

§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. [PL 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); and [PL 2017, c. 284, Pt. C, §49 (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, 33%;
- (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%. [PL 2017, c. 284, Pt. C, §50 (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.

[PL 2017, c. 284, Pt. C, §§49, 50 (AMD).]

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

[PL 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. [PL 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. [PL 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. [PL 2015, c. 267, Pt. C, §12 (NEW).]

[PL 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.

[PL 2005, c. 2, Pt. D, §59 (AMD); PL 2005, c. 2, Pt. D, §§72, 74 (AFF); PL 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. [PL 2005, c. 2, Pt. D, §60 (NEW); PL 2005, c. 2, Pt. D, §§72, 74 (AFF); PL 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. [PL 2005, c. 2, Pt. D, §60 (NEW); PL 2005, c. 2, Pt. D, §§72, 74 (AFF); PL 2005, c. 12, Pt. WW, §18 (AFF).]

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

[PL 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.

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

7. Adjustment for minimum teacher salary.

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

7-A. Adjustment for minimum teacher salary. Beginning in fiscal year 2020-21, the commissioner shall, in accordance with this subsection, increase the state share of the total allocation to a qualifying school administrative unit by an amount necessary to achieve the minimum salary for certified teachers and career and technical education teachers established in section 13407.

A. As used in this subsection, unless the context otherwise indicates, "qualifying school administrative unit" means a school administrative unit that the commissioner determines to have a locally established salary schedule with a minimum teacher salary of less than \$40,000 in school year 2019-2020. As used in this subsection, unless the context otherwise indicates, "incremental salary increases" means the incremental increases in the salaries of certified teachers and career and technical education teachers employed by a qualifying school administrative unit in school year 2019-2020 necessary to meet the minimum salary requirements of section 13407 from fiscal year 2020-21 to fiscal year 2022-23. [PL 2021, c. 441, §2 (AMD).]

B. The commissioner shall allocate the funds appropriated by the Legislature in accordance with the following.

(1) The amount of increased funds provided to qualifying school administrative units under this subsection must be the amount necessary to fund the incremental salary increases specified in this subsection.

(2) The number of certified teachers and career and technical education teachers eligible for incremental salary increases in a qualifying school administrative unit for a fiscal year must be based on the information supplied to the department pursuant to section 13407 in that fiscal year.

(3) The increased funds provided under this subsection must be issued to qualifying school administrative units as an adjustment to the state school subsidy for distribution to the certified teachers and career and technical education teachers. Qualifying school administrative units shall use the payments provided under this subsection to provide salary adjustments to those certified teachers and career and technical education teachers eligible for incremental salary increases. The department shall collect the necessary data to allow the funds to be included in a qualifying school administrative unit's monthly subsidy payments beginning no later than February 1st of each fiscal year.

(4) Funding for incremental salary increases in fiscal year 2020-21 must be based on data submitted to the department and certified by school administrative units as of October 1, 2019. [PL 2021, c. 441, §2 (AMD).]

[PL 2021, c. 441, §2 (AMD).]

8. Payments for minimum salary adjustments.

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

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 may be an adjustment to the qualifying school administrative unit's state allocation. The commissioner may also expend and disburse these funds as follows:

A. For direct contractual agreements to provide legal services, facilitation services and other services to assist a school administrative unit with planning and implementing regionalization, consolidation and efficiencies; [PL 2017, c. 284, Pt. VVVVV, §11 (NEW).]

B. For direct support to education service centers established pursuant to chapter 123 including those costs specified in section 3806; and [PL 2019, c. 219, §8 (AMD).]

C. For department costs incurred for the review of applications and interlocal agreements for education service centers under chapter 123. [PL 2019, c. 219, §8 (AMD).]

[PL 2019, c. 219, §8 (AMD).]

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.

[PL 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. [PL 2011, c. 419, §3 (NEW).]

B. The amount of the adjustment for economically disadvantaged students is the amount computed as the school administrative unit's total allocation for economically disadvantaged students. [PL 2019, c. 398, §36 (AMD).]
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12. Adjustment of subsidy for statewide contract purchases.
[PL 2021, c. 571, §33 (RP).]

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

13. (REALLOCATED FROM T. 20-A, §15689, sub-§12) Bus refurbishing program.
[PL 2021, c. 571, §34 (RP).]

14. 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.
[PL 2017, c. 284, Pt. C, §53 (NEW).]

15. Special education budgetary hardship adjustment. Beginning in fiscal year 2018-19, the following provisions apply to adjustments for special education budgetary hardships.

A. If a school administrative unit determined eligible pursuant to paragraph B petitions the commissioner and demonstrates that the unexpected education costs of placement of a student in a special education program will cause a budgetary hardship, the commissioner may provide to the unit an amount not to exceed the allowable costs of the placement less 3 times the statewide special education EPS per-pupil rate for in-district placements or less 4 times the statewide special education EPS per-pupil rate for out-of-district placements. The allowable costs are those special education costs described in section 15672, subsection 30-A, paragraphs A and B. [PL 2017, c. 284, Pt. C, §53 (NEW).]

B. The commissioner shall determine that a school administrative unit is eligible for an adjustment under paragraph A if:

- (1) The student's placement is a result of an appeal approved by the commissioner pursuant to section 5205, subsection 6 or the student became the fiscal responsibility of the school administrative unit after the passage of that unit's budget for the current fiscal year; and
- (2) The school administrative unit's unexpected allowable costs result in a 5% or more increase in the percentage of the unit's special education budget category to the unit's total budget excluding the debt service budget category. [PL 2017, c. 284, Pt. C, §53 (NEW).]

C. The funds for adjustments under paragraph A are limited to the amount appropriated by the Legislature for that purpose, and any unexpended balance from another program's appropriated amounts under this chapter may be applied by the commissioner toward the adjustments. [PL 2017, c. 284, Pt. C, §53 (NEW).]

D. A school administrative unit may expend the funds from the adjustment under paragraph A without seeking approval by the unit's legislative body. [PL 2017, c. 284, Pt. C, §53 (NEW).]

[PL 2017, c. 284, Pt. C, §53 (NEW).]

16. English learner budgetary hardship adjustment. Beginning in fiscal year 2022-23, the following provisions apply to adjustments for English learner budgetary hardships.

A. If a school administrative unit is determined eligible pursuant to paragraph B, the commissioner may provide an amount equal to that school administrative unit's most recent state share of the increased English learner weighted allocation, as calculated pursuant to section 15675, subsection 1, resulting from the increased enrollment. If the school administrative unit's most recent state share percentage is less than the statewide state share percentage under section 15675, subsection 1, paragraph B, then the adjustment amount is equal to the most recent state share percentage. [PL 2023, c. 412, Pt. JJJJ, §1 (AMD).]

B. The commissioner may determine that a school administrative unit is eligible for an adjustment under paragraph A if:

(1) The increased student enrollment is a result of a student's becoming the fiscal responsibility of the school administrative unit after the passage of the annual budget for the current fiscal year; and

(2) The school administrative unit's unexpected enrollment increase results in an increase of 3% or more in English learner weighted allocation, as calculated pursuant to section 15675, subsection 1. [PL 2023, c. 412, Pt. JJJJ, §2 (AMD).]

C. The funds for adjustments under paragraph A are limited to the amount appropriated by the Legislature for that purpose. An unexpended balance from another program's appropriated amounts under this chapter may be applied by the commissioner toward the adjustments. [PL 2023, c. 412, Pt. JJJJ, §3 (AMD).]

D. A school administrative unit may expend the funds from the adjustment under paragraph A without seeking approval of the school administrative unit's legislative body. [PL 2021, c. 635, Pt. C, §7 (NEW).]

[PL 2023, c. 412, Pt. JJJJ, §§1-3 (AMD).]

SECTION HISTORY

PL 2003, c. 712, §17 (NEW). PL 2005, c. 2, §§D58-60 (AMD). PL 2005, c. 2, §§D72,74 (AFF). PL 2005, c. 12, §WW18 (AFF). PL 2005, c. 457, §11 (AMD). PL 2005, c. 519, §§AAAA13-15 (AMD). PL 2005, c. 635, §9 (AMD). PL 2005, c. 683, §H2 (AMD). PL 2007, c. 58, §3 (REV). PL 2007, c. 240, Pt. C, §3 (AMD). PL 2007, c. 240, Pt. D, §§3-6 (AMD). PL 2007, c. 466, Pt. B, §16 (AMD). PL 2007, c. 539, Pt. C, §10 (AMD). PL 2007, c. 668, §38 (AMD). PL 2009, c. 1, Pt. C, §2 (AMD). PL 2009, c. 213, Pt. AAA, §2 (AMD). PL 2009, c. 213, Pt. C, §§8, 9 (AMD). PL 2009, c. 571, Pt. E, §§21-23 (AMD). RR 2011, c. 2, §20 (COR). PL 2011, c. 380, Pt. C, §5 (AMD). PL 2011, c. 419, §3 (AMD). PL 2011, c. 477, Pt. D, §3 (AFF). PL 2011, c. 477, Pt. D, §§1, 2 (AMD). PL 2011, c. 655, Pt. C, §§8-10 (AMD). PL 2011, c. 655, Pt. F, §1 (AMD). PL 2013, c. 1, Pt. C, §§4, 5 (AMD). PL 2013, c. 368, Pt. C, §13 (AMD). PL 2015, c. 267, Pt. C, §12 (AMD). PL 2015, c. 389, Pt. C, §7 (AMD). PL 2017, c. 284, Pt. C, §§49-53 (AMD). PL 2017, c. 284, Pt. VVVVV, §11 (AMD). PL 2019, c. 219, §8 (AMD). PL 2019, c. 343, Pt. UU, §3 (AMD). PL 2019, c. 398, §36 (AMD). PL 2019, c. 616, Pt. C, §6 (AMD). PL 2021, c. 441, §2 (AMD). PL 2021, c. 571, §§33, 34 (AMD). PL 2021, c. 635, Pt. C, §7 (AMD). PL 2023, c. 412, Pt. JJJJ, §§1-3 (AMD).

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