

# MAINE STATE LEGISLATURE

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3/11/19  
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Date: 6/11/19 Majority

(Filing No. H-558)

**INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND BUSINESS**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 587, L.D. 799, Bill, "An Act To Increase Faculty in Nursing Education Programs"

Amend the bill by striking out the title and substituting the following:

**'An Act To Create the Maine Health Care Provider Loan Repayment Program'**

Amend the bill by striking out everything after the enacting clause and inserting the following:

**'Sec. 1. 5 MRSA §12004-I, sub-§18-F** is enacted to read:

**18-F.**

<u>Education:</u>	<u>Maine Health Care</u>	<u>Not Authorized</u>	<u>20-A MRSA §12955</u>
<u>Financial Aid</u>	<u>Provider Loan</u>		
	<u>Repayment Program</u>		
	<u>Advisory Committee</u>		

**Sec. 2. 20-A MRSA c. 441** is enacted to read:

**CHAPTER 441**

**MAINE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM**

**§12951. Definitions**

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

**1. Advisory committee.** "Advisory committee" means the Maine Health Care Provider Loan Repayment Program Advisory Committee established in Title 5, section 12004-I, subsection 18-F.

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

**COMMITTEE AMENDMENT**

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- 3. Full-time.** "Full-time" means:
  - A. At least 30 hours per week;
  - B. At least 130 hours per month; or
  - C. Determined to be full-time by the authority.

**4. Fund.** "Fund" means the Maine Health Care Provider Loan Repayment Program Fund established in section 12953.

**5. Program.** "Program" means the Maine Health Care Provider Loan Repayment Program established in section 12952.

**6. Underserved area.** "Underserved area" means an area in the State that is a health professional shortage area or medically underserved area or that contains a medically underserved population, as those terms are defined by the federal Department of Health and Human Services, Health Resources and Services Administration.

**§12952. Maine Health Care Provider Loan Repayment Program established**

The Maine Health Care Provider Loan Repayment Program is established within the Finance Authority of Maine for the purpose of increasing the number of health care providers practicing in the State.

**§12953. Maine Health Care Provider Loan Repayment Program Fund**

**1. Fund created.** The Maine Health Care Provider Loan Repayment Program Fund is established in the authority as a nonlapsing, interest-earning, revolving fund to carry out the purposes of this chapter. The fund consists of money received from 25% of the proceeds from the renewal of the contract for the operations of the State's wholesale spirits business under Title 28-A, section 90; existing funding for other authority programs that may, at the discretion of the authority, be combined with the program; and appropriations, allocations and contributions from private and public sources. The funds, to be accounted within the authority, must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any unexpended balances remaining in the fund at the end of any fiscal year do not lapse and must be carried forward to the next fiscal year.

**2. Fund administration.** The authority may receive, invest and expend on behalf of the fund money from gifts, grants, bequests and donations in addition to money appropriated or allocated by the State and any federal funds received by the State for the benefit of health care providers who have outstanding education loans. Money received by the authority on behalf of the fund must be used for the purposes of this chapter. The fund must be maintained and administered by the authority. Any unexpended balance in the fund carries forward for continued use under this chapter.

**3. Fund expenses.** Costs and expenses of maintaining, servicing and administering the fund and of administering the program may be paid out of amounts in the fund.

**§12954. Program eligibility**

**1. Application.** To be considered for an award under this chapter, as part of the application, the applicant must:

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- 1           A. Submit documentation, in a manner identified by the authority, validating:
- 2                 (1) The applicant's original student loan balance upon graduation;
- 3                 (2) The current balance owed on the student loan, including principal and
- 4                 interest;
- 5                 (3) Current payment amounts on the student loan, including information on any
- 6                 federal student loan repayment plan described in 20 United States Code, Section
- 7                 1098e; and
- 8                 (4) For federal loans, information regarding the applicant's expected eligibility
- 9                 for the federal loan forgiveness program described in 34 Code of Federal
- 10                Regulations, Section 685.219;
- 11           B. Submit an employer certification form certifying the applicant's employment
- 12                status and salary or hourly wage; and
- 13           C. Submit a signed statement of intent in a form acceptable to the authority to work
- 14                in the applicant's identified health care profession in the State for a minimum of 5
- 15                years after acceptance into the program.
- 16           **2. Eligibility.** To be considered for an award under this chapter, the applicant:
- 17                A. Must be a current resident of the State or become a resident of the State within 6
- 18                months of being selected as a recipient under the program;
- 19                B. Must, as determined by the authority:
- 20                   (1) Be currently practicing as an eligible health care provider on a full-time basis
- 21                   in the State; or
- 22                   (2) Within 6 months of being selected as a recipient under the program, begin
- 23                   practicing as an eligible health care provider on a full-time basis in the State;
- 24                C. Must possess an outstanding education loan;
- 25                D. May not be a current beneficiary of a state or federal loan repayment program.
- 26                Applicants who were formerly beneficiaries of a state or federal loan repayment
- 27                program or who intend to participate in such programs following completion of their
- 28                5-year commitment under this chapter are eligible to apply for an award; and
- 29                E. May not be a current recipient of a state-funded education loan.

**§12955. Maine Health Care Provider Loan Repayment Program Advisory Committee**

The Maine Health Care Provider Loan Repayment Program Advisory Committee is established pursuant to Title 5, section 12004-I, subsection 18-F to make recommendations to the authority regarding the administration of the program.

- 35           **1. Membership.** The advisory committee consists of:
- 36                A. The State Economist, serving in an ex officio capacity;

# COMMITTEE AMENDMENT

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1 B. A representative of the Department of Health and Human Services, appointed by  
2 the Commissioner of Health and Human Services; and

3 C. The following members, selected by and serving at the pleasure of the chief  
4 executive officer of the authority:

5 (1) Two representatives of organizations that provide primary and specialized  
6 health care services in multiple locations across the State, at least one of which  
7 must be an organization that provides services in rural areas;

8 (2) An individual, not employed by the State, who is an expert in the State's  
9 workforce;

10 (3) A representative of a college or university with a degree-granting program in  
11 a health care profession;

12 (4) A representative of an organization representing the interests of hospitals  
13 based in the State;

14 (5) A representative of an organization representing the interests of federally  
15 qualified health centers, as defined in 42 United States Code, Section 1395x(aa)  
16 (1993), based in the State;

17 (6) An individual representing the interests of health care professionals in the  
18 field of oral health;

19 (7) An individual representing the interests of health care professionals in the  
20 field of behavioral health; and

21 (8) An individual representing the interests of health care professionals in the  
22 field of physical health.

23 **2. Duties.** The advisory committee shall:

24 A. Make recommendations regarding the administration of the program;

25 B. Make recommendations for priority occupations for awards for the next  
26 application cycle; and

27 C. Make recommendations for a point system to determine awards based on, at a  
28 minimum, the following criteria:

29 (1) Priority and nonpriority occupations;

30 (2) Work location and whether or not the location is an underserved area, except  
31 as applied to nurse educators; and

32 (3) Student income-to-debt ratios.

33 **§12956. Awards**

34 **1. Publication of priority occupations.** By January 1st of each year, the authority  
35 shall publicize, using a method determined by the authority and taking into consideration  
36 the recommendations of the advisory committee, the priority occupations for the  
37 upcoming application cycle.

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1           **2. Application cycle.** The authority shall accept applications annually and shall  
2 open the application cycle by February 1st of each year.

3           **3. Award amounts.** The authority shall maintain financial projections and, based on  
4 the recommendations of the advisory committee, establish the targeted number of annual  
5 awards to be made to applicants each year who meet the criteria described in section  
6 12954. In accordance with the occupational priorities and point system established by the  
7 advisory committee pursuant to section 12955, subsection 2, an annual award may not:

8           A. Exceed \$30,000 annually;

9           B. Exceed \$150,000 in aggregate or 50% of a recipient's outstanding education loan  
10 debt at the time of application to the program, whichever is less; or

11           C. Be awarded to a recipient for more than 5 years total.

12           **4. Nurse educators.** The authority shall ensure with the advisory committee that  
13 nurse educators are included among the occupations considered each year for priority  
14 consideration.

15           **§12957. Annual recertification and limitations**

16           In order to remain eligible for an award, a recipient must annually submit to the  
17 authority an employer certification form certifying the recipient's employment status and  
18 salary or hourly wage.

19           **§12958. Rulemaking**

20           The authority shall adopt rules to carry out the purposes of this chapter. Rules  
21 adopted pursuant to this section are routine technical rules pursuant to Title 5, chapter  
22 375, subchapter 2-A.

23           **Sec. 3. 30-A MRSA §6054, sub-§5,** as enacted by PL 2013, c. 269, Pt. B, §2, is  
24 amended to read:

25           **5. Use of fund after bond retirement.** After all liquor operation revenue bonds and  
26 any ancillary obligations secured by the fund have been retired, additional proceeds  
27 credited to the fund from Title 22-A, section 216 and Title 28-A, section 90 must be  
28 disbursed on a quarterly basis to the State, after payment of costs of administering the  
29 fund, and credited by the State Controller as follows:

30           A. The lesser of 15% and the maximum amount allowed for federal matching funds  
31 purposes under federal water programs, divided equally between an account within  
32 the Department of Health and Human Services and an account within the Department  
33 of Environmental Protection for revolving loan funds for drinking water systems and  
34 wastewater treatment;

35           B. Thirty-five percent to an account within the Department of Transportation for  
36 construction of highways and bridges; and

37           B-1. Twenty-five percent to the Maine Health Care Provider Loan Repayment  
38 Program Fund established in Title 20-A, section 12953; and

39           C. The remainder to the Maine Budget Stabilization Fund established in section  
40 1532.





# 129th MAINE LEGISLATURE

LD 799

LR 1347(02)

## An Act To Increase Faculty in Nursing Education Programs

Fiscal Note for Bill as Amended by Committee Amendment *A (H-558)*  
Committee: Innovation, Development, Economic Advancement and Business

Fiscal Note Required: Yes

### Fiscal Note

Future biennium revenue decrease - Maine Budget Stabilization Fund  
Future biennium revenue increase - Other Special Revenue Funds

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$1,000,000	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$1,000,000	\$0	\$0	\$0

#### Fiscal Detail and Notes

This bill includes a one-time General Fund appropriation of \$1,000,000 in fiscal year 2019-20 to a newly created Maine Healthcare Provider Loan Repayment (MHPLR) Program Fund within the Finance Authority of Maine (FAME) for the repayment of student loans for certain nurse educators and to pay the costs to FAME for administering the fund. Additional funding will come from 25% of future proceeds that would have gone to the Maine Budget Stabilization Fund from the Liquor Operation Revenue Fund (LORF) that will now be deposited into the loan repayment program.

Current law requires that after all liquor operation revenue bonds and ancillary obligations are paid off in fiscal year 2023-24 using the proceeds of the liquor contract, 15% of the revenue is to be divided equally between the DHHS and the Department of Environmental Protection (DEP) for revolving loan funds for drinking water systems and wastewater treatment, 35% will go to the Department of Transportation (DOT) for construction of highways and bridges and 50% will go to the Maine Budget Stabilization Fund.

The new distribution of the LORF revenue after fiscal year 2023-24 would be as follows: 15% will still be divided equally between the DHHS and the DEP, 35% will still go to the DOT, 25% will go to the MHPLR Fund to be used to finance the loan repayment program and 25% instead of 50% will go to the Maine Budget Stabilization Fund. These changes would all occur after June of 2024.

Any additional costs to the State Economist and the Department of Health and Human Services (DHHS) to participate in the advisory committee are expected to be minor and can be absorbed within existing budgeted resources.