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THE MAINE SENATE  
131st Legislature

**Testimony of Senator Nicole Grohoski  
In Support of LD 2092, "An Act to Equalize Funding for the Maine Maritime Academy"**

**Before the Committee on Education and Cultural Affairs  
31 January 2024**

Greetings Senator Rafferty, Representative Brennan, and honorable members of the Education and Cultural Affairs Committee. My name is Nicole Grohoski and I am honored to represent the 22 coastal and island communities of Senate District 7. I am here to present and express support for LD 2092, *An Act to Equalize Funding for the Maine Maritime Academy*.

Maine Maritime Academy (MMA) is a distinguished institution that has been a pillar of Downeast Maine for many years. It is renowned for providing high-quality education and training to its students, many of whom go on to work in the maritime industry and related fields. The institution has played a significant role in shaping the economic and cultural landscape of Hancock County and the entire state of Maine.

As the Senator representing MMA's host town of Castine and many of the towns where its faculty, staff, and students live, I am pleased to collaborate with MMA on this bill because it is time to create funding parity between Maine's public higher education systems.

MMA's importance to my region may only be overshadowed by its importance to our entire state, which faces workforce shortages across several important sectors that MMA graduates are qualified to fill. MMA is also well-positioned to support Maine's overall carbon emissions reduction goals as they relate to key maritime industries. In fact, MMA's unique relationships with the maritime sector and notoriety in that global community should be better utilized by our state to compete for the economic innovations that will define the 21<sup>st</sup> Century.

However, we as a state do not fully take advantage of Maine Maritime Academy and appear to even undervalue it relative to other higher education systems in Maine. MMA's peer cohort of public higher education campuses within 50% enrollment in Maine, based on the most recent publicly available data from 2021, can rely on an average of 49.63% of their baseline operations budget being supplied by state dollars. Meanwhile, even with more recent Fiscal Year 2024

figures, MMA receives only 24% of its operational budget from the state (this was 21.66% in the most recent year we can compare MMA directly to its peers, 2021).

In other words, the best data available indicates that the state funds a quarter of MMA's operations while it supports its most analogous peers with half of their funding. The gap is 25%.

When you continue looking at the data, you see that MMA is an outlier among all of Maine's public campuses. The larger institutions that are not within 50% of MMA's enrollment can count on 41.69% of their operational budgets coming from state dollars. This is a more than 17% gap.

And when we look at the nation's five other State Maritime Academies which MMA directly competes with, the numbers are eerily similar. Those institutions receive between 40% and 51% of their base operations from their host states. Even MMA's closest competitor, Massachusetts Maritime Academy, has 40% of its operations publicly funded.

That fact helps to explain why Massachusetts Maritime Academy has been steadily recruiting Maine students to leave home and attend their school. While Maine Maritime Academy has worked hard over the last few years to increase its enrollment and prevent tuition increases, we lose students to Mass Maritime and other competitors who are able to offer more competitive tuition packages. Leaving MMA with 75% of its operations to self-finance places an inordinate weight on tuition revenue and places us at a competitive disadvantage with prospective students.

This is a loss to our state and to our students. These youth, who would otherwise participate in maritime careers as Maine residents and taxpayers, are missing out on an incredible opportunity to develop their skills and careers here at home. MMA has been ranked by Georgetown University as the "highest return on investment for low-income students among all public 4-year institutions," and according to the Department of Education, the median annual earnings of MMA graduates far exceed those of students who attend our other public higher education institutions.

In essence, MMA gives the state its greatest pound-for-pound return on investment, but we are not growing this return by underfunding our state maritime academy. We need to better invest in this valuable asset.

Thank you for your time and consideration of this bill. I hope you agree that it is time to create funding parity among Maine's three systems of higher education. While small, rural, and oft-overlooked by its larger higher ed peers, MMA is mighty. It is time to fully realize its potential as an engine of economic opportunity and a powerful workforce development tool for the state of Maine. I look forward to working with you through the Committee and Appropriations processes and ask for your full support of LD 2092. I would be glad to answer any questions.