

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 336

H.P. 230

House of Representatives, February 10, 2015

An Act To Combine Outstanding Student Loan Debt with a Home Mortgage

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative FECTEAU of Biddeford.
Cosponsored by Senator DUTREMBLE of York and
Representatives: BECK of Waterville, DAUGHTRY of Brunswick, GOODE of Bangor,
POULIOT of Augusta, RUSSELL of Portland, TIPPING-SPITZ of Orono, Senators: ALFOND
of Cumberland, MILLETT of Cumberland.

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

2 **Sec. 1. 10 MRSA §1026-U** is enacted to read:

3 **§1026-U. Homes for Student Loans Program**

4 **1. Program established.** The Homes for Student Loans Program, referred to in this
5 section as "the program," is established to develop a financial services loan product that
6 combines outstanding federal and state student loans for higher education with a
7 mortgage loan. The authority shall administer the program.

8 **2. Eligibility requirements.** Eligibility requirements must be established by rule of
9 the authority and, at a minimum, must include:

10 A. That the applicant have received a bachelor's degree or graduate degree within 2
11 years of the date of application;

12 B. That the applicant have outstanding federal or state student loans; and

13 C. That the applicant be seeking to purchase a home as the applicant's primary
14 residence.

15 **3. Agreements with financial institutions.** The authority shall enter into
16 agreements with financial institutions to offer loan products in accordance with this
17 section and on terms and conditions acceptable to the authority.

18 **4. Rules.** The authority shall establish rules necessary to implement this section.
19 Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5,
20 chapter 375, subchapter 2-A.

21 **SUMMARY**

22 This bill establishes the Homes for Student Loans Program within the Finance
23 Authority of Maine. The bill directs the authority to develop a loan product that combines
24 outstanding federal and state student loan debt with a home mortgage.