



**Testimony by William Norbert  
Governmental Affairs and Communications Manager**

**In Support of L.D. 221**

*An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2021, June 30, 2022 and June 30, 2023*

**Joint Standing Committee on Appropriations and Financial Affairs  
Joint Standing Committee on Innovation, Development,  
Economic Advancement & Business**

**February 24, 2021**

Senators Breen and Curry, Representatives Pierce and Roberts, and Distinguished Members of the Joint Standing Committees on Appropriations and Financial Affairs and Innovation, Development, Economic Advancement & Business:

My name is Bill Norbert. I am the Governmental Affairs and Communications Manager at the Finance Authority of Maine (FAME). I live in Brunswick and am here to testify in support of the Governor’s proposed initiatives found on pages A-206 – A-209 of your printed materials.

FAME is a quasi-independent state agency that provides financial solutions that help Maine people achieve their business and higher education goals. We create business and educational opportunities through our willingness to invest at greater risk based on public benefit. FAME’s mission is to provide financial solutions that help Maine people achieve their business and higher educational goals. Our vision is to help create a Maine workforce with good paying jobs by focusing on the nexus of economic and educational development.

The first initiative on Page A-206 of your materials provides funding for marketing of the **Educational Opportunity Tax Credit**. The \$48,500 in “pass-through” money is used to market this tax credit, which some of you may know as “Opportunity Maine,” the organization that initially spearheaded its creation. The credit is designed to help cover the repayment of student loans for eligible Maine students who work and pay taxes in the state after they graduate from higher education. FAME has been directed by the Legislature to contract with a private, nonprofit entity to help market the tax credit. FAME contracts with Live and Work in Maine, LLC, to help publicize the program. We are grateful for the Administration’s support of continued funding for these marketing funds. It helps Maine businesses and taxpayers with loan debt to become better aware of

this important and underutilized tool for workforce attraction and retention. Live and Work in Maine, LLC has been doing a good job at increasing awareness of this credit. Among other things, they have been targeting graduating Maine students and former Maine residents in order to retain and attract them to Maine.

The second initiative is found on Page A-207 of your materials and concerns Fund for A Healthy Maine allocations to the **Maine Dental Education Loan and Loan Repayment Programs**, which are administered by FAME. The initiative provides flat-funding of \$237,740 in each year of the biennium.

The Maine Dental Education Loan and Loan Repayment Programs provide need-based, forgivable loans of up to \$25,000 annually to Maine residents pursuing post-graduate education in dentistry and loan repayments up to \$25,000 annually for dentists providing services to underserved populations in Maine. The proposed initiative will allow for the selection of new participants in the program and provide continued funding for students needing loans and loan repayment as dentists practicing in underserved areas in Maine. FAME will be able to meet its commitment to existing program participants, as well as add approximately four new participants. A commitment in this program is four years for both students receiving loans and for dentists receiving loan repayments. FAME has been able to leverage money in this program twice in the loan repayments program: once through a Health Resources and Services Administration (HRSA) grant, and another time with Delta Dental money. Thus, the program has been efficient and innovative.

The third initiative relates to the **Maine Area Health Education Centers** (AHECs) and is found on Page A-207 of your printed materials, as well. This initiative proposes flat funding of \$110,000 in FY 21-22 and \$110,000 in FY 22-23. This is “pass-through” money which FAME transfers to the University of New England, which helps to fund the rural health workforce development programs in the Area Health Education Centers located in Bangor, Farmington and Presque Isle. These funds are matched 1:1 by HRSA.

The AHEC network works to alleviate shortages of health professionals in Maine’s rural and underserved areas by actively engaging with academic and community partners to:

- Encourage Maine youth and mid-career professionals to explore health careers and create a “pipeline” to target those Maine residents, particularly those from rural areas with the most likelihood of staying within Maine to live and work;
- Provide rural, community-based clinical training experiences for medical and other health professions students. Evidence shows that where students’ initial placements occur creates a likelihood that they will return to practice in those communities;
- Support practicing health professionals with continuing education and distance learning opportunities to train and retain Maine health professionals within the state of Maine.

The fourth initiative pertains to the **Foreign Credentialing and Skills Recognition Revolving Loan Program Fund**. It may be found on page A-208 of your

materials and proposes continued funding of \$75,000 in each year of the biennium. This program was established recently to provide small loans to assist eligible immigrants living in Maine who are not yet eligible to work in the United States. Loans up to \$700 are available to help pay for the costs associated with the process of becoming work-ready while waiting for issuance of a work permit by federal immigration authorities.

The fifth initiative relates to the **Small Enterprise Growth Fund**, which does business as the Maine Venture Fund. It is found on page A- 208 of your printed materials. The initiative proposes to continue the \$500,000 in ongoing funding for the Maine Venture Fund. FAME administers the money for this separate and independent entity. It is a professionally managed fund that invests exclusively in Maine-based companies that demonstrate a potential for substantial growth and success that will contribute to Maine's prosperity. John Burns is the managing director of the Fund, and he is also submitting testimony in support of this initiative.

The sixth initiative, found at Page A-209 of your materials, maintains current funding levels for FAME's **Student Financial Assistance Programs** in the amounts of \$17,670,394 in FY 21-22 and FY 22-23 of the biennium. The programs funded through this line of the budget include the Maine State Grant Program; the Educators for Maine Program; the Maine Health Professions Loan Program; the Maine Veterinary Medicine Loan Program; and the Doctors For Maine's Future Scholarship Program.

FAME is deeply appreciative of Governor Mills's continued support for these programs that benefit Maine students. The **Maine State Grant** is the state's basic need-based undergraduate grant program. We award on average approximately 12,500 Maine students a maximum grant of \$1,500 annually (full-time) and \$750 (part-time) through this appropriation. Over the years, the Legislature has continually emphasized the preeminent position of this program amongst FAME's higher education programs, and we have, accordingly, given it top priority in General Fund budgeting. During the last Legislature, additional funding was approved to target Maine adult learners through this program so they may return to school, complete their credentials, and participate meaningfully in the economy. 1,337 adult learners benefitted the first year of the program. Targeting Maine State Grant dollars to adults returning to complete a credential of value aligns with the Maine Spark goal of helping 63,200 adults attain a credential of value by 2025. The Maine Legislature also has adopted a goal that 60% of Maine's workforce should hold a credential of value by 2025.

Another program funded through this line of the budget is the **Educators for Maine Program**. The Educators for Maine Program is a merit-based forgivable loan of no less than \$3,000 for Maine undergraduate students and no less than \$2,000 for Maine graduate students annually pursuing initial certification as a teacher, including speech pathology or a career in early childhood education. Loans are forgiven if the student teaches or serves as a speech pathologist in an eligible elementary or secondary school or a quality child care program in Maine. The program currently funds about forty new loans and approximately seventy-five renewals per year.

The **Maine Health Professions Loan Program** is also a part of this budget line. The program features a repayable loan of up to \$25,000 per year for Maine residents

pursuing post-graduate medical, dental, or veterinary education. The loan provides a zero percent interest rate incentive to encourage recipients to practice primary care medicine or dentistry in underserved areas of Maine.

Another program funded is the **Maine Veterinary Medicine Loan Program**. This is a need-based forgivable loan for large-animal veterinary students enrolled in a program leading to a Doctor of Veterinary Medicine degree. Loans in the amount of \$25,000 annually are available to students. By statute we may select no more than two new recipients per year.

Finally, the **Doctors for Maine's Future Scholarship Program** provides a tuition subsidy of fifty percent of the cost of attendance annually, up to a maximum of \$25,000 per student annually, for eligible students who enter qualifying Maine-based medical school programs. For each student funded with a Doctors for Maine's Future Scholarship, the participating medical schools fund an additional scholarship on similar terms. Thus, the program in effect has a 1:1 match ratio. The goal of the program is to increase the number of physicians in the state who practice in primary care, underserved specialties or underserved areas of Maine. The Maine Medical Center-Tufts University Medical School and the University of New England College of Osteopathic Medicine participate in the program. \$400,000 of the appropriation will be used to help fund this program.

We are grateful for the Governor's funding proposal for FAME's student financial assistance programs and would appreciate your continued support of increasing access to higher education in Maine. We know you face difficult choices in this challenging budgetary time and we wish you all the best in your work and deliberations.

Thank you for this opportunity and I would be happy to answer any questions.