



129th MAINE LEGISLATURE

LD 149

LR 922(01)

An Act To Authorize a General Fund Bond Issue To Provide Student Debt Forgiveness To Support Workforce Attraction and Retention

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Libby of Androscoggin

Committee: Innovation, Development, Economic Advancement and Business

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Taxable	10	\$250,000,000	4.75%	\$65,312,500	\$315,312,500

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-19	General	Bond Issue	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$107,250 may be required.

Fiscal Detail and Notes

This legislation establishes the Maine Student Loan Debt Relief Program, administered by the Finance Authority of Maine (FAME), to provide for the payment of student loan debt to individuals who agree to live and work in Maine for at least 5 years and to reimburse employers in the State that make student loan debt payments on behalf on their employees who also make the commitment to live and work in the State for at least 5 years. The bill also establishes the Maine Student Loan Debt Relief Fund as a nonlapsing fund within FAME from which the payments are made. If approved by the voters, proceeds from a General Fund bond issue of \$250,000,000 will be used to capitalize the fund. Because this legislation provides that FAME may use money credited to the fund for its administrative costs, no General Fund appropriation to FAME is required.