



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

**Neither For Nor Against L.D. 1785**

***An Act to Address Staffing Shortages in Critical Public Safety Jobs  
through Economic Incentives***

**January 11, 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 Neither for Nor Against L.D. 1785, *An Act to Address Staffing Shortages in Critical Public Safety Jobs through Economic Incentives*.

This bill would establish through a \$5 million one-time appropriation the Fund to Provide Public Service Student Loan Forgiveness at FAME to provide student loan forgiveness for local and county law enforcement officers, firefighters, emergency medical services persons, dispatchers, and public health workers. It also would appropriate funds for FAME to provide no-interest home mortgages to these same workers while they are serving in those positions.

We want to commend Senator Baldacci for presenting this proposal, for championing our public servants, and for considering FAME as a possible administrator for the program. As we know, Maine's public servants do heroic work every day protecting our communities. During the pandemic, they have been especially heroic considering the increased health risks, workforce shortages, and attendant stresses they all have endured in carrying out their duties. Enacting a new student loan forgiveness program to both retain and attract such professionals could be a meaningful tool in providing some relief to these professionals and addressing Maine's pressing workforce challenges.

If funded and provided with more details and guidance, FAME could administer this program as we do similar other loan, loan repayment, and loan forgiveness programs. Currently drafted, the proposed eligible applicant pool is quite broad. Additional

guidance that would be helpful would include more precise definitions regarding the public safety professionals to be included, especially surrounding “law enforcement officers” and “public health workers.” Also, we wonder whether a term of service should be required (for example five years of service in return for five years of loan repayments) for participants. Additionally, as I have already shared with the sponsor, FAME is prohibited by law from financing housing transactions (the Maine State Housing Authority does this), so our recommendation is to change that part in Section 2 of the bill referencing our involvement with no-interest home mortgages. Finally, we are not sure that our administrative costs for operating the program would be sufficiently met by the bill’s current language, which provides for interest on the fund to fund such costs. Normally our programs have statutory language allowing “reasonable costs” from the fund to be used. This would be our preference.

We also would like to point out for your consideration that some similar although not identical programs currently exist at both the federal and state levels. First, the federal government provides a Public Service Loan Forgiveness Program for these same professions. This is for federal loans only and is available after a borrower makes 120 payments (ten years): <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>. Second, FAME currently operates a Tuition Waiver Program for Public Servants. Tuition waivers are available for children and spouses of firefighters, law enforcement officers, and emergency medical services personnel who have been killed in the line of duty, or who died as a result of injuries received during the performance of their duties. Third, although it is unclear what is meant by “public health workers” in the bill, as you know FAME already administers a variety of scholarship, loan, and loan repayment programs for health care workers. In addition to the existing Doctors for Maine’s Future Scholarship, the Maine Health Professions Loan Program, and the Maine Dental Education Loan and Loan Repayment Programs, last session the Legislature created and funded with federal ARPA monies new programs related to health care professionals for us to administer. These include the Nursing Education Loan Repayment Program and the Maine Health Care Professionals Loan Repayment Pilot Program.

Finally, as we briefed you last week, MaineHousing and FAME recently submitted a report regarding an off-session work group we were part of to study a possible program to encourage first-time homebuyers by forgiving a portion of their student debt. LD 1709, *Resolve, Directing the Maine State Housing Authority to Examine and Develop a Program Promoting Home Ownership by Reducing Education Debt*. We are prepared to work further with you on that concept, as well, should you so desire.

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