

FundEd: Maine Report

A Detailed Look at Maine's Funding Policies



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 formula then accounts for the additional cost of educating specific categories of students both through program-specific allocations and by applying multipliers to the base amount to generate supplemental funding for certain students.

The categories of students generating supplemental funding in Maine are students in certain grade levels, English-language learners, low-income students, students with disabilities, and students attending small schools in sparsely populated districts. 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 FY2018, the base amount ranged from \$5,134 to \$7,353.

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 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 either on its property values, with rates set to satisfy a statewide expected local contribution share, or on a defined share of the amount calculated by the state to be necessary to educate students within the municipality's local school district.

School districts in Maine generally encompass multiple towns in Maine. Each town is expected to contribute either the proceeds from a given tax rate (in FY2019, \$8.48 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 a statutory target for 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 does not set a floor or a ceiling for local property tax rates, or a level above which voter approval is required. School districts in Maine do not directly impose property taxes, but municipalities are not limited in what they may levy for schools.

In Maine, municipalities impose property taxes in accordance with the school budgets approved by voters. 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.

District Characteristics

Grade Level

Maine provides a greater level of funding for students in grades 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 (ELLs). 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 not proficient in English.

For school districts with fewer than 15 ELLs, a multiplier of 1.7 is applied to the base amount; for districts with between 16 and 250 ELLs, a multiplier of 1.5 is applied; and for districts with greater than 250 ELLs, 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 a multiplier of 1.15 to the base per-pupil amount for these students.

The multiplier is 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.

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.

It does so by applying different multipliers to the per-student base amount for students in these groups. Specifically, students with disabilities up to 15% of district enrollment are funded at a level equal to the per-student base amount multiplied by 1.315; above that threshold, they are funded at a level equal to the per-student base amount multiplied by 1.695. In districts with fewer than twenty students identified as disabled, 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. There are also adjustments 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 non-competitive grant.

To determine the amount of money to be appropriated for this purpose, the state uses 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.

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 plant, or other essential programs and services components.

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

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

