

MAINE STATE LEGISLATURE

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SAC
ROFS

L.D. 1812

Date: 6/3/25

(Filing No. H-448)

HOUSING AND ECONOMIC DEVELOPMENT

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STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1213, L.D. 1812, "An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions and an Employer Tax Credit for Trade Tool Reimbursements"

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

'An Act to Establish the Loans for Trade Tools Program'

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

'Sec. 1. 10 MRSA c. 110, sub-c. 15 is enacted to read:

SUBCHAPTER 15

LOANS FOR TRADE TOOLS PROGRAM

§1100-HH. Loans for Trade Tools Program

1. Definitions. As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible borrower" means a graduate of an accredited college who has completed a degree or certificate program for a trade.

B. "Fund" means the Loans for Trade Tools Fund established in subsection 4.

C. "Program" means the Loans for Trade Tools Program established in subsection 2.

D. "Trade" means a skilled occupation, including but not limited to electrician, plumber, welder, heating, ventilation and air conditioning technician, construction worker, automotive technician, industrial mechanic and any similar skilled occupation in the health care, hospitality or information technology industry, requiring:

(1) Adherence to safety and regulatory codes;

COMMITTEE AMENDMENT

1 (2) Specialized technical knowledge and formal training through an
 2 apprenticeship, vocational program or certification process aligned with industry
 3 standards; or

4 (3) Proficiency in manual, mechanical or technical tasks essential to infrastructure,
 5 manufacturing, maintenance or service industries.

6 E. "Trade tools" means the tools and equipment needed for employment in a trade.

7 **2. Loans for Trade Tools Program established.** The Loans for Trade Tools Program
 8 is established within the authority for the purpose of making low-interest loans to eligible
 9 borrowers for the purchase of trade tools necessary for employment in a trade.

10 **3. Loans.** The authority shall provide low-interest loans to eligible borrowers pursuant
 11 to this subsection.

12 A. The interest rate may not exceed 2.0% per year.

13 B. The repayment period may not exceed 10 years.

14 C. The maximum loan amount is \$10,000 per eligible borrower.

15 D. The maximum aggregate of loans made pursuant to this subsection may not exceed
 16 \$1,000,000 per year or the funds available in the fund, whichever is lower.

17 The authority shall administer the disbursement of loans in a manner consistent with the
 18 disbursement of loans under other student loan repayment programs administered by the
 19 authority.

20 **4. Loans for Trade Tools Fund.** The Loans for Trade Tools Fund is established as a
 21 nonlapsing fund administered by the authority. The fund receives any funds appropriated
 22 or allocated to the fund. The authority may accept and deposit into the fund monetary gifts,
 23 donations or other contributions from public or private sources for the purposes specified
 24 in this section. The authority may charge the fund for its reasonable administrative costs of
 25 administering the fund. The fund must be held separate and apart from all other money,
 26 funds and accounts. Any repayment of loans made pursuant to subsection 3 must be
 27 deposited into the fund.

28 **5. Outreach and education.** The authority shall conduct outreach and education to
 29 ensure that students and their families and institutions of higher education are aware of the
 30 program.

31 **6. Rules.** The authority may adopt rules to implement the program, including rules
 32 regarding the application process, eligibility standards, trade tools that qualify for a loan
 33 and the method of disbursing loans and collecting repayments. Rules adopted pursuant to
 34 this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

35 **Sec. 2. Appropriations and allocations.** The following appropriations and
 36 allocations are made.

37 **FINANCE AUTHORITY OF MAINE**

38 **Loans for Trade Tools Program Fund N526**

39 Initiative: Provides funds for low-interest loans to eligible borrowers for trade tools needed
 40 by those eligible borrowers for their employment in a trade.

41 **GENERAL FUND**

2025-26

2026-27

COMMITTEE AMENDMENT "A" to H.P. 1213, L.D. 1812

1	All Other	\$1,000,000	\$1,000,000
2			
3	GENERAL FUND TOTAL	<u>\$1,000,000</u>	<u>\$1,000,000</u>

4

5 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
6 number to read consecutively.

7

SUMMARY

8 This amendment replaces the bill and changes the title. The amendment establishes
9 the Loans for Trade Tools Program and clarifies the professions that are eligible trades
10 under the program.

11

FISCAL NOTE REQUIRED

12

(See attached)

**132nd MAINE LEGISLATURE****LD 1812****LR 1301(02)****An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions
and an Employer Tax Credit for Trade Tool Reimbursements****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-448)**
Committee: Housing and Economic Development**Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$1,000,000	\$1,000,000	\$0	\$0
Appropriations/Allocations				
General Fund	\$1,000,000	\$1,000,000	\$0	\$0

Fiscal Detail and Notes

This bill includes one-time General Fund appropriations of \$1.0 million per year for fiscal year 2025-26 and fiscal year 2026-27 only to a newly created Loans for Trade Tools Fund within the Finance Authority of Maine (FAME) established for the purpose of making low-interest loans to eligible borrowers to purchase trade tools necessary for employment in a trade. This bill allows FAME to charge the fund for its reasonable administrative costs, so no additional General Fund appropriations are required.