

**Education and Cultural Affairs  
Committee**

**February 24, 2025**

**Trends and Patterns In  
Education Funding**

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# Agenda

- Introduction to MEPRI
- Overview of the EPS Study
  - *Context*
  - *Report contents*
- EPS Study Part I: Data Trends
  - *Enrollment & staffing*
  - *Spending by category*
  - *Total spending compared to EPS cost estimates*
  - *Overview of revenue sources*

# Study Overview

Resolve 2286 directed MEPRI to study the Essential Programs and Services (EPS) school funding formula.

- *Reporting in March 2025*
- *Collaboration with Maine DOE*
- *Informed by prior MEPRI reports*
- *Stakeholder engagement*

# Context Setting

- Similar discussions nationally, including VT, [MA](#)
- Policy constraints
- EPS approach
- Stakeholder feedback & questions

# Town Responsibility (a.k.a. Local Control)

## Maine Constitution, Article VIII Sec. 1

*“The Legislature are authorized, and it shall be their duty to require, the several towns to make suitable provision, at their own expense, for the support and maintenance of public schools”*

**Result** → Inequity of resources and opportunity.

**Response** → State distribution of aid to towns (outlined in statute)

# EPS Approach

**The system comprises two components:**

## **Cost model**

- Estimates the minimum basic resources needed across the state, based on district attributes (ED, ELL, SPED, geography)
- Contrast to per-pupil foundations (same for all)

## **Distribution of aid**

- Method for providing state dollars to districts
- Range: 5% to ~85% state aid

# Stakeholder Feedback

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See [summary of comments](#) received to date at:

**<http://mepri.maine.edu/eps-study>**

# Stakeholders' Policy Questions

- What is an “adequate” PK-12 education?
- Is PK-12 primarily a local responsibility?
- Which students should the State be responsible for?
- How can special education in particular be addressed sustainably by a different approach?

There is a desire for statewide prioritization conversations: “No winner and no losers.”

# Agenda Reminder

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# LD 2286: Addressed in 5 parts

- I. **Data trends**
- II. **State aid & local ability to pay**
- III. **Regional cost variation**
- IV. **Special education**
- V. **Other**

# Part I: Enrollment & Staffing

## *Handout pages 1 & 2*

- Public school Student enrollment decreased 19% between 2001 and 2023.
- Total teachers (all categories) fluctuated.

# Part I: Spending by Category

## *Handout pages 3 to 13*

- Total spending has increased more than inflation since 2001
- Per-pupil spending increased even more due to declining enrollments
- Biggest proportional increases in special education, student and staff support, and CTE (pre-pandemic)
- Smallest increases in regular instruction, system administration.

# Part I: Over / Under EPS Trends

*Handout page 14*

- SAUs budgets are typically higher than EPS amounts
- In FY24, district budgets were 26% higher than EPS

# FY2025 pK-12 Education Funding

<b>State</b>	<b>\$ 1,442 M</b>
<b>Local (EPS)</b>	<b>\$ 1,180 M</b>
<b>Local Additional</b>	<b>\$ ~ 600 M</b>
<b>Federal*</b>	<b>\$ 175 M</b>

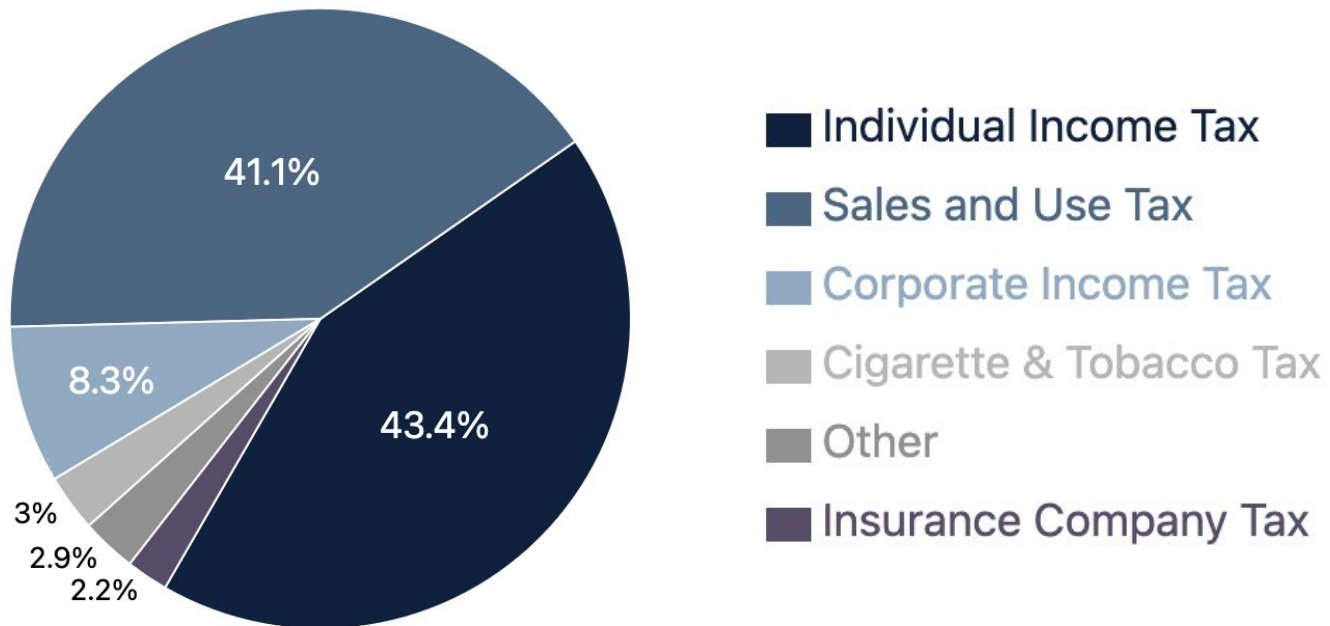
*\*Source: USDE FY23-25 President's Budget State Tables*

# FY2025 Federal Education Grants

<b>Elementary &amp; Secondary</b>	<b>\$ 174.9 M</b>
Title I (Disadvantaged)	\$ 61.8 M
Special Education	\$ 71.6.M
CTE	\$ 7.2 M
All other Title grants & Impact aid	\$ 34.3 M
<b>Postsecondary</b>	<b>\$ 141.0 M</b>
Pell grants	\$ 125.4 M
Opportunity grants & work study	\$ 15.6 M
<b>All Other</b>	<b>\$22.1 M</b>
<i>Federal student loans estimated at an additional \$380M</i>	

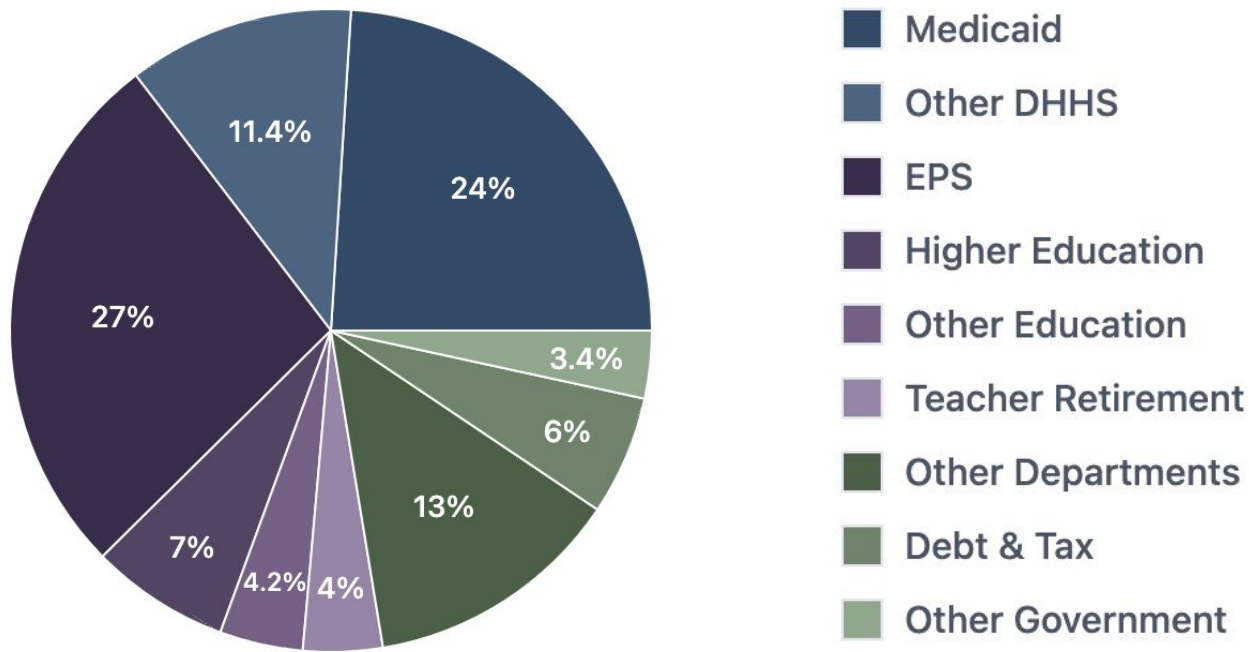
# Part I: ME Education Funding Revenue Sources

## FY24 State General Fund Revenue Sources



# Part I: ME State Education Costs in Context

## FY24 General Fund Expenditures



## Questions?

Amy Johnson ([amyj@maine.edu](mailto:amyj@maine.edu))

Share your feedback:  
*[mepri.maine.edu/eps-study](http://mepri.maine.edu/eps-study)*