



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

**Neither For Nor Against L.D. 1812**

***An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions and an Employer Tax Credit for Trade Tool Reimbursements***

**May 9, 2025**

**Joint Standing Committee on Housing and Economic Development**

Senator Curry, Representative Gere, and Distinguished Members of the Joint Standing Committee on Housing and Economic Development:

My name is Bill Norbert. I am the Governmental Affairs and Communications Manager at the Finance Authority of Maine (FAME). I offer this testimony Neither For Nor Against L.D. 1812, *An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions and an Employer Tax Credit for Trade Tool Reimbursements*.

FAME's vision is a Maine where all people have access to improved economic outcomes through business growth and education attainment. FAME's mission is to enrich business and educational outcomes through relevant, timely financial support to Maine's people.

This bill seeks to encourage participation in the trade professions (we suggest adding an appropriate definition of this term in the bill). It would establish in Section 1 of the bill the Loans for Trade Tools Program, to be administered by FAME, to provide low-interest loans to graduates of a trade program for the purchase of tools and equipment necessary for employment in a trade. Loans would be limited to \$20,000 and must be repaid within ten years. If an employee maintains full-time employment (at least 32 hours per week) in the trade, that employee's loan may be forgiven. Section 2 of the bill proposes a tax credit for employers of individuals engaged in a trade for the purchase of tools or equipment needed by that employee within the first year of employment with that employer. FAME would help administer this part, as well. We would establish an application for the credit, review and process employer applications received, and communicate with Maine Revenue Services regarding certificates issued.

We support the trades and Maine's workforce needs. If funded and enacted by the Legislature, FAME could administer this program. We have some suggestions to offer should the committee decide to go forward with the proposal:

- Add a definition of "trades" or the "trades professions."
- In the Loan forgiveness section, clarify that the loan would be forgiven at a rate of 20% annually over a five-year period.
- In the Fund section of the bill, permit FAME to deduct its reasonable administrative costs from the Fund.
- Consider adding language regarding any steps necessary involving FAME and Maine Revenue Services for processing employer tax credits.

On a related note, this session we are trying to get a better handle on the various proposed and existing loan and loan repayment programs FAME administers. We would like to convert them all into one flexible workforce credentialing program. This session alone, there are at least six separate proposals to create new grant, loan, or loan repayment programs for FAME to administer. These cover occupations ranging from lawyers to dentists to loggers and fishermen to recent college graduates employed in the trades (this bill) to foreign trained physicians and state and federal workers (shutdown loans). If enacted and funded, these concepts would be added to the seven existing grant, loan and loan repayment programs we currently administer.

This proposal could eventually fit into the above concept if it is approved by the Legislature. Representative Sargent is sponsoring our bill, LD 1653, *An Act to Develop Maine's Credentialed Workforce*. We testified before the Education and Cultural Affairs Committee in support of the bill on Monday at the public hearing. In a nutshell, our proposal would establish one all-encompassing workforce credentialing loan repayment program to provide us with more flexibility and efficiency while allowing us to address pressing workforce needs.

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