



# 131st MAINE LEGISLATURE

LD 1741

LR 961(02)

**An Act to Promote Educational Opportunity Through the Educational Choice Tax Credit Program,  
Eliminating Certain Restrictions on Charter Schools and Virtual Public Charter Schools, Allowing  
More Entities to Authorize Charter Schools and Clarifying Educational Policy on Immunization  
Requirements**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Education and Cultural Affairs**

**Fiscal Note Required: Yes**

## Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$14,340,514	\$21,021,818	\$33,375,884	\$38,130,097
<b>Appropriations/Allocations</b>				
General Fund	\$90,514	\$121,818	\$125,884	\$130,097
<b>Revenue</b>				
General Fund	(\$14,250,000)	(\$20,900,000)	(\$33,250,000)	(\$38,000,000)
Other Special Revenue Funds	(\$750,000)	(\$1,100,000)	(\$1,750,000)	(\$2,000,000)

### Fiscal Detail and Notes

This bill creates the educational tax credit, a nonrefundable income tax credit for tax years beginning on or after January 1, 2023, equal to amounts donated to scholarship organizations participating in the educational choice tax credit program under Title 20-A, chapter 220, and allows taxpayers to divert a portion of state income tax withheld to a participating scholarship organization up to the maximum credit allowed, including carry-over credits. General Fund revenue from income tax will decrease by \$14,250,000 in fiscal year 2023-24 and \$20,900,000 in fiscal year 2024-25. The reductions in income tax revenue will decrease Local Government Fund revenue by \$750,000 in fiscal year 2023-24 and \$1,100,000 in fiscal year 2024-25.

This bill includes ongoing General Fund appropriations of \$90,514 in fiscal year 2023-24 and \$121,818 to the School Finance and Operations program within the Department of Education in fiscal year 2024-25 for one Public Service Coordinator I position and related All Other costs to establish and administer the educational choice tax credit program.

The Department of Administrative and Financial Services, Bureau of Revenue Services has indicated that there are technical issues that make it difficult to estimate certain costs to implement the educational tax credit as specified in the bill, so there may be additional costs not expressed in this fiscal note.