



132nd MAINE LEGISLATURE

LD 220

LR 548(01)

An Act to Establish the Hope and Inclusion Scholarship Program in Order to Provide Funding for Students Attending Certain Private Schools and Students Receiving Home Instruction

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Bagshaw of Windham

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential current biennium cost increase - General Fund
Reduction in state subsidy - local school administrative units

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Appropriations/Allocations				
Other Special Revenue Funds	\$500	\$500	\$500	\$500

Fiscal Detail and Notes

This bill establishes the Hope and Inclusion Scholarship Program to be administered by the Hope and Inclusion Scholarship Board with the assistance of the Department of Education. It creates individual hope accounts which may be used by parents or legal guardians of qualified students to pay for the education of those students enrolled in private schools or those students receiving home instruction. The bill provides that the board may receive up to 3% of the state subsidy attributable to the qualified student for whom a hope account is established to pay for the ongoing costs of administering the program. The amount to be received by the board each year will depend on the number of students that participate in the program. To the extent that funding received by the board from the 3% of state subsidy for each student for which a hope account is established is insufficient to cover the cost of administering the program, General Fund appropriations may be required.

The bill requires the Department of Education to deposit 90% of the state subsidy for each child approved for a hope account that would otherwise be paid to the child's local school administrative unit (SAU) into an account established for that child. The SAU of the child approved for the program is required to deposit 90% of its required local contribution attributable to that child into the child's hope account. The impact to individual SAUs affected by this requirement will depend on the number of students in each SAU that participate in the program each year. The Department of Education will require ongoing Other Special Revenue Funds base allocations of \$500 per year beginning in fiscal year 2025-26 to the Hope and Inclusion Scholarship Program to authorize the expenditure of funds received from the deposit of the state subsidy and the required local contribution. Expenditures include the establishment of individual hope accounts for eligible students and the ongoing costs to administer the program.

Additional costs to the Department of Education, the University of Maine System, the Permanent Commission on the Status of Racial, Indigenous and Tribal Populations, the Office of the Attorney General, the Office of the State Auditor and the Office of the State Treasurer associated with serving on the Hope and Inclusion Scholarship Board are expected to be minor and can be absorbed within existing budgeted resources.