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H.P. 411

House of Representatives, February 24, 2021

An Act To Address Labor Market Inequities in the School Funding Formula

Received by the Clerk of the House on February 22, 2021. Referred to the Committee on Education and Cultural Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TUELL of East Machias.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 20-A MRSA §15682**, as amended by PL 2011, c. 419, §2, is further amended
3 to read:

4 **§15682. Regional adjustment**

5 ~~The commissioner shall make a regional adjustment in the total operating allocation~~
6 ~~for each school administrative unit determined pursuant to section 15683. The regional~~
7 ~~adjustment must be based on the regional differences in teacher salary costs, for labor~~
8 ~~market areas in which the school administrative unit is located, as computed by a statewide~~
9 ~~education policy research institute, and must be applied only to appropriate teacher salary~~
10 ~~and benefits costs as calculated under section 15678 and salary and benefit costs of other~~
11 ~~school-level staff who are not teachers as calculated under section 15679. Beginning in~~
12 ~~fiscal year 2012-13, and for each subsequent fiscal year, Except as provided in this section,~~
13 ~~the commissioner shall make a regional adjustment in the total operating allocation for each~~
14 ~~school administrative unit determined pursuant to section 15683. The regional adjustment~~
15 ~~must be based on the regional differences in teacher salary costs, for labor market areas in~~
16 ~~which the school administrative unit is located, as computed by a statewide education~~
17 ~~policy research institute, and must be applied only to appropriate teacher salary costs as~~
18 ~~calculated under section 15678 and salary costs of other school-level staff who are not~~
19 ~~teachers as calculated under section 15679.~~

20 Beginning in fiscal year 2024-25 and for each subsequent fiscal year, the commissioner
21 may not make a regional adjustment that results in a decrease in a school administrative
22 unit's allocation for teacher salary costs under section 15678 and salary costs of other
23 school-level staff who are not teachers as calculated under section 15679. For any school
24 administrative unit for which the regional adjustment for fiscal year 2021-22 in the total
25 operating allocation determined pursuant to section 15683 results in a decrease in the unit's
26 allocation for teacher salary costs under section 15678 and salary costs of other school-
27 level staff who are not teachers as calculated under section 15679, the commissioner shall
28 reduce the adjustment incrementally in fiscal years 2022-23 and 2023-24 to transition from
29 the fiscal year 2021-22 adjustment amount to zero by fiscal year 2024-25. For any school
30 administrative unit for which the regional adjustment for fiscal year 2021-22 in the total
31 operating allocation determined pursuant to section 15683 results in an increase in the unit's
32 allocation for teacher salary costs under section 15678 and salary costs of other school-
33 level staff who are not teachers as calculated under section 15679, the commissioner shall
34 set the adjustment in fiscal years 2022-23, 2023-24 and 2024-25 at the amount of the
35 adjustment in fiscal year 2021-2022.

36 **SUMMARY**

37 This bill requires that, beginning in fiscal year 2024-25, when the Commissioner of
38 Education makes the regional adjustment in the total operating allocation for each school
39 administrative unit, also known as the labor market adjustment, the commissioner may not
40 make an adjustment in the total operating allocation that decreases a school administrative
41 unit's allocation for teacher and other school-level staff salary costs. The bill also requires
42 the commissioner to reduce the adjustment incrementally to zero between fiscal years
43 2021-22 and 2024-25 for any school administrative unit for which the regional adjustment
44 in fiscal year 2021-22 results in a decrease in the unit's allocation for teacher and other

1 school-level staff salary costs. Finally, the bill requires the commissioner to maintain the
2 adjustment amount at the fiscal year 2021-22 amount for the subsequent 3 fiscal years for
3 any school administrative unit for which the adjustment in fiscal year 2021-22 results in an
4 increase in the unit's allocation for teacher and other school-level staff salary costs.