



**Testimony by Carlos Mello
Chief Executive Officer**

In Support of L.D. 2212

***An Act Making Supplemental Appropriations and Allocations from the General Fund
and Other Funds for the Expenditures of State Government and Changing Certain
Provisions of the Law Necessary to the Proper Operations of State Government for the
Fiscal Years Ending June 30, 2026 and June 30, 2027***

**Joint Standing Committee on Appropriations and Financial Affairs
Joint Standing Committee on Education and Cultural Affairs**

February 20, 2026

Senators Rotundo and Rafferty, Representatives Gattine and Murphy, and Distinguished Members of the Joint Standing Committees on Appropriations and Financial Affairs and Education and Cultural Affairs:

My name is Carlos Mello. I am the Chief Executive Officer at the Finance Authority of Maine (FAME). I am speaking today in support of the Governor's proposed initiative related to making permanent the Maine Free Community College Program. It is found on page A-17 of your printed materials and in the General Fund Bill Language section Part QQQ.

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

As you know, the Maine Free Community College Program proposal covers tuition for eligible high school graduates. Qualifying students must pursue a degree or certificate, complete the Free Application for Federal Student Aid (FAFSA), and accept any state or federal aid before Maine Free College Scholarship funds are applied.

FAME supports this initiative, which would provide funding of \$2.5 million for two years of free community college tuition at all seven community colleges in the state. Making Free Community College permanent is important for various reasons, including that it increases affordable access to higher education; helps to achieve our shared goal of at least 60% of Mainers obtaining a credential of value; helps to reduce student debt; and helps to meet the state's pressing workforce needs.

Since the scholarship began in the Fall of 2022 through the Fall of 2025, 22,327 Maine Free Community College scholarship-eligible students have enrolled. Of those, more than a third are still enrolled, more than 3,600 graduated, and almost 1,800 have transferred to a University of Maine System (UMS) university or other four-year college to continue their education.

According to information provided by the Maine Community College System (MCCS), Maine Free Community College scholarship students succeed academically at the same rate as their peers. Retention rates for scholarship students and other degree-seeking students are statistically equivalent. A recent UMS transfer report disclosed that MCCS transfers show the strongest outcomes: in the Fall of 2024, MCCS transfers passed 88.5% of attempted credits, the highest rate among transfer groups and higher than first-time students. Moreover, MCCS transfers also post the highest return-to-school rate (75.8%) than other transfer groups and first-time students.

Other statistics are impressive and support this continued effort. In the Fall of 2025, 811 MCCS students transferred to UMS, up 30% over five years. Maine's community colleges educate 44% of all undergraduate students enrolled at public colleges in Maine. Additionally, having a last-dollar scholarship structure protects the state investment. Full-time tuition and fees for a Maine resident total \$4,156 a year. After FAFSA-related state and federal aid is considered, the average MFC scholarship award is \$1,600 per student.

FAME supports Maine Community College students in many ways. We play a critical role in FAFSA completion in the state, as well as in administering the Maine State Grant Program, which helps approximately 15,000 Maine students per year afford some form of higher education. FAFSA completion is the gateway to financial aid, the Maine State Grant, and Free Community College. The collaboration over the years between MCCS and FAME has been important as we have helped to implement and support the Free College program. We have worked closely with MCCS as they rolled out their Free College Initiative, providing support at open houses as well as FAFSA training for their various staff. We believe this initiative is crucial for Maine's workforce development. More students will have the opportunity to continue their education and gain the skills needed to participate in the workforce with well-paying jobs that match their interests and talents.

We urge you to support this initiative and thereby make permanent Free Community College, which is critical for our workforce.

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