

Senator McCormick, Representative Goode, honorable members of the Taxation Committee, I am here today in support of LD 1505. My name is Emma Burke, and I reside in Hallowell.

For reasons of public disclosure, I would like to make clear to the members of this committee and the listening public, that I am a Candidate Registrar at the Maine Ethics Commission, but I am here today on unpaid time as a private citizen.

To give a brief background on myself: I am a born and raised Mainer – I grew up in Manchester and graduated from Maranacook Community High School in 2008 as the most academically awarded member of my class. I then went to the University of Southern Maine, where I graduated magna cum laude with a Bachelor's degree in Political Science and Criminology in 2012. I then attended graduate school at the University of New Hampshire. I graduated from UNH in September of 2013 with a 4.0 GPA and a Master's degree in Justice Studies.

At 23 years old, I moved back to my hometown and within a couple months found my current job that I love. I was making a decent wage, was living on my own, and I should have been well on my way to becoming a financially stable adult. However, I was also, and still am, sixty-two thousand dollars in debt from the two public universities I had attended. In January of 2015, I was excited to do my taxes and claim the educational opportunity tax credit. I was planning on using my refund to boost my savings in preparation of purchasing a house in the next couple of years. However, after doing many hours of work to show the breakdown of my consolidated loans – what portions were from USM and therefore eligible, and those that were from UNH and therefore not – I was told by Maine Revenue Services that the simple consolidation of my student loans from both eligible and ineligible institutions precluded me from using the tax credit at all. My estimated refund plummeted from five thousand dollars to just under nine hundred.

Over the course of the five and a half years I was a student in higher education, I became the borrower of fifteen student loans. All of these loans were taken out for tuition, fees, and books; I worked at least one and sometimes two jobs while I was a student to afford my living expenses. About two-thirds of my loans, or *forty-two thousand dollars*, are from my time at USM. Therefore, the majority of my loans that are being precluded from the opportunity tax credit would actually be eligible if LD 1505 was passed into law.

I will be very blunt when I say that without having access to this tax credit, my financial well-being is not fantastic. My monthly student loan payments simply make it impossible for me to have any type of savings. As much as I would like to buy a house, it is practically financially impossible to do so. While it is true that if LD 1505 does not pass I will be able to take advantage of the tax credit in 2017 for the 2016 tax year, I feel this would be an injustice to me and the many other Mainers who have been kept from using the tax credit since its induction because we have gone to out-of-state or graduate schools. My suggestion to this committee is to please look at LD 1505 as not an

extension of the current tax credit, but a correction to an oversight that has remained an oversight for far too long.

I know I am *exactly* the type of Mainer that was pictured when the educational opportunity tax credit was first devised. We are one of the only states in the country that offers this much of a helping hand to those struggling with student loan debt, and we should carry on that honorable tradition to make sure that those who deserve access to this tax credit, have it. Mainers who have gone to school out of state, or who have pursued an advanced degree, should not be punished for doing so. The consolidation of student loans is one of the only ways recent graduates can maintain some semblance of control over their debt, and allows them the opportunity to use income-based repayment and public service forgiveness plans, both of which I am currently taking advantage of.

I urge you to fix this oversight in the educational opportunity tax credit via LD 1505 to allow all those Mainers who deserve the help it can give to be able to do so.

Thank you for your time, and I'm happy to answer any questions, about LD 1505 or student loans in general.