



128th MAINE LEGISLATURE

LD 1736

LR 2746(02)

An Act To Broaden Educational Opportunities for Members of the Maine National Guard

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$400,000	\$400,000	\$400,000
Revenue				
Other Special Revenue Funds	\$0	\$400,000	\$400,000	\$400,000
State Alcoholic Beverage Fund	\$0	(\$400,000)	(\$400,000)	(\$400,000)

Fiscal Detail and Notes

The bill expands the Maine National Guard Tuition Assistance Program to add private nonprofit postsecondary education institutions to state postsecondary education institutions where Maine National Guard members may receive a tuition benefit under the program. To the extent that there are sufficient funds available in the Maine National Guard Postsecondary Fund to pay the tuition costs for all Maine National Guard members who want to participate in the program, there is no fiscal impact to the higher education institutions. However, if expanding the program results in tuition costs exceeding available funding, there would be an impact to the higher education institutions in the form of lost tuition revenue.

The bill includes an allocation of \$250,000 to the newly established Veterans Temporary Assistance Fund within the Department of Defense, Veterans and Emergency Management which will be used for financial assistance to veterans. Funding will come from an annual transfer of \$250,000 from the Liquor Operation Revenue Fund (LORF) beginning in fiscal year 2018-19.

The bill also includes an allocation of \$150,000 to the Maine National Guard Postsecondary Fund within the Department of Defense, Veterans and Emergency Management which will be used for tuition assistance to veterans attending state postsecondary education institutions and private postsecondary education institutions. Funding will come from an annual transfer of \$150,000 from the LORF beginning in fiscal year 2018-19.

Increasing from \$7,000,000 to \$7,400,000 the amount withdrawn annually from the LORF and paid to the State and changing the distribution to include the \$400,000 described above, will reduce the balance in the LORF. Current law requires, once certain revenue bonds have been retired, which is the primary obligation of the LORF, any excess funds be transferred to the Maine Budget Stabilization Fund. Since this bill reduces the balance in the LORF by \$400,000 annually, the final balance available in the LORF to be transferred to the Maine Budget Stabilization Fund once the bonds have been retired will be much lower than under current law.