

March 9, 2026  
Belgrade, ME

**Senator Rafferty, Senate Chair**  
**Representative Murphy, House Chair**  
**Members of the Joint Standing Committee on Education and Cultural Affairs**  
**132<sup>nd</sup> Maine Legislature**  
**2 State House Station**  
**Augusta, Maine 04333-0002**

Senator Rafferty, Representative Murphy, and Distinguished Members of the Education and Cultural Affairs Committee:

Testimony **IN FAVOR** of LD 2226:  
Bill "An Act to Amend the Essential Programs and Services (EPS) School Funding Formula"  
(HP-1503)

My name is Sara Languet, and I am in my second term as a Belgrade RSU#18 School Board Director. I also represented the Town of Belgrade in the 2022 RSU#18 Cost Sharing Formula (CSF) committee. Additionally, I am the Vice-Chair of the Belgrade Budget committee, which is an extremely fiscally conscientious town.

The purpose of this communication is to respectfully ask you to consider my testimony IN FAVOR of LD-2226 and specifically to have you placed attention to the fiscal impact of Additional Local Funds .

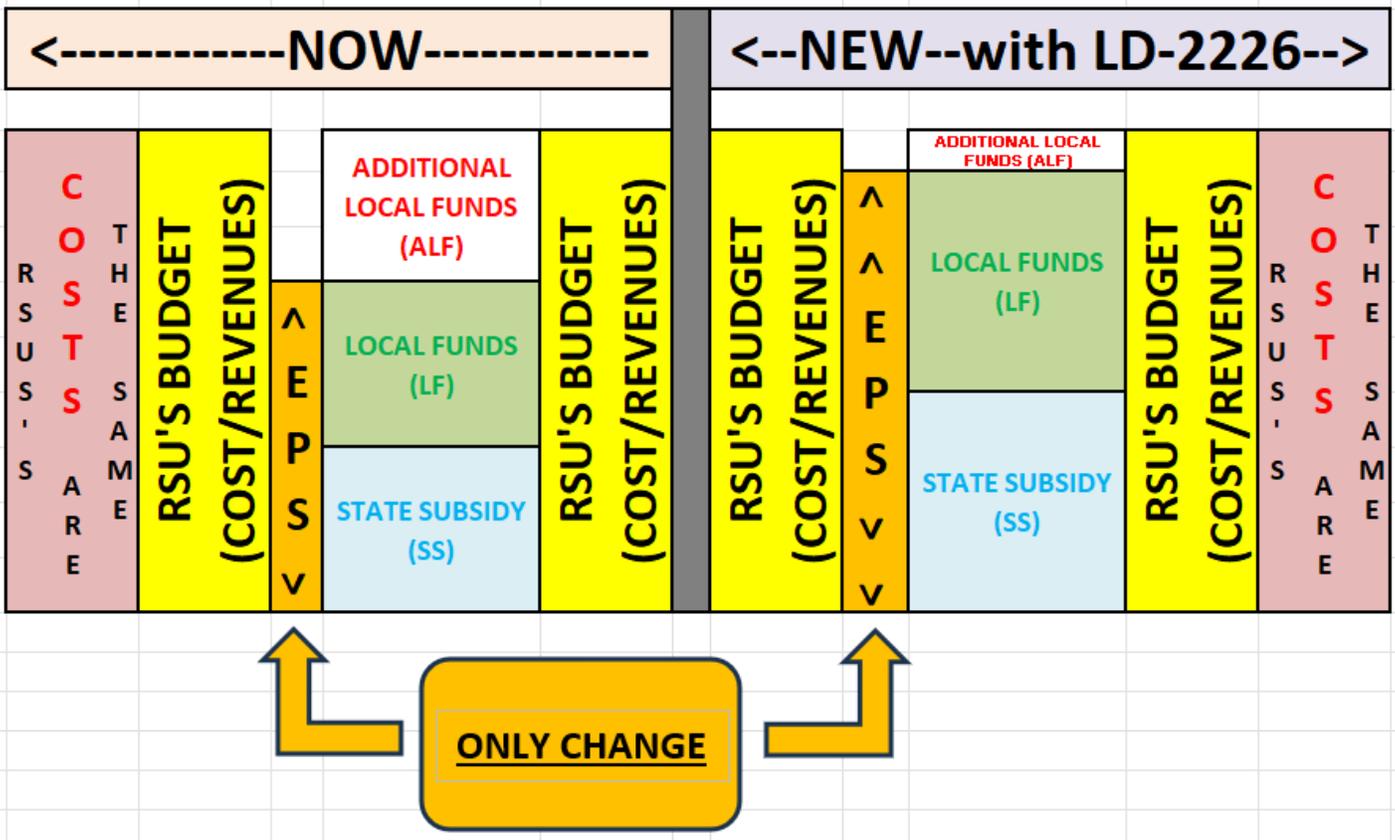
Back in the Spring of 2023, the offices of then Senator Matt Pouliot and his aid Mrs. Ashley Luuszczki guided me into looking at different LDs to consider testifying in relation to my concerns about School Funding. I was here at the birth of the consideration to "amending" the EPS School Funding Formula.

It had been an elegant ride. Especially with having a group like MEPRI dissecting the scaffolding of the costs and revenues streams for the EPS portion of the school funding. I have followed their work and Mrs. Johnson ended up interviewing me for two hours in this process. I could not forward a better review about this process where together with the public transparently unfold:

- (1) the present school needs,
- (2) how those needs are transformed into cost lines
- (3) and how the revenues allocations are determined.

MEPRI had done an outstanding analysis and had come with an implementable and logical final report with strong recommendations that the ECAC is moving into law as mostly regards to the COST side of the EPS school funding formula. I support those "cost correction" recommendations based on the strong testimony placed here.

Now, in terms of revenues, basically what the MEPRI recommendations are doing is to have some of the Additional Local Fund (ALF) revenue allocation being absorbed into the EPS revenues allocations. The graphics in the next page will show a better picture of what I am trying to say.



So, consequently, the revenue demands for EPS will be higher. Since the state share (also called school state subsidy) and the initial local allocation make up the revenues for EPS---- both of those streams of revenues will be higher. In general, and across the board, the funding needed to cover the cost of the education of Maine kids will require a REVENUE INCREASE between and in the average about 2.5% to 3%. This might turn out to produce a minimal reduction of property taxes but definitively an increase in income taxes (which is how the state will fund the school subsidy). So practically, we will be robbing Peter to pay Paul.

**I am glad that the correction in EPS education costs did happened**, but taxes will be up and increasing at an alarming rate like they have till we, as a whole state, form **a COST SAVING mindset**... that is literarily a cultural change that require a strong thinking outside of the box--- that is a different bill.

However, my three-year long journey focuses on what is called the Additional Local Funds which is extra revenue beyond the EPS REVENUES. Note that the local allocations of the EPS revenues are exclusively based on property valuations. Changing that over half century old tradition of taxing based on property value to fund education will literarily take an ACT of GOD. I am not here to chase so...but to plead with each one of you to consider given a tax break to **towns that have HIGH VALUATIONS and LOW NUMBERS of students**. This is a mayor issue that I will call from here on **HV/LN**.

**This particular issue is why the Maine DOE has to deal with so many school district withdrawals in the last few years** since municipalities with this **HV/LN** issue do feel FISCALLY HANDCUFF in a non sustainable cost as paying over \$16,000 per student for basic education when people can obtain online a full Masters of Business administration for about \$12,000. It does not makes sense.

We have about 270 school districts in the state of Maine and about 90 of them are composed of more than one municipality. All those multiple municipality school districts do submit to the DOE an annual report called EF-M-46. Upon analysis of about 25% of last year EF-M-46 reports, it can be projected that about 45 of those

90 multiple municipality school districts have the **HV/LN** issue.

Here is how that **HV/LN** issue is translated in the local economic picture of the towns with it. Take for instance RSU18 with five municipalities in it and where the ALF was about 20% of the entire FY22 School budget. But for FY'27, the ALF will be 25% of the total FY27 School Budget. That 5% increase in five years is significant.

| CSF-2022  | ROME | BELGRADE | SIDNEY | CHINA | OAKLAND |
|---|------|----------|--------|-------|---------|
| ALF-Alternative<br>ALF-0%V, 100%P<br>20% of Budget<br>(Percentage)              | 5    | 16       | 23     | 24    | 32      |
| ALF-75%V, 25%P<br>20% of Budget<br>(Percentage)                                 | 12   | 24       | 19     | 20    | 25      |
| By State LAW<br>100%V, 0%P<br>80% of Budget<br>EPS-LF & Subsidy<br>(Percentage) | 14   | 27       | 18     | 18    | 23      |
| Num of FACILITIES   | 0    | 1        | 1      | 2     | 4       |

The two high valued communities in RSU18 are Belgrade and Rome as they have a high amount of lake frontage. So, by interpreting the chart above, it can be said that out of every 100 students in RSU18:

- (a) Rome has about 5 enrolled students but pay for 12 students.
- (b) Belgrade has about 16 enrolled students but pays for 24 students
- (c) Sidney has about 23 enrolled students but pays for 20 students
- (d) China has about 24 enrolled students but pays for 24 students
- (e) Oakland has about 32 enrolled students but pays for 25 students

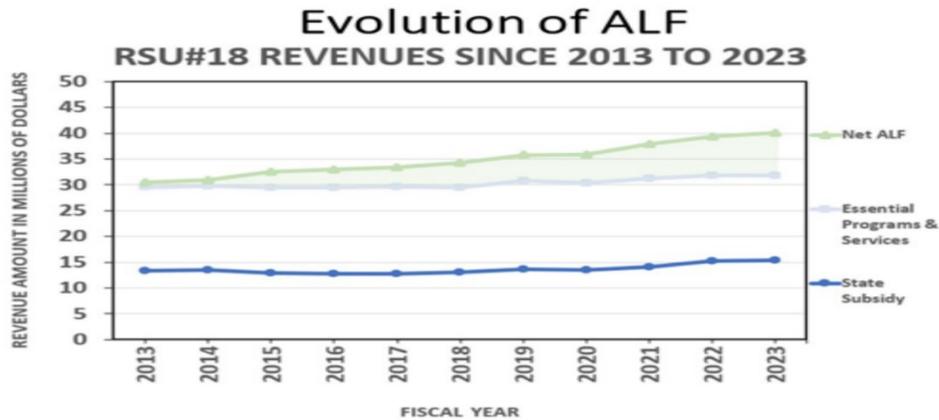
So, besides the state subsidy it seems clear that Belgrade and Rome are definitively “subsidizing” the education of the children of the other three communities. As a matter of fact because the ALF will be about \$10 Million this year, if Belgrade would only pay per 100% student ratio (0% valuation), Belgrade will save a \$1M in the education of their kids while having monies to set up a much-needed winter maintenance program (so call public works which will cost us about \$1M per year) for which Belgrade cannot afford now. That when Oakland has had its own PUBLIC WORKS and a modern FIRE STATION for years.

Strikingly many communities with the **HV/LN** issue had been taxed so aggressively in their property taxes for so long that they are not even aware of it. Per my calculations, a community like Kennebunkport will save like \$4 Million in taxes but they do not realize it.

Belgrade and Rome had tried locally to solve this **HV/LN** issue at multiple Cost Sharing Formula committee meetings over the last fifteen years since the School District’s reorganization and they only had only move from **100% Valuation/0% Student Count ratio** to a **75% Valuation/25% Student Count ratio** as the other three towns will not want to increase their taxes even when it had been offered make those changes in a transitional phase like 10% change a year at a time. In School District with municipalities with this **HV/LN** issue, it common that the Valuation/Student ration will not be more than 50%/50% for the same very reason.

Even more difficult is to understand that Cost Sharing Formula committee meetings are not beneficial to help manage the revenue side of the **HV/LN** issue; but when deciding the expenditure side of the Budget the frustration is equal as the municipalities with the **HV/LN** issue are weighted low. So, those municipalities **HV/LN** issues are OUT VOTED if they try to forward solution to curtail the School Budget.

With more than 15 years from the statewide school district reorganizations is about time that municipalities within the same school district pick their fiscal responsibility on the Additional Local Funds which seems to be continuously increasing revenue in the entire state of Maine. Please refer to the below chart:



- **13% Decline in Enrollment; whilst ALF has increased 8-Fold**
- **ALF likely to increase with changes in State Funding**

With sincere appreciation for your time and your consideration,

Sara Languet  
Email: [slanguet@gmail.com](mailto:slanguet@gmail.com)