



128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1290

S.P. 442

In Senate, April 4, 2017

An Act To Provide Student Loan Debt Relief to Maine Teachers

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator LIBBY of Androscoggin.
Cosponsored by Representative DAUGHTRY of Brunswick.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 20-A MRSA §13803** is enacted to read:

3 **§13803. Federal teacher loan forgiveness; rules**

4 An elementary or secondary school teacher who receives benefits under a federal
5 teacher loan forgiveness program is entitled to benefits under this section. Upon
6 application by a teacher who receives loan forgiveness benefits under the federal teacher
7 loan forgiveness program, the State shall award up to \$12,500 to the teacher in a ratio of
8 \$12.50 in state funds for every \$5 in federal loan forgiveness benefits the teacher
9 receives, or the amount of outstanding student loans of the teacher after subtracting the
10 federal benefits, whichever is less. State funds awarded under this section must be made
11 payable to both the teacher and the creditor or other holder of the teacher's student loan
12 debt. For the purposes of this section, "federal teacher loan forgiveness program" means
13 a loan forgiveness program intended to encourage individuals to enter and continue in the
14 teaching profession by teaching full-time for 5 complete and consecutive academic years
15 in certain elementary and secondary schools that serve low-income families.

16 The Finance Authority of Maine shall administer this section and may adopt routine
17 technical rules as defined by Title 5, chapter 375, subchapter 2-A to carry out the
18 purposes of this section.

19 **SUMMARY**

20 This bill provides state funds of up to \$12,500 to a teacher for student loan
21 forgiveness to match up to \$5,000 in federal student loan forgiveness awarded the teacher
22 under the United States Department of Education's teacher loan forgiveness program. It
23 provides up to \$12,500 to the teacher in a ratio of \$12.50 in state funds for every \$5 in
24 federal loan forgiveness benefits the teacher receives.