



131st MAINE LEGISLATURE

LD 632

LR 1763(01)

An Act to Amend the Social Work Education Loan Repayment Program

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Crafts of Newcastle

Committee: Innovation, Development, Economic Advancement and Business

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund

Fiscal Detail and Notes

This legislation changes the Social Work Education Loan Repayment Program established in Public Law 2009, c 427 and administered by the Finance Authority of Maine (FAME). The changes include increasing the number of applicants that may receive a loan from 3 to 100 as well as increasing the maximum amount of the loan from \$5,000 to \$20,000. With the annual cost of one 3-year loan at the maximum \$20,000 amount being \$6,667 ($\$20,000/3$), the total annual cost of 100 loans would be \$666,667.

When the law was enacted, it created a nonlapsing revolving fund that was authorized to accept money from gifts, grants, bequests and donations in addition to money appropriated or allocated by the State and any federal funds received by the State to carry out the purposes of the program. No funding was provided at the time of enactment and, according to FAME, no money has been received to-date. In order for any loans to be granted under this program, General Fund appropriations or funding from another source will be required.