

Scarborough Public Schools



Good morning, Chairs Rafferty and Murphy and members of the Committee on Education and Cultural Affairs,

My name is Shannon Lindstrom, Chair of the Scarborough School Board. I am here today to share the Board's feedback on the proposed updates to the EPS funding model under LD 2226.

First, thank you for requesting that MEPRI review the current EPS funding formula. The formula has not worked well for Scarborough and, I imagine, for many districts across the state. Last year, Scarborough received 12% of our education budget from the state, requiring our residents to fund 88%. We were hopeful that an updated model might lead to an increase in assistance.

Proposed changes are estimated to result in a loss of roughly \$1 million for Scarborough, the largest loss of any Maine district. Cumberland County appears disproportionately affected: with four districts absorbing \$3 million of the total \$5 million in redistributive losses statewide.

Absorbing this loss would be difficult under any circumstances, but it is especially concerning because it aligns with the repayment of our locally funded \$139.8 million school bond, a project endorsed by taxpayers because Scarborough did not receive state construction funding.

Our largest concern centers on the measurement of a community's ability to pay. In Scarborough, approximately 76% of households do not have school-aged children. Because economically disadvantaged students are the only measure recommended, the formula excludes those 76% of residents from the calculation. All households financially support the community, including paying taxes to fund essential public services. It seems only fitting that everyone's income be considered when determining the community's ability to pay.

This current exclusion overlooks two important truths.

- Many residents are "house rich" but "cash poor". Land wealth, home value and other assets do not necessarily translate into liquid income.

- Many residents are struggling to afford medications and basic household expenses, often with only modest cost-of-living increases.

We understand that property tax relief is one potential mitigation effort, separate from LD 2226, under consideration. Any relief would be welcome, but it should be incorporated directly into the new EPS formula rather than treated as a separate measure.

We respectfully urge the following adjustments:

- Use a more holistic measure of community ability to pay, like median household income, total taxable income or any metric that reflects the whole community rather than only school-age families.
- Integrate property tax relief directly into the funding formula so relief is stable, predictable and not vulnerable to future cuts.

We hope this feedback is helpful as you continue your work. While we agree that the EPS formula needs modernization and appreciate the effort invested so far, it is essential that any revisions avoid unintended or irreparable harm to residents and communities. Thank you for your time and for all that you do for Maine people every day.

Sincerely,

Shannon Lindstrom, Frayla Tarpinian, Charlotte Jacobs, John Kelleher,
Crescencia Maurer, Mitchell Rockenstire and Jillian Trapini-Huff

Scarborough School Board