

MAINE STATE LEGISLATURE

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Date: 3/4/26 MAJORITY

(Filing No. H- 826)

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1417, L.D. 2102, "An Act to Clarify and Strengthen the Government Shutdown Loan Guarantee Program"

Amend the bill by striking out all of section 2 and inserting the following:

Sec. 2. 10 MRSA §1100-JJ, sub-§2, as enacted by PL 2025, c. 494, §2, is amended to read:

2. Determination of loan amount. ~~The~~ Unless an origination fee is included by an eligible financial institution and added to the loan amount in accordance with subsection 4, paragraph D, the maximum amount of a loan is the lesser of \$6,000 and the affected employee's most recent monthly after-tax pay, offset by any unemployment benefits, as determined pursuant to this subsection.

A. Offsetting unemployment benefits are determined by multiplying by 4 the greater of the amount per week of unemployment benefits pursuant to Title 26, chapter 13, as reported pursuant to subsection 1, paragraph B, subparagraph (4):

- (1) Actually received by the affected employee during the shutdown; and
- (2) The affected employee is eligible to receive during the shutdown.

B. The amount of offsetting unemployment benefits, if any, as determined pursuant to paragraph A is subtracted from the lesser of \$6,000 and the affected employee's most recent monthly after-tax pay.

C. The amount of the loan is the lesser of \$6,000 and the amount determined following the calculation in paragraph B.

Sec. 3. 10 MRSA §1100-JJ, sub-§4, ¶D is enacted to read:

D. A loan agreement may contain an origination fee not to exceed the lesser of \$60 and 1% of the loan amount and, if an origination fee is included, the eligible financial institution shall add the origination fee to the loan amount.

Sec. 4. 10 MRSA §1100-LL, sub-§3, as enacted by PL 2025, c. 494, §2, is amended to read:

COMMITTEE AMENDMENT

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3. Termination of loan recovery guarantee based on excess claims. If the amount expended for loan guarantee payments under section 1100-KK equals or exceeds ~~10%~~ 50% of the total of all loans issued, the authority shall immediately cease to approve claims and shall notify the Treasurer of State and each eligible financial institution of the total amount of loan guarantee payments made and that the authority has ceased honoring loan claims.

Sec. 5. 10 MRSA §1100-LL, sub-§5 is enacted to read:

5. Notification of funding needs. If the total amount of funds expended for loan guarantee payments under section 1100-KK equals or exceeds \$200,000, the authority shall immediately notify the Treasurer of State, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over financial services matters.

Sec. 6. 10 MRSA §1100-NN, first ¶, as enacted by PL 2025, c. 494, §2, is amended to read:

The joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs, in consultation with the joint standing committee of the Legislature having jurisdiction over financial services matters, ~~may~~ shall report out legislation to address any funding needs of the program after receipt of notification from the authority pursuant to section 1100-LL, subsection 5.

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

SUMMARY

This amendment, which is the majority report of the committee, makes the following changes to the bill.

1. It authorizes an eligible financial institution to charge an origination fee that is the lesser of \$60 and 1% of the total loan amount and requires the financial institution to add the origination fee to the total amount of the loan.

2. Instead of removing language that provides that if the amount expended for loan guarantee payments equals or exceeds 10% of the total of all loans issued, the Finance Authority of Maine must stop approving claims, it changes the amount that must be expended before the authority stops approving claims from 10% of the total of all loans issued to 50% of the total of all loans issued.

3. If the total amount of funds expended for loan guarantee payments under the Government Shutdown Loan Guarantee Program equals or exceeds \$200,000, it requires the authority to immediately notify the Treasurer of State, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over financial services matters and requires the reporting out of legislation to address the funding needs of the program after that notification is received.

FISCAL NOTE REQUIRED

(See attached)



132nd MAINE LEGISLATURE

LD 2102

LR 2952(02)

An Act to Clarify and Strengthen the Government Shutdown Loan Guarantee Program

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H - 826)
Committee: Health Coverage, Insurance and Financial Services
Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Appropriations/Allocations				
Other Special Revenue Funds	\$250,000	\$0	\$0	\$0
Transfers				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

Fiscal Detail and Notes

The bill includes a one-time Other Special Revenue Funds allocation of \$250,000 in fiscal year 2025-26 to the Government Shutdown Loan Guarantee Program Fund within the Office of the State Treasurer to assist with guaranteeing repayment of a portion of loans made by eligible financial institutions and credit unions to federal or state employees affected by government shutdowns.

This allocation is funded by a one-time transfer of \$250,000 in fiscal year 2025-26 from the Department of Professional and Financial Regulation, Bureau of Financial Institutions to the Government Shutdown Loan Guarantee Program Fund.