

OFFICE OF THE PRESIDENT

323 State Street, Augusta, ME 04330-7131 (207) 629-4000 | Fax (207) 629-4048 | mccs.me.edu

TO: Senator Curry, Representative Gere

Joint Standing Committee on Housing and Economic Development

FROM: Becky Smith, Director of Government and Community Relations

RE: Testimony Neither For Nor Against LD 1812, An Act to Provide Low-interest Loans for

Accredited College Graduates Entering Trade Professions and an Employer Tax Credit

for Trade Tool Reimbursements

DATE: May 9, 2025

Senator Curry, Representative Gere and members of the Joint Standing Committee on Housing and Economic Development, my name is Becky Smith, and I am here today to testify neither for nor against LD 1812 on behalf of the Maine Community College System. If the committee decides to move forward with this legislation, we have some questions and suggestions on how to clarify the intent of the bill.

The statutory mission and goals of the Maine Community College System are laid out in Title 20-A and they are: to provide associate degree, diploma and certificate programs directed at the educational, career and technical needs of the State's citizens and the workforce needs of the State's employers. The primary goals of postsecondary career and technical education and the Maine Community College System are to create an educated, skilled and adaptable labor force that is responsive to the changing needs of the economy of the State and to promote local, regional and statewide economic development.

We would like to thank the sponsor and co-sponsors for understanding the financial pressures that graduates of our trades programs may face and for seeking one potential solution.

Our comments are solely on the definitions portion of the bill as well as the Loans for Trade Tools Program.

We are committed to assure our students get the best price on any tools they need to purchase for their coursework. Our program chairs work with tool vendors to negotiate prices and to make those tools available to students through the college's bookstore so students get the best price, have the tools they need, and, importantly, so they don't purchase the wrong tools and waste their money. Students who are Pell eligible can use their Pell funds to purchase tools once their tuition and fees have been covered. Our financial aid offices offer assistance for this process.

Having said that, tools are still pricey. This is why the "skin in the game" arguments around Free College don't hold. All of our students have skin in the game. They must purchase tools, books, and supplies—and those are not covered by Maine's Free College Program. In fact, a loan program that includes students as well as graduates would likely benefit our students, especially those who don't qualify for Pell, Maine Free College, Maine State Grant, or other scholarships.

As I prepared this testimony, I could not find a consistent definition of "trades" and I have found that many people and organizations have very different definitions. Does "trades" include health care, culinary arts, cosmetology, and IT, or are we speaking primarily of the construction trades such as plumbing, electrical, carpentry etc.? It may make sense to define "trades" in statute, or to expressly ask FAME to create the definition.

In an ideal world, Maine's - trade program graduates would not be hindered by the cost of the tools of their trade. We appreciate the desire to find an additional way to assist those graduates be successful in their careers. Thank you for your time this morning and I am happy to answer any questions.