

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

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**Legislative Document**

**No. 882**

H. P. 626

House of Representatives, February 15, 1967

Referred to Committee on Education. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Pendergast of Kennebunkport.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-SEVEN

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**AN ACT Providing an Education Loan Fund for the Higher Education of  
Teachers.**

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

**Sec. 1. R. S., T. 20, c. 213, additional.** Title 20 of the Revised Statutes is amended by adding a new chapter 213, to read as follows:

**CHAPTER 213  
EDUCATION LOAN FUND**

**§ 1961. Purpose**

The Legislature declares that there is a wide and continuing need for new and additional teachers in the public school system of the State, and that the loan funds provided in this chapter will attract additional young people to the teaching profession and thus aid in the solution of a pressing and serious problem facing the people of this State.

**§ 1962. Creation**

There is created the Maine Educational Loan Fund for teacher trainees for the purpose of relieving the existing teacher shortage in the schools, to be administered by the public educational institutions of the State engaged in the training of teachers.

**§ 1963. Selection of students**

Students who qualify for admission or for continuing education in the public teacher training institutions of Maine and who have need of additional funds in order to continue their program of studies shall qualify for assignment of loans from the fund.

### § 1964. Agency making loans

The student financial aids authorities of the several public teacher training institutions of the State shall select recipients of the loans from among their students, determine the amounts needed, disburse the funds and administer the loans from the funds granted to them by the State.

### § 1965. Value of loans

Each loan shall be for a maximum of \$500 for a school year and the total shall not exceed \$1,500 for any one student. Each student receiving a loan shall execute a promissory note in favor of the teacher training institution granting the funds and payable beginning one year after graduation over a period of 5 years.

### § 1966. Repayment or forgiveness of loans

Beginning with the expiration of the school year after graduation, the graduate shall make payment to the training institution of  $\frac{1}{5}$  of the total amount owed, except that if he serves as a licensed teacher, or in other approved capacity, in the public schools of Maine, he shall be forgiven  $\frac{1}{5}$  of the total amount owed for each of the first 5 school years he so serves. If the service of the graduate in the schools shall be interrupted by illness, disability, military service or for other reasonable cause acceptable to the loaning authority, a period of intermission may be granted by the authority. In the case of death, the loan shall be cancelled.

### § 1967. Administration

The overall administration and allocation of loan funds to the training institutions shall reside in the Treasurer of State acting through the finance department of the State Department of Education. The finance officer of each training institution shall handle the loan funds allocated by the State to the institution through his student aid officer.

Five percent of the total amount loaned may be charged to the fund by the institution for the expenses of administering the fund.

**Sec. 2. Appropriation.** There is appropriated from the General Fund to the Department of Education, Education Loan Fund, the sum of \$52,500 for the fiscal year ending June 30, 1968 and the sum of \$78,400 for the fiscal year ending June 30, 1969 to carry out the purposes of this Act. The breakdown shall be as follows:

	1967-68	1968-69
EDUCATION, DEPARTMENT OF		
Education Loan Fund		
All Other		
Personal Services	( $\frac{1}{2}$ ) \$ 1,000	( $\frac{1}{2}$ ) \$ 1,500
Travel, general operating expense, printing, postage, supplies, telephone	1,000	1,500
Capital Expenditures		
Equipment and repairs	500	400
Loans	50,000	75,000
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Total	\$52,500	\$78,400