

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

—
H.P. 218 - L.D. 318

**Resolve, Directing the Maine Education Policy Research Institute and the
Department of Education to Recommend Changes to the Essential Programs
and Services Funding Formula**

**Sec. 1. Maine Education Policy Research Institute to review certain
essential programs and services components; report. Resolved:** That the Maine
Education Policy Research Institute shall:

1. No later than October 1, 2025, identify updated cost model parameters for the
Department of Education to use in simulating projected impacts on school funding.
Parameters must include, but are not limited to, the following:

- A. Transitional recommendations for moderating the special education component's
expenditure-based adjustment;
- B. A minimum index value for the regional adjustment;
- C. A recommendation for calculating a regional index based on a valid and reliable
cost-of-living measure;
- D. An updated per-pupil amount to more adequately fund instructional staff support;
- E. A variable student weight for determining economic disadvantage, with higher-
poverty units receiving a progressively higher weight;
- F. Alternative parameters and implementation guidelines for the transportation model;
and
- G. One or more options for incorporating a student economic disadvantage factor into
the method for determining the amount of state subsidy provided to each municipality,
including, but not limited to, adjusting the local required share of the essential programs
and services cost estimate based on the proportion of economically disadvantaged
resident students;

2. No later than October 1, 2025, identify additional information needed from school
administrative units, to be collected by the Department of Education in fall 2025, to
examine the per-pupil costs of certain high-cost in-district special education programs and
services; and

3. Solicit stakeholder input on the results of simulations generated by the Department of Education pursuant to section 2, subsection 2 and submit a report to the Joint Standing Committee on Education and Cultural Affairs summarizing the recommended parameters and results of stakeholder input no later than January 15, 2026.

Sec. 2. Department of Education to collect data and conduct simulations of updated parameters for certain essential programs and services components; report. Resolved: That the Department of Education shall:

1. Collect data identified by the Maine Education Policy Research Institute pursuant to section 1, subsection 2;

2. Simulate the impacts that the parameters proposed by the Maine Education Policy Research Institute pursuant to section 1 would have had on fiscal year 2026 school funding allocations, including the impact of all parameters combined, on the following:

A. Total statewide cost of education;

B. Statewide mill rate expectation; and

C. Local and state shares and state share percentage of the essential programs and services estimated cost of education in each school administrative unit;

3. Provide the results of the simulations pursuant to subsection 2 to the Maine Education Policy Research Institute no later than October 15, 2025; and

4. Submit a report summarizing the results of the simulations pursuant to subsection 2, as well as any other simulations the Commissioner of Education may recommend, to the Joint Standing Committee on Education and Cultural Affairs no later than January 15, 2026. The joint standing committee may submit legislation related to the report to the Second Regular Session of the 132nd Legislature.

The Maine Education Policy Research Institute shall conduct the work under section 1 within existing contracted resources. The Department of Education shall conduct the work under this section within existing resources.