INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND
BUSINESS

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

129TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT “ ” to H.P. 587, L.D. 799, Bill, “An Act To
Increase Faculty in Nursing Education Programs”

Amend the bill by striking out the title and substituting the following:

'An Act To Create the Maine Health Care Provider Loan Repayment Program'

Amend the bill by striking out everything after the enacting clause and inserting the
following:

'Sec. 1.  5 MRSA §12004-I, sub-§18-F is enacted to read:

18-F.

Education: Maine Health Care Not Authorized 20-A MRSA §12955
Financial Aid Provider Loan Repayment Program
       Advisory Committee

Sec. 2.  20-A MRSA c. 441 is enacted to read:

CHAPTER 441

MAINE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM

§12951. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms
have the following meanings.

1.  Advisory committee.  "Advisory committee" means the Maine Health Care
    Provider Loan Repayment Program Advisory Committee established in Title 5, section
    12004-I, subsection 18-F.

2.  Authority.  "Authority" means the Finance Authority of Maine.
3. **Full-time.** "Full-time" means:
   
   A. At least 30 hours per week;
   
   B. At least 130 hours per month; or
   
   C. Determined to be full-time by the authority.

4. **Fund.** "Fund" means the Maine Health Care Provider Loan Repayment Program Fund established in section 12953.

5. **Program.** "Program" means the Maine Health Care Provider Loan Repayment Program established in section 12952.

6. **Underserved area.** "Underserved area" means an area in the State that is a health professional shortage area or medically underserved area or that contains a medically underserved population, as those terms are defined by the federal Department of Health and Human Services, Health Resources and Services Administration.

§12952. **Maine Health Care Provider Loan Repayment Program established**

The Maine Health Care Provider Loan Repayment Program is established within the Finance Authority of Maine for the purpose of increasing the number of health care providers practicing in the State.

§12953. **Maine Health Care Provider Loan Repayment Program Fund**

1. **Fund created.** The Maine Health Care Provider Loan Repayment Program Fund is established in the authority as a nonlapsing, interest-earning, revolving fund to carry out the purposes of this chapter. The fund consists of money received from 25% of the proceeds from the renewal of the contract for the operations of the State's wholesale spirits business under Title 28-A, section 90; existing funding for other authority programs that may, at the discretion of the authority, be combined with the program; and appropriations, allocations and contributions from private and public sources. The funds, to be accounted within the authority, must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any unexpended balances remaining in the fund at the end of any fiscal year do not lapse and must be carried forward to the next fiscal year.

2. **Fund administration.** The authority may receive, invest and expend on behalf of the fund money from gifts, grants, bequests and donations in addition to money appropriated or allocated by the State and any federal funds received by the State for the benefit of health care providers who have outstanding education loans. Money received by the authority on behalf of the fund must be used for the purposes of this chapter. The fund must be maintained and administered by the authority. Any unexpended balance in the fund carries forward for continued use under this chapter.

3. **Fund expenses.** Costs and expenses of maintaining, servicing and administering the fund and of administering the program may be paid out of amounts in the fund.

§12954. **Program eligibility**

1. **Application.** To be considered for an award under this chapter, as part of the application, the applicant must:
A. Submit documentation, in a manner identified by the authority, validating:

(1) The applicant's original student loan balance upon graduation;

(2) The current balance owed on the student loan, including principal and interest;

(3) Current payment amounts on the student loan, including information on any federal student loan repayment plan described in 20 United States Code, Section 1098e; and

(4) For federal loans, information regarding the applicant's expected eligibility for the federal loan forgiveness program described in 34 Code of Federal Regulations, Section 685.219;

B. Submit an employer certification form certifying the applicant's employment status and salary or hourly wage; and

C. Submit a signed statement of intent in a form acceptable to the authority to work in the applicant's identified health care profession in the State for a minimum of 5 years after acceptance into the program.

2. Eligibility. To be considered for an award under this chapter, the applicant:

A. Must be a current resident of the State or become a resident of the State within 6 months of being selected as a recipient under the program;

B. Must, as determined by the authority:

(1) Be currently practicing as an eligible health care provider on a full-time basis in the State; or

(2) Within 6 months of being selected as a recipient under the program, begin practicing as an eligible health care provider on a full-time basis in the State;

C. Must possess an outstanding education loan;

D. May not be a current beneficiary of a state or federal loan repayment program. Applicants who were formerly beneficiaries of a state or federal loan repayment program or who intend to participate in such programs following completion of their 5-year commitment under this chapter are eligible to apply for an award; and

E. May not be a current recipient of a state-funded education loan.

§12955. Maine Health Care Provider Loan Repayment Program Advisory Committee

The Maine Health Care Provider Loan Repayment Program Advisory Committee is established pursuant to Title 5, section 12004-I, subsection 18-F to make recommendations to the authority regarding the administration of the program.

1. Membership. The advisory committee consists of:

A. The State Economist, serving in an ex officio capacity;
B. A representative of the Department of Health and Human Services, appointed by
the Commissioner of Health and Human Services; and

C. The following members, selected by and serving at the pleasure of the chief
executive officer of the authority:

(1) Two representatives of organizations that provide primary and specialized
health care services in multiple locations across the State, at least one of which
must be an organization that provides services in rural areas;

(2) An individual, not employed by the State, who is an expert in the State's
workforce;

(3) A representative of a college or university with a degree-granting program in
a health care profession;

(4) A representative of an organization representing the interests of hospitals
based in the State;

(5) A representative of an organization representing the interests of federally
qualified health centers, as defined in 42 United States Code, Section 1395x(aa)
(1993), based in the State;

(6) An individual representing the interests of health care professionals in the
field of oral health;

(7) An individual representing the interests of health care professionals in the
field of behavioral health; and

(8) An individual representing the interests of health care professionals in the
field of physical health.

2. Duties. The advisory committee shall:

A. Make recommendations regarding the administration of the program;

B. Make recommendations for priority occupations for awards for the next
application cycle; and

C. Make recommendations for a point system to determine awards based on, at a
minimum, the following criteria:

(1) Priority and nonpriority occupations;

(2) Work location and whether or not the location is an underserved area, except
as applied to nurse educators; and

(3) Student income-to-debt ratios.

§12956. Awards

1. Publication of priority occupations. By January 1st of each year, the authority
shall publicize, using a method determined by the authority and taking into consideration
the recommendations of the advisory committee, the priority occupations for the
upcoming application cycle.
2. **Application cycle.** The authority shall accept applications annually and shall open the application cycle by February 1st of each year.

3. **Award amounts.** The authority shall maintain financial projections and, based on the recommendations of the advisory committee, establish the targeted number of annual awards to be made to applicants each year who meet the criteria described in section 12954. In accordance with the occupational priorities and point system established by the advisory committee pursuant to section 12955, subsection 2, an annual award may not:

   A. Exceed $30,000 annually;

   B. Exceed $150,000 in aggregate or 50% of a recipient's outstanding education loan debt at the time of application to the program, whichever is less; or

   C. Be awarded to a recipient for more than 5 years total.

4. **Nurse educators.** The authority shall ensure with the advisory committee that nurse educators are included among the occupations considered each year for priority consideration.

§12957. **Annual recertification and limitations**

In order to remain eligible for an award, a recipient must annually submit to the authority an employer certification form certifying the recipient's employment status and salary or hourly wage.

§12958. **Rulemaking**

The authority shall adopt rules to carry out the purposes of this chapter. Rules adopted pursuant to this section are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

Sec. 3. 30-A MRSA §6054, sub-§5, as enacted by PL 2013, c. 269, Pt. B, §2, is amended to read:

5. **Use of fund after bond retirement.** After all liquor operation revenue bonds and any ancillary obligations secured by the fund have been retired, additional proceeds credited to the fund from Title 22-A, section 216 and Title 28-A, section 90 must be disbursed on a quarterly basis to the State, after payment of costs of administering the fund, and credited by the State Controller as follows:

   A. The lesser of 15% and the maximum amount allowed for federal matching funds purposes under federal water programs, divided equally between an account within the Department of Health and Human Services and an account within the Department of Environmental Protection for revolving loan funds for drinking water systems and wastewater treatment;

   B. Thirty-five percent to an account within the Department of Transportation for construction of highways and bridges; and

   B-1. Twenty-five percent to the Maine Health Care Provider Loan Repayment Program Fund established in Title 20-A, section 12953; and

   C. The remainder to the Maine Budget Stabilization Fund established in section 1532.
Sec. 4. Report. The Finance Authority of Maine shall notify the joint standing committee of the Legislature having jurisdiction over innovation, development, economic advancement and business matters upon the capitalization of the Maine Health Care Provider Loan Repayment Program Fund pursuant to this Act.

Sec. 5. Appropriations and allocations. The following appropriations and allocations are made.

FINANCE AUTHORITY OF MAINE
Maine Health Care Provider Loan Repayment Program Fund N324

Initiative: Provides a one-time appropriation for the repayment of student loans for certain nurse educators and to pay the administrative costs of the fund.

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<td>GENERAL FUND TOTAL</td>
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Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment replaces the bill and creates a new loan repayment program, administered by the Finance Authority of Maine, for health care providers who agree to live and work in the State for a minimum of 5 years. Under the program, the authority will pay up to $30,000 per year and the lesser of $150,000 in aggregate and 50% of the recipient's outstanding loan balance. The amendment establishes a fund for the program, sets parameters for the administration of the program and establishes an advisory committee to guide the work of the Finance Authority of Maine in administering the program. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)