



# 130th MAINE LEGISLATURE

LD 1327

LR 1019(02)

## An Act To Create the Maine Health Care Provider Loan Repayment Program

### Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Innovation, Development, Economic Advancement and Business

Fiscal Note Required: Yes

### Fiscal Note

Future biennium revenue decrease - Maine Budget Stabilization Fund

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$0	\$0	\$0	\$500

#### Fiscal Detail and Notes

The Finance Authority of Maine will require Other Special Revenue Funds base allocations of \$500 per year beginning in fiscal year 2024-25 to a newly created Maine Healthcare Provider Loan Repayment (MHPLR) Program Fund within the Finance Authority of Maine (FAME) to authorize the expenditure of funds for the repayment of student loans for eligible health care providers and to pay the costs to FAME for administering the fund. Funding will come from 25% of future proceeds that would have gone to the Maine Budget Stabilization Fund from the Liquor Operation Revenue Fund that will now be deposited into the loan repayment program. Current law requires that after all liquor operation revenue bonds and ancillary obligations are paid off in fiscal year 2023-24 using the proceeds of the liquor contract, 35% will go to the Maine Budget Stabilization Fund. The 25% that will go to the new fund is expected to be a reduction to the Maine Budget Stabilization Fund of between \$22,000,000 and \$25,000,000 annually after June of 2024. It should be noted that the 10-year liquor contract, which is the source of the revenue being distributed, is due to expire and there is no way to predict whether the available revenue going forward will be similar to what it would have been under the terms of the expiring agreement.

Any additional costs to the State Economist and the Department of Health and Human Services (DHHS) to participate in the advisory committee are expected to be minor and can be absorbed within existing budgeted resources.