



128th MAINE LEGISLATURE

LD 1290

LR 584(02)

An Act To Provide Student Loan Debt Relief to Maine Teachers

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Fiscal Note

Future biennium cost increase - General Fund

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$27,500	\$22,500	\$22,500	\$22,500
Appropriations/Allocations				
General Fund	\$27,500	\$22,500	\$22,500	\$22,500

Fiscal Detail and Notes

This bill includes General Fund appropriations of \$27,500 in fiscal year 2017-18 and \$22,500 in fiscal year 2018-19 to a newly created Teacher Loan Forgiveness Program within the Finance Authority of Maine to establish and administer a student loan forgiveness program for teachers to match student loan forgiveness funds awarded to teachers under the United States Department of Education's teacher loan forgiveness program. Of these amounts, \$10,000 per year is for administrative costs and \$5,000 in fiscal year 2017-18 is for one-time rulemaking costs. The balance of \$12,500 per year reflects the cost of forgiving one loan each year. The actual cost of this provision will not be known until the number of teachers who apply and are deemed eligible for this program are identified, but the cost is expected to be significant. In order for funds to be awarded to all eligible teachers under this program, additional General Fund appropriations will be required.