



Harold "Trey" Stewart III
Senator, District 2

130th MAINE SENATE

3 State House Station
Augusta, ME 04333

**Testimony for L.D. 270, An Act To Amend the Regional Adjustment Index To Ensure School Districts Do Not Receive Less than the State Average for Teacher Salaries
Presented by Senator Harold "Trey" Stewart III
Joint Standing Committee on Education and Cultural Affairs
March 8, 2021**

Good morning Senator Daughtry, Representative Brennan, and members of the Education and Cultural Affairs Committee: I am Senator Trey Stewart and I proudly serve the people of Senate District 2, which includes Southern Aroostook County and parts of Northern Penobscot County. I am before you today to present L.D. 270, An Act To Amend the Regional Adjustment Index To Ensure School Districts Do Not Receive Less than the State Average for Teacher Salaries.

This issue has been one that I have worked on since I first arrived in the legislature in 2017 and every year since. Some of you are familiar with my goal of addressing this disparity in the state's funding formula, while others are getting a rapid introduction to the formula during the budgeting process this year. I hope that this will be the year that we are finally able to right this wrong win the formula and have a new approach of addressing the problem this session.

As you all know, the state's funding formula for public education utilizes pages and pages of spreadsheets to make allocations to local districts, based on what the state feels is an equitable cost for a teacher, school nurse, administrator, ed tech, etc. Then, after spending several pages to determine the per-pupil allocation that each district should receive in an "equitable" manner, the next-to-last step is to adjust that amount by the district's geographic location. I'm speaking here specifically of the Regional Adjustment done by the index of labor markets across Maine.

To outline the inequity in this particular line, consider the following example. In my home town and school district in Presque Isle, we are graded at .9 on this index, meaning we lose \$563,827 from the state. Schools in the City of Portland, conversely are graded at 1.08, meaning they receive an extra \$1,667,625 from the state. As a percentage, the state provides 18% more to Portland schools than the highest-ranked district in the County, which is specifically for the purpose of paying their teachers more. If you were to compare Millinocket at .88 with Kittery at 1.06, or Machias at .84 with Scarborough at 1.08, you start to get a sense of the disparity I referenced earlier.

While the system is designed to capture certain components of the cost of labor in these districts- which come from the Department of Labor- they fail miserably a capturing other real costs. The social cost for a teacher who is given two job offers, for example. One to a school that can pay them 20% more and allows them to live in urban areas with other young adults of similar age, or another job offer for less pay in a rural community. It's no wonder we have a teacher shortage in

rural parts of the state, when you consider that the systems is designed to incentivize new teachers to move to urban areas. The system also fails to capture other costs of living that are more common in rural areas, like more expensive healthcare, transportation, heating, and weather maintenance costs. Again, it's clear that the system benefits urban parts of Maine at the expense of rural parts.

This session, however, rather than attempting to eliminate this system entirely- which I've concluded is never going to happen because of the "winners and losers" dynamic that would then create- I'm attempting to approach the issue from a different angle. Rather than having this bill seek to rebalance the scales, I'm simply suggesting we stop penalizing rural districts, while not touching the "winning" districts under this model. This proposal seeks to avoid the "spreadsheet politics," which frequently impacts funding formula initiatives. As you can see from the straightforward language of bill, this bill simply seeks to pull those districts below a 1.00 on the scale up to a measure of the statewide average so that at a minimum, the districts are not penalized for their rural location. By addressing this problem, we will make great strides at being able to allow teachers to not forego opportunities to live and work in rural Maine because of the state's hamstringing of the local districts to offer them a competitive salary.

Speaking of salary, now is a good time to mention that even though the Governor proposed and the previous legislature adopted a minimum teacher salary for the state, teachers in rural parts of the state will continue to struggle because of this component in the formula. Even if a new teacher is guaranteed the minimum amount per the change, the urban counterparts are still afforded more funding to pay teachers more to work and live there than their rural neighbors. This is not fair and it is not right. If we are serious about pulling all teachers up across our state, we must ensure that our rural educators are not penalized because they chose to live and work in rural Maine.

The idea for this approach came from the MEA's testimony two years ago on the second rendition of this bill, which was ultimately turned into a resolve to study the issue in the 129th legislature. I appreciated their thoughts and comments then, and I anticipate that they will have more input to provide today, which I welcome. One of their recommendations two years ago was to incorporate a "minimum" with regard to the regional adjustment, which is what this bill seeks to do. I hope that the organization still supports such an idea today as it will go a long way in benefitting thousands of their members.

Finally, I want to thank you all as members of the committee for taking the time to recognize and work on this important issue for rural educators in Maine. If we want to put an end to the discrepancies in how we value our relationships with neighbors who live in different parts of the state, we can take this first step to put an end to the practice of devaluing those who educate rural Maine's youth.

Thank you for your time and attention and I would be happy to answer any questions the committee may have at this time.