

MAINE STATE LEGISLATURE

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L.D. 779

(Filing No. H- 259)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
113TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 581, L.D. 779,
Bill, "AN ACT to Enhance Higher Educational Opportu-
nities."

Amend the bill by inserting before the enacting
clause the following:

'Emergency preamble. Whereas, Acts of the Legis-
lature do not become effective until 90 days after
adjournment unless enacted as emergencies; and

Whereas, the cost of post-secondary education is
escalating at a rapid pace; and

Whereas, the trend in available financial aid is
toward loan programs and away from grants and schol-
arship assistance; and

Whereas, these trends are forcing Maine students
to rely more heavily on borrowing to finance their
post-secondary education; and

Whereas, these trends may also be discouraging
some students from pursuing post-secondary study and
may be influencing the course of study and career se-
lection of those who do attend; and

Whereas, it is in the best interests of the State
to encourage as many students as possible to pursue
post-secondary study and to provide a broad range of
career options to those who do so; and

Whereas, in the judgment of the Legislature,
these facts create an emergency within the meaning of
the Constitution of Maine and require the following
legislation as immediately necessary for the preser-
vation of the public peace, health and safety; now,

COMMITTEE AMENDMENT " " to H.P. 581, L.D. 779

1 therefore,'

2 Further amend the bill in section 2 in that part
3 designated "§12602." in subsection 1 in the 3rd line
4 (page 2, line 10 in L.D.) by striking out the follow-
5 ing: "trust" and inserting in its place the follow-
6 ing: 'plan'

7 Further amend the bill in section 2 in that part
8 designated "§12604." in subsection 1 by striking out
9 all of paragraph E.

10 Further amend the bill in section 2 in that part
11 designated "§12604." in subsection 1 by relettering
12 paragraphs F to J to be E to I.

13 Further amend the bill in section 2 in that part
14 designated "§12611." by striking out all of subsec-
15 tion 3.

16 Further amend the bill in section 2 in that part
17 designated "§12611." in subsection 13 in the last
18 line (page 13, line 11 in L.D.) by striking out the
19 following: "authority" and inserting in its place the
20 following: 'board'

21 Further amend the bill in section 2 in that part
22 designated "§12611." by striking out all of subsec-
23 tion 17 and inserting in its place the following:

24 '17. Establish policies; promulgate rules. Es-
25 tablish policies and procedures and promulgate rules
26 in accordance with the Maine Administrative Procedure
27 Act, Title 5, chapter 375, including eligibility cri-
28 teria and residency requirements to implement this
29 Act.'

30 Further amend the bill in section 2 in that part
31 designated "§12611." by renumbering the subsections
32 to read consecutively.

33 Further amend the bill in section 2 in that part

COMMITTEE AMENDMENT " " to H.P. 581, L.D. 779

1 designated "§12613." in subsection 2 in the 2nd line
2 (page 14, line 16 in L.D.) by striking out the fol-
3 lowing: "State" and inserting in its place the fol-
4 lowing: 'board'

5 Further amend the bill in section 2 in that part
6 designated "§12613." in subsection 3 in the 3rd line
7 (page 14, line 25 in L.D.) by striking out the fol-
8 lowing: "State" and inserting in its place the fol-
9 lowing: 'board'

10 Further amend the bill in section 2 in that part
11 designated "§12619." in the last line (page 15, line
12 38 in L.D.) by striking out the following: "fund" and
13 inserting in its place the following: 'board'

14 Further amend the bill by inserting before the
15 Statement of Fact the following:

16 '**Sec. 3. Transition.** In order to cover the ini-
17 tial administrative expenses of the Student Educa-
18 tional Enhancement Deposit Plan established in this
19 Act, a one-time appropriation of \$25,000 is made from
20 the General Fund. That money shall be paid back to
21 the General Fund by the plan prior to July 1, 1989,
22 from funds collected by the plan.

23 **Sec. 4. Appropriation.** The following funds are
24 appropriated from the General Fund to carry out the
25 purposes of this Act.

26 1987-88

27 EDUCATIONAL AND CULTURAL SER-
28 VICES, DEPARTMENT OF

29 Student Educational En-
30 hancement Deposit Plan

31 All Other \$25,000

32 Provides funds for ini-

1 tial administrative ex-
2 penses of the Student
3 Educational Enhancement
4 Deposit Plan. Those
5 funds shall be paid
6 back from revenues col-
7 lected during the first
8 year of operation of
9 the plan.

10 **Emergency clause.** In view of the emergency cited
11 in the preamble, this Act shall take effect when ap-
12 proved.

13 FISCAL NOTE

14 The bill results in a loss of General Fund reve-
15 nues depending on the tax status of the plan. If tax
16 exempt status is granted, earnings on investments
17 made will not be treated as income and income tax
18 will not be paid on those earnings. Whether tax ex-
19 empt status will be granted and how much revenue will
20 be lost to the General Fund cannot be determined at
21 this time. There will be an increase in General Fund
22 revenue in fiscal year 1988-89 when the \$25,000 in
23 start-up costs are paid back to the State by the
24 plan.'

25 STATEMENT OF FACT

26 The purposes of this amendment are to:

- 27 1. Add an emergency preamble and clause;
- 28 2. Grant rule-making authority and clarify that
29 rules governing eligibility will be adopted by the
30 plan;
- 31 3. Make several technical changes in the bill;
- 32 4. Appropriate funds and add transition language
33 to cover start-up activities of the plan; and

