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Legislative Document

No. 872

H.P. 646

House of Representatives, February 19, 2019

An Act To Forgive Education Debt for Certain Health Care Professionals Who Work in the State

Reference to the Committee on Innovation, Development, Economic Advancement and Business suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative MASTRACCIO of Sanford.

Cosponsored by Representatives: CROCKETT of Portland, DAUGHTRY of Brunswick, DENNO of Cumberland, DOORE of Augusta, FECTEAU of Biddeford, TEPLER of Topsham, TIPPING of Orono, Senator: SANBORN, H. of Cumberland.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 10 MRSA c. 110, sub-c. 13 is enacted to read:
3	SUBCHAPTER 13
4 5	HEALTH CARE PROFESSIONAL EDUCATION LOAN REPAYMENT <u>PROGRAM</u>
6	§1100-AA. Health Care Professional Education Loan Repayment Program
7 8	1. Definitions. For the purposes of this subchapter, unless the context otherwise indicates, the following terms have the following meanings.
9 10 11 12	A. "Federally designated health professional shortage area" means a geographic area experiencing a health care provider shortage as determined by the federal Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Workforce.
13 14	B. "Fund" means the Health Care Professional Education Loan Repayment Fund established in subsection 6.
15 16	C. "Program" means the Health Care Professional Education Loan Repayment Program established in subsection 2.
17 18 19	2. Program established. The Health Care Professional Education Loan Repayment Program is established for the purpose of increasing the number of health care professionals practicing in the State.
20	3. Criteria. For an applicant to participate in the program, the applicant must:
21 22	A. Be a health care professional licensed under Title 32, chapter 31, 36 or 48 or a comparable provision in another jurisdiction;
23	B. Possess outstanding education debt;
24	C. Submit an application to the authority; and
25 26 27	D. Have signed a statement of intent in a form acceptable to the authority to live and work as a health care professional in the State for a minimum of 5 years after acceptance into the program.
28 29 30	4. Debt repayment. The authority shall repay the education debt of a health care professional who meets the criteria in subsection 3 and is approved by the authority in the following manner:
31 32 33 34 35 36	A. If the place of employment of the health care professional in the State is not in a federally designated health professional shortage area, the authority shall repay the education debt of the health care professional in the amount of 20% of the outstanding debt owed at the time of application or \$25,000, whichever is lower, per year of the health care professional's participation in the program up to a total of \$125,000; or

B. If the place of employment of the health care professional in the State is in a federally designated health professional shortage area, the authority shall repay the education debt of the health care professional in the amount of 20% of the outstanding debt owed at the time of application or \$30,000, whichever is lower, per year of the health care professional's participation in the program up to a total of \$150,000.

The authority shall make payments under the program to a health care professional for a period of 5 years or until the health care professional is no longer participating in the program, whichever is earlier.

- **5. Administration.** The program is administered by the authority. The authority shall make a payment from the fund against an education debt under subsection 4 upon the conclusion of the fully completed year to which the payment attaches. The authority may adopt rules to carry out the purposes of this subchapter. Rules adopted pursuant to this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.
- 6. Fund established. The Health Care Professional Education Loan Repayment Fund is established in the authority to support the repayment of education debt under the program. The fund consists of money received from 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 be combined with the program and appropriations, allocations and contributions from private and public sources. The fund, 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. The authority may deduct from the fund the authority's reasonable costs in administering the program.
- **Sec. 2.** Contingent effective date. Notwithstanding the provisions of the Maine Revised Statutes, Title 30-A, section 6054, this Act does not take effect unless the Health Care Professional Education Loan Repayment Fund established by this Act is capitalized by the proceeds from the renewal of the contract for the operations of the State's wholesale spirits business under Title 28-A, section 90. The Finance Authority of Maine shall notify the Revisor of Statutes upon the capitalization of the Health Care Professional Education Loan Repayment Fund under this section.

35 SUMMARY

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This bill creates the Health Care Professional Education Loan Repayment Program administered by the Finance Authority of Maine to repay the education debt of certain health care professionals who agree to live and work in the State for a minimum of 5 years. Under the program, the authority will pay 20% of the education debt or \$25,000, whichever is lower, for each year of participation in the program up to a total of \$125,000 for a health care professional who is not employed in a federally designated health professional shortage area and 20% of the education debt or \$30,000, whichever is lower, for each year of participation in the program up to a total of \$150,000 for a health care

- professional who is employed in a federally designated health professional shortage area. The program is contingent on funding from the proceeds from the renewal of the contract 1
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- for the operations of the State's wholesale spirits business. 3