

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1297

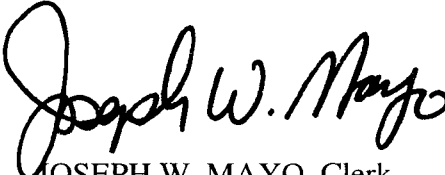
H.P. 919

House of Representatives, February 16, 1999

An Act to Provide for Timely Implementation of the Maine College Savings Program.

(EMERGENCY)

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


JOSEPH W. MAYO, Clerk

Presented by Representative MARVIN of Cape Elizabeth.
Cosponsored by Representatives: BELANGER of Caribou, STEDMAN of Hartland,
WESTON of Montville, Senator: SMALL of Sagadahoc.

2 **Emergency preamble.** Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 **Whereas,** the Maine College Savings Program was created in
1998 to provide an opportunity for families to save and invest on
a tax-free basis for the future costs of higher education;

8
10 **Whereas,** because of the critical importance of higher
education to the economic future of the State and to the
well-being of its citizens, it is necessary that the Maine
12 College Savings Program be implemented as soon as possible; and

14 **Whereas,** In the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
16 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
18 safety; now, therefore,

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

22 **Sec. 1. PL 1997, c. 732, Sec. 8** is enacted to read:

24 **Sec. 8. Implementation by May 1, 1999.** The Finance Authority
of Maine shall implement all aspects of this Act not later than
26 May 1, 1999 and shall submit a written report on its
implementation to the Joint Standing Committee on Education and
28 Cultural Affairs not later than May 15, 1999. If the authority
fails to fully implement this Act by May 1, 1999, the authority
30 is relieved of its powers and duties under the Act; and the Maine
Educational Loan Authority shall assume the responsibilities
32 formerly assigned to the Finance Authority of Maine and is the
successor to the Finance Authority of Maine under this Act. The
34 Maine Educational Loan Authority may, but is not required to,
accept the actions, obligations and responsibilities performed or
36 incurred by the Finance Authority of Maine before May 1, 1999 in
preparation for implementation of this Act.

38 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.

42
44 **SUMMARY**

46 This bill amends the Maine College Savings Program, which
was established last year. That program provides an opportunity
48 for parents to save and invest tax-free toward payment of future
college costs for their children. The Finance Authority of Maine
was charged with the responsibility of administering the
50 program. This bill directs the authority to fully implement the

2 college savings program by May 1, 1999. If the Finance Authority
of Maine fails to accomplish that task, responsibility for
4 administering the program is transferred to the Maine Educational
Loan Authority.