



# 125th MAINE LEGISLATURE

LD 66

LR 795(02)

## An Act To Amend the Laws Governing the Capital Reserve Funds of the Maine Educational Loan Authority

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

**Committee: Education and Cultural Affairs**

**Fiscal Note Required: Yes**

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### Fiscal Note

Potential contingent liability - General Fund

#### Fiscal Detail and Notes

Decreasing the cap placed on the principal amount of bonds that the Maine Educational Loan Authority may have outstanding at one time reduces the pledge of the moral obligation of the state for student loan bonds. However, extending the timeframe that the Authority has to create or establish a capital reserve fund from June 30, 2011 to June 30, 2017 will extend the State's moral obligation for student loan bonds beyond June 30, 2011.