. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Checklist required.** Prior to a vote on articles dealing with school appropriations, the clerk or secretary shall make a checklist of the registered voters. The number of voters listed on the checklist is conclusive evidence of the number participating in the vote.

[2009, c. 571, Pt. E, §28 (AMD) .]

2. **Reconsideration.** Notwithstanding any law to the contrary, in school administrative units where the school budget is finally approved by the voters, a special budget vote to reconsider action taken on the budget may be called only as follows.

A. The reconsideration vote must be held within 30 days of the regular budget vote at which the budget was finally approved in accordance with section 2307 or chapter 103-A. [2009, c. 571, Pt. E, §28 (AMD).]

B. In a regional school unit, school administrative district or community school district, the reconsideration vote must be called by the school board or as follows.

(1) A petition containing a number of signatures of legal voters in the member municipalities of the school administrative unit equalling at least 10% of the number of voters who voted in the last gubernatorial election in member municipalities of the school administrative unit, or 100 voters, whichever is less, and specifying the article or articles to be reconsidered must be presented to the school board within 15 days of the regular budget vote at which the budget was finally approved in accordance with chapter 103-A.

(2) On receiving the petition, the school board shall call the special budget reconsideration vote, which must be held within 15 days of the date the petition was received. [2009, c. 571, Pt. E, §28 (AMD).]

C. In a municipality, the meeting to reconsider the vote must be called by the municipal officers:

(1) Within 15 days after receipt of a request from the school board, if the request is received within 15 days of the budget vote at which the budget was finally approved in accordance with section 2307 and it specifies the article or articles to be reconsidered; or

(2) Within 15 days after receipt of a written application presented in accordance with Title 30-A, section 2532, if the application is received within 15 days of the budget vote at which the budget was finally approved in accordance with section 2307 and it specifies the article or articles to be reconsidered. [2009, c. 571, Pt. E, §28 (AMD).]

[2009, c. 571, Pt. E, §28 (AMD) .]

3. **Invalidation of action of special budget meeting to reconsider the vote.** If a special budget vote is called to reconsider action taken at a regular budget vote, the vote is invalid if the number of voters at the special budget vote is less than the number of voters at the regular budget vote.

[2009, c. 571, Pt. E, §28 (AMD) .]

4. **Line-item transfers.** Votes requested by a school board for the purpose of transferring funds from one category or line item to another must be posted for voter or council action within 15 days of the date of the request.

[2009, c. 571, Pt. E, §28 (AMD) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF). 2009, c. 571, Pt. E, §28 (AMD).

§15695. BONDS; NOTES; OTHER

All bonds, notes or other evidences of indebtedness issued for school purposes by a school administrative unit for major capital expenses, bus purchases or current operating expenses, including tax or other revenue anticipation notes, are general obligations of the unit. [2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF).]

1. **Tax assessments.** The municipal officers or school board shall require the sums that are necessary to meet in full the principal of and interest on the bonds, notes or other evidences of indebtedness issued pursuant to this section payable in each year to be assessed and collected in the manner provided by law for the assessment and collection of taxes.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

2. **Reduction.** The sums to be assessed and collected under subsection 1 must be reduced by the amount of an allocation of funds appropriated by the Legislature to pay the principal and interest owed by the school administrative unit in a given year as certified to the unit by the commissioner. The commissioner shall certify the amount due to the unit within 30 days of its appropriation by the Legislature.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

3. **Collection.** After assessment and reduction under subsection 2, the remaining sum must be paid from ad valorem taxes, which may be levied without limit as to rate or amount upon all the taxable property within the school administrative unit.

[2005, c. 2, Pt. D, §62 (NEW); 2005, c. 2, Pt. D, §§72, 74 (AFF); 2005, c. 12, Pt. WW, §18 (AFF) .]

SECTION HISTORY
2005, c. 2, §D62 (NEW). 2005, c. 2, §§D72,74 (AFF). 2005, c. 12, §WW18 (AFF).

§15695-A. BONDHOLDERS OF SCHOOL ADMINISTRATIVE UNITS

1. **Rights of bondholders of school administrative units.** If legislation, including a ballot measure approved at referendum, becomes effective that dissolves a school administrative unit that has issued outstanding general obligation bonds or notes or repeals the laws pursuant to which such a school administrative unit is organized and exists, the rights of the holders of the outstanding bonds and notes issued by that school administrative unit are not impaired and the underlying indebtedness of any such outstanding general obligation bonds or notes is deemed to survive, whether or not replacement or successor school administrative units are organized or established, and any state subsidy with respect to those outstanding obligations or the relative portion of those outstanding obligations to be paid or reimbursed by the State is not affected.

[2009, c. 445, §1 (NEW) .]

2. **Power to tax.** Until one or more school administrative units are organized or established to replace or succeed a former school administrative unit as described in subsection 1 and assume the outstanding bonds or notes issued by such former school administrative unit, all taxable property located in the municipalities that were members of that former school administrative unit is subject to ad valorem taxation to pay the underlying indebtedness of the bonds or notes issued by the former school administrative unit to the same extent as that taxable property was subject to ad valorem taxation in the former school administrative unit and as if such bonds or notes remained outstanding. Taxes to pay the underlying indebtedness of the outstanding bonds or notes of the former school administrative unit as described in subsection 1 must be levied and collected by the municipalities located in the former school administrative unit in the same manner as the taxes of the municipalities. If one or more school administrative units are organized or established to replace or succeed a former school administrative unit as described in subsection 1, all taxable property located in the municipalities that were members of the former school administrative unit and that are located within the replacement or successor school administrative unit or school administrative units is subject to ad valorem taxation to pay the underlying indebtedness of the bonds or notes of the former school administrative unit to the same extent as that taxable property was subject to ad valorem taxation in the former school administrative unit. Taxes to pay the underlying indebtedness of the outstanding bonds or notes of the former school administrative unit as described in subsection 1 must be levied and collected by the replacement or successor school administrative unit in the same manner as the taxes of the replacement or successor school administrative unit.

[2009, c. 445, §1 (NEW) .]

3. **Power to levy.** The holders of bonds and notes as described in subsection 1 retain the right to levy on taxable property located in the former school administrative unit and that taxable property is subject to Title 30-A, section 5701.

[2009, c. 445, §1 (NEW) .]

4. **Payment responsibility.** Until one or more school administrative units are organized or established to replace or succeed a former school administrative unit as described in subsection 1, the municipalities that were members of the former school administrative unit shall pay the underlying indebtedness of the bonds or notes of the former school administrative unit in accordance with their terms. As between the municipalities that were members of the former school administrative unit, payment responsibility for the underlying indebtedness of the bonds or notes of the former school administrative unit must be allocated in proportion to the most recent state valuations of those municipalities.

A school administrative unit or school administrative units organized or established to replace or succeed a former school administrative unit as described in subsection 1 shall pay the underlying indebtedness of the bonds and notes of the former school administrative unit in accordance with their terms. As between replacement or successor school administrative units of a former school administrative unit, payment responsibility for the underlying indebtedness of the bonds or notes must be allocated based upon the most recent state valuations of the municipalities that are located in each of the replacement or successor school administrative units and that were members of the former school administrative unit.

Nothing contained in this subsection may be construed to prohibit the organization or establishment of a school administrative unit or school administrative units that replace or succeed a former school administrative unit from employing a different method of allocating payment responsibility for the underlying indebtedness of the bonds or notes described in subsection 1.

[2009, c. 445, §1 (NEW) .]

SECTION HISTORY
2009, c. 445, §1 (NEW).

§15696. PENALTIES FOR NONCONFORMING SCHOOL ADMINISTRATIVE UNITS

(REPEALED)

SECTION HISTORY
2007, c. 240, Pt. XXXX, §33 (NEW). 2007, c. 668, §§39-41 (AMD). 2007, c. 695, Pt. A, §23 (AMD). 2009, c. 455, §1 (AMD). 2011, c. 251, §12 (AFF). 2011, c. 251, §8 (RP).

§15697. FUND TO ADVANCE PUBLIC KINDERGARTEN TO GRADE 12 EDUCATION

1. **Fund established.** The Fund to Advance Public Kindergarten to Grade 12 Education, referred to in this section as "the fund," is established as an interest-bearing account administered by the department.

[2015, c. 4, §1 (NEW) .]

2. **Revenue; 30-day review before changing use of fund.** The Treasurer of State shall deposit all revenue collected pursuant to Title 36, section 5111, subsection 6 from the income tax surcharge to advance public kindergarten to grade 12 education into the fund according to the schedule in Title 36, section 5111, subsection 6. Any private or public funds appropriated, allocated or dedicated to the fund must be deposited into the fund as well as income from any other source directed to the fund. All interest earned by the fund

becomes part of the fund. Legislation that proposes to enact or amend a law that would change the distribution of the revenue directed to the fund by this subsection or by Title 36, section 5111, subsection 6 must be submitted to the Legislative Council and to the joint standing committee of the Legislature having jurisdiction over education matters at least 30 days prior to any vote or public hearing on that legislation.

[2015, c. 4, §1 (NEW) .]

3. **Use of fund to supplement and not supplant General Fund appropriations; direct support for student learning.** The use of the fund is controlled by this subsection. The fund may not be used for any purpose other than as described in this subsection.

A. If the General Fund appropriation for the state contribution for general purpose aid for local schools as finally enacted in any year is insufficient to meet the annual target established by section 15752, the commissioner shall use the fund to supplement the state contribution. These supplemental funds must be used to enable the State to meet the annual target established by section 15752 or to decrease the amount by which state funding from all other sources falls short of the target. The commissioner shall announce the increased state contribution amounts made possible by the supplemental amounts obtained from the fund within 14 days after final enactment of the General Fund appropriation for general purpose aid for local schools. The commissioner shall distribute the increased state contribution amounts on the basis of the essential programs and services formula set forth in this chapter. [2015, c. 4, §1 (NEW).]

B. The fund may be used only to pay for portions of the state contribution that constitute direct support for student learning and not for the costs of administration. As used in this paragraph, "direct support for student learning" includes salary and benefit costs paid for public school classroom teachers; special teachers of reading or mathematics; literacy specialists; career technical education teachers; education technicians; associate teachers; assistant teachers; special education technicians I, II or III; guidance staff; health staff; librarians; and media assistants as documented in the department's database. Direct support for student learning does not include salary and benefit costs paid for school administrative staff or clerical staff. By July 1st annually each school administrative unit must file a report to the department detailing how the funding provided by this section was used to provide direct support for student learning in this chapter. [2015, c. 4, §1 (NEW).]

C. The fund may be used for the necessary expenses of the department in the administration of the fund. [2015, c. 4, §1 (NEW).]

[2015, c. 4, §1 (NEW) .]

4. **Report.** Annually by January 15th, the department shall submit a report to the joint standing committee of the Legislature having jurisdiction over education matters showing the amounts deposited into and disbursed from the fund and detailing how those disbursements increased the state contribution and enabled the State to meet or come closer to meeting the applicable annual targets specified in section 15752. The department shall post the report on its publicly accessible website.

[2015, c. 4, §1 (NEW) .]

5. **Rule of construction.** This section must be liberally construed to increase the amount of funding available for public kindergarten to grade 12 education above the General Fund appropriation for that year to the greatest extent possible in any year.

[2015, c. 4, §1 (NEW) .]

SECTION HISTORY
IB 2015, c. 4, §1 (NEW).

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