152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 435**
SPONSOR:	**Representative Griffith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO INCOME TAXES.**

Assumptions:

1. This Act is effective 10 days following the date of publication in the Register of Regulations that funds have been appropriated to implement the provisions of this Act and Notice by the Controller General is published with the Register of Regulations. The provisions of this Act are to be implemented the earlier of the following: (1) six months after the Act's effective date; or (2) Notice by the Secretary of Education in the Register of Regulations that final regulations have been promulgated.

2. This Act expires five years after its effective date unless otherwise provided by a subsequent Act of the General Assembly.

3. The Act establishes the STEM Talent Advancement and Retention Program (STAR Program) providing post-secondary graduates employed full-time by a Delaware-based employer in eligible STEM fields with personal income tax credits for reimbursement of education loans.

4. The maximum tax credit authorized to a qualifying individual under this Act is:
   - $1,000 for an associate degree holder.
   - $4,000 for a bachelor degree holder.
   - $6,000 for a graduate or post-graduate degree holder.

5. The Act also establishes the "STAR Fund" to carry out the provisions of the Act. The STAR fund is to be funded through an appropriation in the annual budget act of not less than $100,000. The Department of Finance is not authorized to issue tax credits under the STAR Program in an amount that would exceed the balance of the STAR Fund.

6. It is unclear how the provisions of this Act would be implemented given that a tax credit results in a revenue loss and is not funded through an appropriation. However, regardless of implementation procedures, it is assumed the annual net State fiscal impact would equal the amount appropriated to the STAR Fund.

Cost:

Fiscal Year 2025:	No less than $100,000
Fiscal Year 2026:	No less than $100,000
Fiscal Year 2027:	No less than $100,000

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Office of the Controller General