

Nicole Grohoski
Senator, District 7



P.O. Box 1732
Ellsworth, ME 04605

THE MAINE SENATE
132nd Legislature

Testimony of Senator Nicole Grohoski
In Support of LD 681, “An Act Regarding Public Higher Education Funding in the State”

Before the Committee on Education and Cultural Affairs
April 3, 2025

Greetings Senator Rafferty, Representative Murphy, 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 681, *An Act Regarding Public Higher Education Funding in the State*.

This legislation mirrors Committee Amendment “A” to last year’s LD 2092, a compromise agreement on my legislation that received nearly unanimous support from this Committee. Unfortunately, the bill was among those that were taken off the Appropriations Table but not taken up in the House on the last day the Legislature met. I believe the need and importance we recognized in this agreement last spring has only become more relevant.

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 of the importance of working toward 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 21st 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. If the 4% inflationary adjustment originally proposed in the biennial budget is included in an eventual “Part B” budget bill, MMA will still only receive 23% of its operational budget from state resources. This stands in stark contrast to its competitor peers in other states who host maritime academies and fund between 40-60% of their operations. Meanwhile, Maine’s two other systems of public higher education receive higher percentages of their operating budgets from the state, averaging over 40%. A rising tide should lift all of Maine’s higher education boats, but at 23%, MMA is especially low.

MMA should not be an outlier among Maine’s public higher education systems, campuses, or among other state maritime academies around the nation. With a limited suite of tools for addressing the funding disparity, MMA is increasingly forced to rely on tuition for its revenue. We have seen the Academy make great strides to diversify its operations through the creation of a Foundation over the last two years, and new workforce programming in Bucksport, Brunswick, and Maine’s shipyards are also exciting new initiatives they have undertaken. But MMA will still be limited by those revenue mechanisms available to it and increasingly rely on tuition for its operations. Putting MMA in this position should worry all of us because the Academy already has the highest tuition among Maine’s public higher education institutions and among state maritime academies.

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, Texas A & M, and other competitors who can offer more competitive tuition packages. Leaving MMA with 77% 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 income 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.

LD 681 would make incremental, achievable operational funding increases of 5% to Maine Maritime Academy on an annual basis until it reaches the lower threshold of either the University of Maine System or Maine Community College System. This was the compromise we reached on LD 2092 last year, which also suggested a stakeholder group to consider public higher education funding issues so we can ensure our institutions remain strong and competitive no matter the fiscal picture in Augusta.

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 681. I would be glad to answer any questions.