

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1141

H.P. 779

House of Representatives, March 31, 2015

**An Act To Increase the Affordability of College Tuition and Attract
Professionals to Maine**

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

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

ROBERT B. HUNT
Clerk

Presented by Representative DAUGHTRY of Brunswick.
Cosponsored by Representatives: CHENETTE of Saco, EDGECOMB of Fort Fairfield,
FECTEAU of Biddeford, MOONEN of Portland, POULIOT of Augusta, TIPPING-SPITZ of
Orono, TUCKER of Brunswick, WHITE of Washburn.

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

2 **CONCEPT DRAFT**

3 **SUMMARY**

4 This bill is a concept draft pursuant to Joint Rule 208.

5 This bill proposes to implement a comprehensive strategy to increase the affordability
6 of tuition at state public universities and colleges for Maine residents, thereby increasing
7 the graduation rate from those state public institutions of higher education, and to attract
8 to and keep in Maine young professionals. The comprehensive strategy may include, but
9 is not limited to:

10 1. Establishing a textbook scholarship program, in coordination with the public
11 institutions of higher education to provide scholarships for the purchase of textbooks at
12 those institutions. The scholarships would be available to graduates of Maine high
13 schools who have a grade point average of 3.0 or better on a 4.0 scale;

14 2. Establishing scholarships or providing incentives for degree completion with
15 agreements to remain in the State after graduation for specified periods. Under this
16 program, a full scholarship for the 4th and final year of school at a Maine public
17 institution of higher education would be provided to students who agree to work in the
18 State for a certain period of time following graduation;

19 3. Requiring the Department of Education and the Finance Authority of Maine
20 cooperatively to issue low-interest student loans to students attending a public or private
21 institution of higher education in this State who meet certain criteria, such as financial
22 need, academic merit, graduating within 4 years or agreeing to work in public service for
23 a certain period after graduation;

24 4. Requiring the Finance Authority of Maine to establish additional tax credits, state
25 grants and other forms of financial aid for higher education for residents of this State who
26 are graduates from a Maine public institution of higher education and an education loan
27 repayment program for all graduates of an institution of higher education who are
28 residents of this State;

29 5. Establishing a loan repayment program for graduates employed in certain high-
30 demand fields in this State;

31 6. Establishing goals for college graduation attainment for the next 25 years;

32 7. Exploring the development of an entity, such as a board of regents, to oversee
33 higher education in this State in order to best serve the higher education needs of the
34 residents and businesses of this State; and

35 8. Establishing a pilot project, based on Oregon's "Pay Forward, Pay Back" model,
36 under which a student enrolled in a public institution of higher education, in lieu of

1 paying tuition or fees, contracts to pay the State a certain percentage of the student's
2 annual income following graduation for a specified number of years. The pilot project
3 would eventually replace the current system of charging a resident of the State tuition and
4 fees for enrollment at a state public institution of higher education. The pilot project
5 would:

6 A. Allow a student who is a resident of the State and who qualifies for admission to
7 an institution to enroll in the institution without paying tuition or fees;

8 B. Provide that, in lieu of paying tuition or fees, the student must sign a binding
9 contract to pay to the State or the institution for a specified number of years a certain
10 percentage of the student's annual adjusted gross income upon graduation from the
11 institution;

12 C. Specify the number of years and the percentage of annual adjusted gross income
13 for contracts at each participating institution and base the specifications on research
14 to date; and

15 D. Establish a funding source for the first 15 to 20 years of the pilot project and a
16 revolving fund into which payments made under the pilot project are deposited to
17 provide long-term funding.

18 A pilot project may include variations by specific institution depending on the total cost
19 of education at the institution, the portion of the cost that is paid by the State, the number
20 of years of student repayment specified in the contract and the percentage of annual
21 adjusted gross income specified in the contract.