

Maine

Funding Basics

Formula Type

Maine has a hybrid funding formula incorporating both resource-based and student-based elements. It determines the cost of delivering education in a district based on the cost of the resources, such as staff salaries and course materials, required to do so, and divides that cost by the district's enrollment to determine a per-student cost. This cost is then used as a base amount. The categories of students considered in Maine's funding policy are students in certain grade levels, English-language learners, low-income students, students identified as gifted, students with disabilities, students enrolled in career and technical education (CTE) programs, and students attending small schools in sparsely populated districts.

Maine expects school districts to contribute to the funding of their public schools, with the amount of the local share based on districts' property values. Districts in Maine are permitted to raise and keep additional local revenues for regular district operations.

Supplemental funding for students in certain grade levels, English-language learners, low-income students, students with disabilities, and students attending small schools in sparsely populated districts is generated by applying multipliers to the base amount. Services for students identified as gifted and students enrolled in career and technical education programs are funded through program-specific allocations.

Base Amount

Maine has a base funding amount per student that varies from district to district. For FY2021, the base amount ranged from about $3,730 to $7,980, with a state average of $6,743.18.

This means that an average student with no special needs or disadvantages would be funded within that range. Differences arise from the structure of Maine's funding formula, which accounts for the costs of certain inputs in each of the state's geographic regions.

For each district, elementary and secondary students are counted; resource costs for staff, benefits, and other supports are calculated based on the number of students and on the state's teacher compensation system, which pays teachers in accordance with their training and experience. There are also set salaries for other school staff members, along with associated amounts for benefits. Once all staff costs for a district have been calculated, line-item costs are added for other inputs, including supplies, support services, and maintenance. The resulting cost is adjusted for the regional cost of living. This total number is then divided by the number of attending pupils in the district to provide a district-specific base amount.

Local Revenue

Expected Local Share

Maine expects its municipalities to raise revenue to support their public schools. The amount each municipality is expected to raise is based on its property values and the amount necessary to satisfy the statewide expected local contribution of 45% of what the state calculates to be necessary to educate students.

School districts in Maine generally encompass multiple towns. Each town is expected to contribute either the proceeds from a given tax rate (in FY2022, $7.26 for every $1,000 of assessed local property wealth) or a share of the district's total needed funding in proportion to the number of district students residing in the municipality, whichever is less. The expected tax rate is set annually based on local property values and the statutory target of 45% of the statewide share of education funding to be covered by local revenue. Once the state calculates the total amount of funding necessary to educate students within a district, it subtracts the expected local contribution and provides the difference in the form of state education aid.

Towns in Maine that choose to do so may raise less or more money locally than the expected amount. However, when a school district's actual local contribution falls below the expected local contribution, state aid is reduced by the same percentage by which the district is underfunding its local share.

Property Tax Floors and Ceilings

Maine sets a level above which property tax rates require voter approval. School districts in Maine do not directly impose property taxes; property taxes for education are imposed by municipalities in accordance with budgets set by their district school boards. School boards require voter approval to set a budget that exceeds the amount calculated by the state to be necessary for their school districts.

In Maine, municipalities impose property taxes for education in accordance with the school budgets approved by voters. If a school district seeks to set a budget that exceeds the amount calculated by the state to be necessary to educate its students, the school board is required to draft and approve an article that explains the purpose of the additional funds, and the budget must be approved by voters at a public meeting. If voters approve the budget, the school board can call on its associated municipality or municipalities to levy the property tax rate(s) necessary to fund the approved budget.

Maine does have a limit on municipal property taxes, but this limit does not apply to property taxes raised for schools. Additionally, while there is no minimum level of property taxation for education, there is a penalty for school districts that raise less than the local share expected by the state. When a school district's actual local contribution falls below the expected local contribution (see "Expected Local Share"), state aid is reduced by the same percentage by which the district is underfunding its local share.

Other Local Taxes for Education

School districts in Maine receive local revenue only from property taxes.

Student Characteristics

Grade Level

Maine provides a greater level of funding for students in grades pre-K-2 only. It does so by applying a multiplier of 1.1 to the base per-pupil amount for students in these grades.

The multiplier is applied after the base amount is adjusted for local cost of living. Students in grades 3-12 are funded at the base amount.

English-Language Learner

Maine provides increased funding for English-language learners. It does so by applying a multiplier to the base per-pupil amount for these students. The precise multiplier used varies depending on the number of students in the district who are not proficient in English.

For school districts with 15 or fewer English-language learners, a multiplier of 1.7 is applied to the base amount; for districts with between 16 and 250 English-language learners, a multiplier of 1.5 is applied; and for districts with more than 250 English-language learners, a multiplier of 1.525 is applied. The multiplier is applied after the base amount is adjusted for local cost of living.

Poverty

Maine provides increased funding for students from low-income households. It does so by applying two multipliers, of 1.15 and 1.05, to the base per-pupil amount for these students.

Both multipliers are applied after the base amount is adjusted for local cost of living. Students are eligible for this supplemental funding if they qualify for free or reduced-price lunch under the National School Lunch Program. School districts must use funds generated by the 1.15 weight for evidence-based practices that academically support low-income students. Funds generated through the additional 1.05 weight must be used for approved extended learning programs.

The multipliers have been expressed this way for consistency with other states. The funding is actually provided in an amount equal to 0.15 to support low-income students, and 0.05 times the per-pupil base amount for extended learning programs. This funding is distributed in addition to the student's own base amount funding; so in total, a student generates 1.20, not 2.20.

Special Education

Maine funds special education using a multiple student weights system, providing different levels of funding for different groups of students. Students are assigned to three different categories based on the concentrations of students with disabilities in their districts.

Maine applies different multipliers to the per-student base amount for students in these groups. Specifically, students with disabilities that represent up to 15% of district enrollment are funded at a level equal to the per-student base amount multiplied by 1.5; above that threshold, they are funded at a level equal to the per-student base amount multiplied by 1.38. In districts with fewer than 20 students identified as having disabilities, the appropriate multiplier is increased by 0.29. The multiplier is applied after the base amount is adjusted for local cost of living.

These multipliers are applied to district-specific per-student base amounts that reflect local costs. Adjustments are also made for especially high-cost students and to ensure maintenance of state effort from year to year.

Gifted

Maine provides increased funding for gifted and talented students. It does so in the form of a noncompetitive grant.

To determine the amount of money to be appropriated for this purpose, the state uses either the most recent audited report of financial data for approved actual expenses or the approved budget, whichever is less, and then applies a multiplier for inflation.

Career and Technical Education

Maine provides increased funding for career and technical education (CTE) programs. It does so through a program-based allocation that is distributed both to CTE regions, which encompass multiple school districts, and to individual school districts operating their own CTE centers.

The amount of the allocation is derived from a resource-based calculation that incorporates costs for the salaries and benefits of those providing direct instruction, central administrative staff and other administrative costs, facilities operation and maintenance, student and staff supports, and supplies. Allocations for certain staff positions vary by program size, and supply costs vary by the specific CTE program being funded.

Beginning in fiscal year 2018-19, the commissioner expended some funds to support middle school CTE pilot projects.

District Characteristics

Concentrated Poverty

Maine does not provide increased funding for districts based on the concentrations of students from low-income households that they serve. However, Maine does provide funding for individual students from low-income households (for more information, see "Poverty").

Sparsity and/or Small Size

Maine provides increased funding to remote, small schools. It does so by applying a multiplier to the base per-pupil amount that varies from district to district, depending on size and remoteness.

The amount of the multiplier is the result of adjusting the necessary student-to-staff ratios, the per-pupil amount for operation and maintenance of facilities, or other essential programs and services components.

To qualify as a small elementary school, a pre-K-8 school must have fewer than 15 students per grade level and a non-pre-K-8 school must have fewer than 29 students per grade level. All small elementary schools must be more than 8 miles from the nearest other elementary school. Isolated small secondary schools must have fewer than 200 students and be more than an average of 10 miles from the nearest other high school. Island schools are also eligible for this funding.

Charter Funding

Funding for charter schools in Maine is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools are funded through a hybrid formula that considers both the characteristics of students they educate and the cost of the resources required to deliver an education to these students. Charter schools receive from the state a base funding amount per student, which varies depending on the cost of resources in their local district's geographic region. For each student, charter schools also receive state funding that reflects any additional funding generated by students in special programs and need categories.

Charter schools in Maine do not receive a share of local tax revenue.

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org

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