Agency name: Finance Authority of Maine (FAME)
Umbrella-Unit: 94-457
Statutory authority: 10 MRS §969-A; 20-A MRS §11485
Chapter number/title: Ch. 611, Maine College Savings Program, Amendment 17
Filing number: 2019-009
Effective date: 1/15/2019
Type of rule: Routine Technical
Emergency rule: No

Principal reason or purpose for rule:
   (See Basis Statement)

Basis statement:
The rule amendment is necessary to conform the rule to recent changes to the federal and Maine state tax codes permitting (a) limited withdrawals from Section 529 accounts for tuition expenses for attendance or enrollment at elementary or secondary public, private, or religious schools; and (b) limited rollovers from Section 529 accounts to Section 529A (ABLE) accounts. The rule amendment also conforms the rule to recent changes to the Act, changing the name of the program and the advisory committee in keeping with the tax code changes. The rule amendment makes other minor modifications to the rule.

Fiscal impact of rule:
The amendment will not impose any costs on municipalities or counties.
Agency name: Finance Authority of Maine (FAME)
Umbrella-Unit: 94-457
Statutory authority: 10 MRS §§ 969-A(14), 1026-A
Chapter number/title: Ch. 101, Loan Insurance Program, Amendment 7
Filing number: 2019-182
Effective date: 10/29/2019
Type of rule: Routine Technical
Emergency rule: No

Principal reason or purpose for rule:
Conforming to legislative changes and streamlining agency processing of applications.

Basis statement:
The amendment changes calculation of maximum insurance available, from a fixed percentage of capital to a limit set by board credit policy, within statutory limits. The amendment also increases maximum leveraged insurance available from $2.5 million per borrower to $3 million. Finally, the amendment allows the Chief Executive Officer (rather than the board) to waive personal guaranty requirements for loans when FAMS’s exposure is less than $500,000, if other requirements are met.

Fiscal impact of rule:
The amendment will not impose any costs on municipalities or counties.
Principal reason or purpose for rule:
The rule amendments conform the rule to certain provisions of PL 2019 ch. 303, "An Act to Amend the Laws Governing the Educators for Maine Program". The Act (a) permits the Authority to increase the amount of loans to undergraduate and post-baccalaureate students as funds permit; (b) modifies the definitions of teachers and schools where borrowers may be employed for loan forgiveness; and (c) allows employment as a teacher in an underserved geographic area to qualify for loan forgiveness.

Basis statement:
The rule amendments conform the rule to certain provisions of PL 2019 ch. 303, An Act to Amend the Laws Governing the Educators for Maine Program (the "Act"). The Act (a) permits the Authority to increase the amount of loans to undergraduate and post-baccalaureate students as funds permit; (b) modifies the definitions of teachers and schools where borrowers may be employed for loan forgiveness; and (c) allows employment as a teacher in an underserved geographic area to qualify for loan forgiveness. The Act also permits the Authority to implement a program of repayment of student loan debt to persons teaching in underserved geographic areas of Maine, as funds permit; however, these rule amendments do not address a loan repayment program, pending further agency development.

No comments were received during the written comment period.

In accordance with 5 MRS §8052(4) and Executive Order No. 4 FY 19/20, the Authority has considered:

1. the environmental and social impacts of the rule, with the goal of prioritizing the health safety and welfare of Maine people, and find that the rule will have no negative environmental or social impacts requiring such prioritization; and

2. the economic and fiscal impacts of the rule, including the extent to which other laws and regulations address the rule subject matter and the impact on employers in retaining and attracting a skilled workforce, and find that (a) the rule will have no adverse economic or fiscal impact; (b) no other laws or regulations address the rule subject matter; and (c) the rule will have no adverse effect on employers’ ability to retain and attract a skilled workforce.

Fiscal impact of rule:
None anticipated, although the increase in loan amounts, and the enhanced opportunity to receive loan forgiveness could, over time, stress available funds and result in fewer awards or awards of the minimum allowable amounts.
Principal reason or purpose for rule:
The rule amendments conform the rule to PL 2019 ch. 102, "An Act to Amend the Maine Dental Education Loan Program", which repealed the Advisory Committee on Dental Education, modified the definition of "underserved population area", increased the amounts available (beginning in 2020) to students for loans and to practicing dentists for loan repayment, and modified certain eligibility requirements to receive a loan repayment agreement or loan forgiveness. In addition, the rule amendments modify the criteria applicable to prioritizing applications received for a loan repayment agreement and clarify how the Authority determines financial need.

Basis statement:
The rule amendments largely conforms the rule to PL 2019 ch. 102, "An Act to Amend the Maine Dental Education Loan Program", which repealed the Advisory Committee on Dental Education, modified the definition of "underserved population area", increased the amounts available (beginning in 2020) to students for loans and to practicing dentists for loan repayment, and modified certain eligibility requirements to receive a loan repayment agreement or loan forgiveness. In addition, the rule amendments also modify the criteria applicable to prioritizing applications received for a loan repayment agreement and clarify how the Authority determines financial need.

No comments were received during the written comment period.
In accordance with 5 MRS §8052(4) and Executive Order No. 4 FY 19/20, the Authority has considered:
1. the environmental and social impacts of the rule, with the goal of prioritizing the health safety and welfare of Maine people, and find that the rule will have no negative environmental or social impacts requiring such prioritization; and
2. the economic and fiscal impacts of the rule, including the extent to which other laws and regulations address the rule subject matter and the impact on employers in retaining and attracting a skilled workforce, and find that (a) the rule will have no adverse economic or fiscal impact; (b) no other laws or regulations address the rule subject matter; and (c) the rule will have no adverse effect on employers' ability to retain and attract a skilled workforce.

Fiscal impact of rule:
None anticipated, although the increase in loan amounts and loan repayment amounts, and the enhanced opportunity to receive loan forgiveness could, over time, stress available funds and result in fewer awards.