



**Testimony by William Norbert
Governmental Affairs and Communications Manager**

In Support of L.D. 1169

***An Act to Amend the Laws Governing the Foreign Credentialing and Skills
Recognition Revolving Loan Program***

April 4, 2022

**Joint Standing Committee on Innovation, Development,
Economic Advancement, and Business**

Senator Curry, Representative Roberts, and Distinguished Members of the Joint Standing Committee on Innovation, Development, Economic Advancement, and Business:

My name is Bill Norbert. I am the Governmental Affairs and Communications Manager at the Finance Authority of Maine (FAME). I live in Brunswick and am here to testify in support of L.D. 1169, *An Act to Amend the Laws Governing the Foreign Credentialing and Skills Recognition Revolving Loan Program*.

This bill would change the Foreign Credentialing and Skills Recognition Revolving Loan Program, which FAME administers, to a grant program. It also would increase the maximum allowable distribution of funds per applicant from \$700 to \$1,000.

This program, established by the Legislature in 2019-20, was designed to provide small loans to assist eligible immigrants living in Maine, who are not yet eligible to work in the United States, to pay for certain expenses related to obtaining their work permits. Zero-interest loans up to \$700 are available to help pay for the costs associated with the process of becoming work-ready while waiting for issuance of a work permit by federal immigration authorities.

As you know, FAME's mission is to provide financial solutions that help Maine people achieve their business and higher educational goals. Our vision is to help create a Maine workforce with good paying jobs by focusing on the nexus of economic and educational development. FAME supports the goal of attracting and retaining professionals in Maine, and this includes immigrants. We work at the nexus of economic and workforce development. Maine's need for more workers has been well documented in recent years. The need is projected to only increase in the coming years.

This program aligns well with the state's Ten Year Strategic Economic Plan (Maine Economic Development Strategy 2020-2029), including the following specific action steps listed therein:

A4: Engage today's workers in continuing education to achieve credentials for career advancement.

B1: Increase the labor force participation of existing residents.

B4: Help New Americans and Other Newcomers Get Qualified to Work in Maine

Moreover, the November 24, 2020 recommendations by the Governor's Economic Recovery Committee included providing grant and loan programs within agencies like FAME that are targeted at historically disadvantaged groups. Talent development is a key recommendation, including unleashing the potential of Maine's workforce by creating educational and training pathways for people of all experience levels to access careers in high-demand fields (pp. 5, 26).

Despite our hard work setting up the program and publicizing it, only one loan has been requested and approved so far. Why has there been so little interest in the program? We were surprised by this, as well, and have reached out to stakeholders for their views. At first, we were told interested parties were waiting for immigration rules implemented during the Trump Administration to change under the Biden Administration. But time has passed and still no activity, so we inquired again. According to those with whom we spoke, the reasons for lack of interest are now twofold:

1. Work permit delays at the federal level were (and are still) so unpredictable that individuals are reluctant to take on any debt because of their nervousness about when they might be able to obtain their work permits and finally earn sufficient income to allow them to repay the loans; and
2. Individuals who work closely with this community and know about the loan program are reluctant to share information about its existence. As a practical matter, caseworkers and those who assist asylum seekers who may have limited English were gatekeepers to information about the program when it launched. In talking with them, we have learned that they would not mention the program to potentially interested parties because they were worried borrowers might not be able to repay the loans due to work permit delays, and that such delays might in turn affect their credit ratings. If the program were amended to become a grant, that reluctance would be removed they believe.

In view of this disappointing lack of activity, we support this bill to modify the program from one of zero-interest loans to grants of up to \$1,000 in the hope of disbursing funds more readily. We believe there is a need for these funds by immigrants who now must wait at least six months before seeking work permits due to delays at the federal level. As you may have read or seen on the news, Maine's congressional

delegation has been supporting legislation to speed up asylum seeker work authorization from the current 180 days to thirty days. Such individuals need and want to gain work more quickly to become self-sufficient and contribute to our workforce needs and economy.

By way of comparison, FAME is now administering a pilot Foreign Credentialing Grant Program in partnership with the Maine Community Foundation. The pilot launched February 1, 2023 and has already received five applications. That grant program is specifically limited to reimbursement of costs associated with obtaining a foreign credential evaluation, however, and not other related costs.

Thank you for your consideration of my comments. I will be happy to answer any questions you have.