

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 929

H.P. 704

House of Representatives, March 1, 2007

An Act To Promote Legal Services in Rural Maine

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SAVIELLO of Wilton.
Cosponsored by Senator SHERMAN of Aroostook and
Representatives: AYOTTE of Caswell, CLARK of Millinocket, CLEARY of Houlton,
FINLEY of Skowhegan, GIFFORD of Lincoln, McLEOD of Lee, MILLER of Somerville,
PATRICK of Rumford.

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

2 **Sec. 1. 20-A MRSA c. 437** is enacted to read:

3 **CHAPTER 437**

4 **ATTORNEYS FOR MAINE PROGRAM**

5 **§12901. Attorneys for Maine Program**

6 There is established the Attorneys for Maine Program to provide financial assistance
7 for legal education for up to 5 law students pursuing juris doctor degrees who received
8 baccalaureate degrees from the University of Maine campuses at Presque Isle, Machias,
9 Fort Kent and Farmington. The chief executive officer shall administer the program and
10 shall establish pursuant to rules of the authority the rates of interest or fees to be charged.

11 **§12902. Definitions**

12 As used in this chapter, unless the context otherwise indicates, the following terms
13 have the following meanings.

14 **1. Academic achievement.** "Academic achievement" means earning a grade point
15 average of 3.0 or more, based on a 4.0 grade point system, or the equivalent, based upon
16 the most recent cumulative grade point average.

17 **2. Authority.** "Authority" means the Finance Authority of Maine.

18 **3. Chief executive officer.** "Chief executive officer" means the Chief Executive
19 Officer of the Finance Authority of Maine.

20 **4. Law school.** "Law school" means the University of Maine School of Law.

21 **5. Participating school.** "Participating school" means the University of Maine
22 campuses at Presque Isle, Machias, Fort Kent and Farmington.

23 **6. Return service.** "Return service" means service as a licensed attorney practicing
24 law in an underserved area of the State and maintaining residency in the underserved area
25 in which the service is performed.

26 **7. Underserved area.** "Underserved area" means an area of the State that is
27 underserved in legal services, as determined by the chief executive officer.

28 **§12903. Attorneys for Maine Program loan recipients**

29 The following provisions apply to an Attorneys for Maine Program loan recipient.

30 **1. Criteria for loan recipients.** Each year graduating seniors and graduates within
31 one year subsequent to graduation from a participating school who have applied for
32 admission to the law school and show evidence of academic achievement may be

1 considered for recognition as Attorneys for Maine Program loan recipients. Applications
2 must be submitted to the chief executive officer at a time and in a format to be
3 determined by rule of the authority. The chief executive officer in collaboration with the
4 admissions department of the law school shall adopt rules to establish criteria for the
5 selection of loan recipients under this chapter.

6 **2. Law school.** Except as provided in this subsection, the law school shall reserve 5
7 admissions into each first-year class for the loan recipients selected under this section.
8 The law school is not required to accept a potential loan recipient who does not meet the
9 minimum standards for admission to the law school. The law school is not required to
10 reserve 5 admissions into a first-year class if there are fewer than 5 applicants for
11 admission who meet the minimum standards for admission to the law school who have
12 applied for a loan under this chapter. If there are fewer than 5 applicants for admission to
13 the law school who have applied for a loan under this chapter who meet the minimum
14 standards for admission to the law school, the law school must accept the number of
15 applicants who have applied for a loan under this chapter who meet the minimum
16 standards for admission.

17 **3. Governor.** The Governor, after consultation with the chief executive officer and
18 the dean of the law school, shall announce the names of those individuals admitted to the
19 law school and selected by the chief executive officer to be Attorneys for Maine Program
20 loan recipients.

21 **§12904. Allocation of funds**

22 A loan equal to the amount of tuition for that academic year, up to 3 academic years'
23 total, may be made to a student pursuing a juris doctor degree. A loan is for one
24 academic year and is renewable if the recipient maintains a grade point average of at least
25 2.5 based on a 4.0 grade point system or the equivalent and submits a complete renewal
26 application by the annual deadline established by rule of the authority.

27 **§12905. Payment provisions**

28 Payment of a loan granted under this chapter must be made directly to the law school
29 for credit to the student's account and be made within 60 days following evidence that the
30 student has become duly enrolled at the law school. The loan must be used only to
31 substitute or replace the family contribution or an interest-accruing loan. A loan recipient
32 may not receive student financial assistance for tuition in excess of the cost of attendance
33 not including room, board and other nontuition expenses. If a recipient of a loan
34 withdraws from the law school and if the student is entitled to a refund of tuition, fees or
35 other charges, the law school shall pay directly to the authority from that refund a sum
36 that represents the portion of the loan paid to the student for the portion of the academic
37 year that the student did not complete.

38 **§12906. Repayment and return service provisions**

39 The following provisions apply to repayment and return service under the Attorneys
40 for Maine Program.

1 1. Return service. A student who receives a loan under this chapter may cancel the
2 total amount of the loan by completing 5 years of return service in an underserved area.
3 Return service for this purpose must be begun within 5 years of graduation from the law
4 school. If the chief executive officer grants a deferment under subsection 4, the time
5 period for performance of return service may be extended for the same period as the
6 deferment. Return service may not be credited for the same semester for which an
7 individual receives a loan pursuant to this chapter. Failure to fulfill the return service
8 option necessitates repayment to the authority as required by this section. If a loan
9 recipient begins return service after a payment has been made towards the loan pursuant
10 to this section, the return service may only forgive that balance of the loan given under
11 this chapter at the time of the beginning of return service.

12 2. Debt calculation. The debt with respect to a loan under this chapter must include
13 the total amount of the loan and interest at the rate established by rule of the authority.

14 3. Time for repayment. The total debt with respect to a loan under this chapter
15 must be repaid to the authority within 11 years of graduation from the law school
16 according to a schedule established by the chief executive officer. Due dates for
17 repayments are set by the chief executive officer and may be extended for the same
18 period of any deferment granted by the chief executive officer under subsection 4.

19 4. Deferment. A recipient of a loan under this chapter may seek a deferment of the
20 annual payments for a period as established by rule of the authority. A request for
21 deferment must be made to the chief executive officer, who shall make determinations on
22 a case-by-case basis. The chief executive officer may grant a deferment in the event that a
23 recipient of a loan evidences intent to secure employment necessary to obtain forgiveness
24 of the loan at the time the deferment is sought. The chief executive officer shall require
25 certification of the intent annually and grant a deferment for each successful request for
26 deferment for a period not to exceed one year. The chief executive officer may establish
27 limits to the number of deferments that may be granted to a recipient by rule of the
28 authority.

29 5. Death or disability. The authority may forgive a loan under this chapter of a loan
30 recipient who has died or who has become permanently disabled, as determined by the
31 chief executive officer.

32 6. Failure to obtain license. If a recipient of a loan under this chapter fails to obtain
33 a license to practice law in the State due to performance on the bar examination, the
34 recipient may receive credit of 50% of the amount of the loan by performing public
35 service in lieu of return service as approved by the chief executive officer for a 5-year
36 period.

37 §12907. Nonlapsing, revolving fund

38 The Attorneys for Maine Program Fund, referred to in this section as "the fund," is
39 created under the jurisdiction of the authority as a nonlapsing, interest-earning, revolving
40 fund to carry out the purposes of this chapter. Any unexpended balance in the fund carries
41 over for continued use under this chapter. The authority may receive, invest and expend,
42 on behalf of the funds, money from gifts, grants, bequests, loans, including loans obtained

1 pursuant to chapter 417-B, and donations, in addition to money appropriated or allocated
2 by the State. Loan repayments under this chapter or other repayments to the authority
3 must be invested by the authority, as provided by law, with the earned income to be
4 added to the fund. Money received by the authority on behalf of the fund, except interest
5 income, must be used for the designated purpose; interest income may be used for the
6 designated purpose or to pay student financial assistance administrative costs incurred by
7 the authority as determined appropriate by the authority.

8 **§12908. Rules**

9 The authority may adopt rules to carry out the purposes of this chapter. Rules
10 adopted pursuant to this section are routine technical rules as defined in Title 5, chapter
11 375, subchapter 2-A.

12 **Sec. 2. Appropriations and allocations.** The following appropriations and
13 allocations are made.

14 **FINANCE AUTHORITY OF MAINE**

15 **Attorneys for Maine Program**

16 Initiative: Provides funds for loans under the Attorneys for Maine Program.

17			
18	GENERAL FUND	2007-08	2008-09
19	All Other	\$90,750	\$199,650
20			
21	GENERAL FUND TOTAL	<u>\$90,750</u>	<u>\$199,650</u>

22 **SUMMARY**

23 This bill makes ongoing General Fund appropriations of \$90,750 for fiscal year 2007-
24 08 and \$199,650 for fiscal year 2008-09 to provide loans under the Attorneys for Maine
25 Program for up to 5 law students at the University of Maine School of Law who have
26 received baccalaureate degrees from the University of Maine campuses at Presque Isle,
27 Machias, Fort Kent and Farmington. The Attorneys for Maine Program also allows for a
28 loan given under the program to be forgiven if a loan recipient provides legal services in
29 an underserved area of the State for 5 years after receiving a juris doctor degree.