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THE MAINE SENATE
131st Legislature

**Testimony of Senator Nicole Grohoski
In Support of LD 154, “An Act Regarding Special Education Funding for
So-called Minimum Receiver School Administration Units”**

**Before the Committee on Education and Cultural Affairs
12 April 2023**

Senator Rafferty, Representative Brennan, and honorable members of the Education and Cultural Affairs Committee, I am Senator Nicole Grohoski and I represent Senate District 7, most of Hancock County. Thank you for providing me the opportunity to support LD 154: *An Act Regarding Special Education Funding for So-called Minimum Receiver School Administration Units*.

I am supportive of the sponsor’s amendment, which increases the minimum state share of a school administrative unit's special education costs under the essential programs and services school funding formula from 50% to 55% starting in fiscal year 2024-25.

This modest increase would be a huge help to communities all around the state. There is also precedent for the state providing greater support for special education costs, at 84% in the mid-2000s.

I serve schools who receive funding from the state to provide essential programs and services (EPS), and schools who do not, the so-called minimum receiver schools. I understand that the EPS formula is designed to provide equitable funding for education statewide and am not here to advocate for changes to that formula. This legislation instead looks to support school districts with the costs associated with the special education services that they are required (for good reason) by federal law to provide.

Many of the minimum-receiver schools in my district are in small towns with populations under 2,000 people. They have school populations in the 100-200 student range. Some property owners in these towns are wealthy and others are very much not. In fact, some of my minimum-receiver districts receive additional funding because of income levels.

When a student with special education needs moves into schools like these, the cost of education can increase dramatically because the cost of supporting that student is a greater percent of the school's overall budget. This cost can be incurred unexpectedly during an ongoing fiscal year, which is challenging to accommodate within the approved school budget. Many schools have contingency funds for this reason, to soften the timing and financial effects of providing these services.

Each community is asked to shoulder via their property taxes what is, in my view, a cost that should be spread statewide. While many property owners can absorb this cost, others struggle to. When school budgets increase sharply or unexpectedly, people look for the reasons why. The sad reality is this – in small towns, it's not hard to figure out and families and students can be blamed or find themselves ostracized for something that is not their fault. Sometimes, school and municipal leaders have tough conversations about cutting other programs, which can further exacerbate hard feelings.

I have seen this happen in towns I serve, and it is a policy failure. Principally, the failure lies at the feet of the federal government, but in the absence of federal action, this is a state problem. This bill is a step in the right direction to correct this failure and help so many of our schools with costs that are largely out of their control.

Thank you for your attention and I am happy to answer any questions you may have.