

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Provide Student Loan Debt Relief to Maine Teachers

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §13803 is enacted to read:

§ 13803. Federal teacher loan forgiveness; rules

An elementary or secondary school teacher who receives benefits under a federal teacher loan forgiveness program is entitled to benefits under this section. Upon application by a teacher who receives loan forgiveness benefits under the federal teacher loan forgiveness program, the State shall award up to \$12,500 to the teacher in a ratio of \$12.50 in state funds for every \$5 in federal loan forgiveness benefits the teacher receives, or the amount of outstanding student loans of the teacher after subtracting the federal benefits, whichever is less. State funds awarded under this section must be made payable to both the teacher and the creditor or other holder of the teacher's student loan debt. For the purposes of this section, "federal teacher loan forgiveness program" means a loan forgiveness program intended to encourage individuals to enter and continue in the teaching profession by teaching full-time for 5 complete and consecutive academic years in certain elementary and secondary schools that serve low-income families.

The Finance Authority of Maine shall administer this section and may adopt routine technical rules as defined by Title 5, chapter 375, subchapter 2-A to carry out the purposes of this section.

SUMMARY

This bill provides state funds of up to \$12,500 to a teacher for student loan forgiveness to match up to \$5,000 in federal student loan forgiveness awarded the teacher under the United States Department of Education's teacher loan forgiveness program. It provides up to \$12,500 to the teacher in a ratio of \$12.50 in state funds for every \$5 in federal loan forgiveness benefits the teacher receives.