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Testimony of Rep. Kristen Cloutier Introducing

LD 1169, An Act to Amend the Laws Governing the Foreign Credentialing and Skills Recognition Revolving Loan Program

Before the Joint Standing Committee on Innovation, Development, Economic Advancement and Business

Good afternoon, Senator Curry, Representative Roberts and distinguished members of the Innovation, Development, Economic Advancement and Business Committee. My name is Kristen Cloutier, and I am here to introduce **LD 1169, An Act to Amend the Laws Governing the Foreign Credentialing and Skills Recognition Revolving Loan Program.**

Across Maine, we have been faced with a labor shortage in multiple sectors—from our sawmills to our broadband workforce to our healthcare industry. For at least the past ten years, the Maine Department of Labor has been warning of declining numbers of available workers as working-age Mainers continue to leave the state, retire and age-out of the workforce.

One of the solutions available to us to help ease the worker shortage is to make sure those who are of working-age can enter the labor force and work at their highest potential. In Maine, the Foreign Credentialing and Skills Recognition Revolving Loan (FEDCREDLO) Program has aimed to do just that.

Mainers now well understand that federal immigration laws force asylum seekers to wait at least six months after applying for asylum before they are eligible for a work permit. The period when they can't legally work is an ideal time for them to prepare for employment so that they can best support themselves and their families, and become maximally productive contributors to Maine's workforce as soon as they receive their work permits. Some steps they can take to prepare include taking driver's education and paying the driver's license fee, taking the TOEFL exam certifying English language proficiency and getting one's foreign education and experience credentials translated and evaluated to show equivalency to U.S. higher education and skills credentials. Each of these steps help propel asylum seekers into good, higher paying jobs and help establish our new neighbors as members of our communities.

However, all of these actions cost money—money that, by definition, asylum seekers who cannot yet legally work simply do not have. The FEDCREDLO Program, administered by the Finance Authority of Maine, currently provides loans up to \$700 to assist immigrants such as asylum seekers who do not yet have a work permit in paying for these expenses.

Unfortunately, since the FEDCREDLO's inception, we have learned that immigrants waiting for their work permits are understandably reluctant to take out a loan when they have no control over when they will actually receive their work permits and begin earning an income that will allow them to repay the loan. Immigration lawyers confirm that, due to complicated immigration laws and processing backlogs, asylum seekers arriving in Maine from the southern border can wait as much as one to two years before they finally receive their work permits. Additionally, mentors and advocates in Maine who work with asylum seekers and understand that failure to repay a loan can damage a person's credit rating—making it harder to be able to rent an apartment, for example—are hesitant to recommend the FEDCREDLO Program to asylum seekers.

This bill changes the FEDCREDLO Program to a grant program and increases the maximum allowable distribution of funds per applicant from \$700 to \$1,000. As a grant, eligible immigrants need no longer fear that as they take steps to maximize their work readiness while they wait for their work permits, they will be starting life in the U.S. in debt. This change will dramatically increase utilization of the FEDCREDLO Program, so that it will achieve its intended purpose, benefitting both these immigrants awaiting their work permits and the employers who will later put their talents to work.

The remainder of the program will stay the same.

Thank you for your consideration of this important legislation.

Sincerely,



Rep. Kristen S. Cloutier
Assistant House Majority Leader