

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

H.P. 732 - L.D. 1160

**Resolve, Directing the Department of Education to Analyze Data on the  
Essential Programs and Services Funding Formula and Allocation  
Methodology**

**Sec. 1. Department of Education to identify and conduct an analysis on school funding and allocation methodology. Resolved:** That the Department of Education, referred to in this resolve as "the department," in conjunction with the Maine Education Policy Research Institute, shall identify and analyze all school funding data and reports available through or compiled by the Maine Education Policy Research Institute, the so-called Picus report and any other relevant data and reports available to the department in order to make recommendations to the Joint Standing Committee on Education and Cultural Affairs. The analysis must include, but is not limited to, data and reports relating to the following components of the school funding formula in the Maine Revised Statutes, Title 20-A:

1. Transportation cost allocations under section 15681-A, subsection 3, including the predicted per-pupil transportation costs and transportation for secondary school students and transportation to and from cocurricular and extracurricular activities;
2. The determination of a municipality's ability to contribute to school funding through the calculation of the property fiscal capacity as defined in section 15672, subsection 23 through the certified state valuation and the potential inclusion of median income in the allocation methodology and its impact on equity;
3. The essential programs and services allocation model for career and technical education centers and regions under chapter 313, including but not limited to:
  - A. The effect of the allocation model implemented in the 129th Legislature and the calculation of the per-pupil rate; and
  - B. Career and technical education center and region costs for transportation for students to and from work sites, annual updates and replacements necessary for equipment specific to centers and regions, the infrastructure costs necessary to accommodate those upgrades and the staffing necessary to lower the ratio between students and staff;

4. The calculations and metrics, including options for alternative metrics, for the economically disadvantaged student factor under section 15675, subsection 2, the economically disadvantaged student adjustment under section 15689, subsection 11 and any other targeted funds to support economically disadvantaged students; and

5. Any other components or issues identified before or during the department's analysis that impact equity in the essential programs and services funding formula and allocation methodology and that require further data collection or analysis, including but not limited to recent changes in school operations, the labor market and teacher salaries and shortages.

In analyzing each component, the department shall consider: the accuracy of the data available; the interconnectedness of the essential programs and services funding formula components; the positive and negative implications of any changes, either alone or in combination with other changes; the impacts on local funding, including the potential for cost shifts at the school administrative unit level; the impact on funding at the state level; and the potential for unintended consequences.

**Sec. 2. Updates; report; legislation. Resolved:** That the department shall provide monthly updates to the Joint Standing Committee on Education and Cultural Affairs on the identification of data and reports and the analysis conducted under section 1. No later than January 15, 2024, the department shall submit a final report to the Joint Standing Committee on Education and Cultural Affairs with its findings, recommendations and suggested legislation. The report must include a thorough analysis of the data and reports that were considered, identification of data or other areas that require further study and recommendations on any changes to the essential programs and services funding formula model and allocation methodology that could be implemented immediately and those that could be implemented in the future. The Joint Standing Committee on Education and Cultural Affairs may report out legislation to the Second Regular Session of the 131st Legislature related to the subject matter of the report.