

CHAPTER 439

MAINE SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS LOAN PROGRAM

§12921. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2015, c. 435, §1 (NEW).]

1. Authority. "Authority" means the Finance Authority of Maine.
[PL 2015, c. 435, §1 (NEW).]

2. Fund. "Fund" means the Maine Science, Technology, Engineering and Mathematics Loan Fund established in section 12923.
[PL 2015, c. 435, §1 (NEW).]

3. Program. "Program" means the Maine Science, Technology, Engineering and Mathematics Loan Program established in section 12922.
[PL 2015, c. 435, §1 (NEW).]

4. STEM student. "STEM student" means an undergraduate or graduate student who is a resident of the State and is engaged in the study of science, computer science, technology, engineering or mathematics at an accredited institution of higher education eligible to receive federal assistance under a federal student assistance program authorized under the federal Higher Education Act of 1965, Title IV and has been selected by the authority pursuant to section 12922 to receive a loan. "STEM student" also means a high school senior committed to the study of science, computer science, technology, engineering or mathematics at an accredited institution of higher education eligible to receive federal assistance under a federal student assistance program authorized under the federal Higher Education Act of 1965, Title IV and has been selected by the authority pursuant to section 12922 to receive a loan.
[PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12922. Maine Science, Technology, Engineering and Mathematics Loan Program

The Maine Science, Technology, Engineering and Mathematics Loan Program is established to increase the number of students in this State pursuing undergraduate and graduate degrees in the fields of science, computer science, technology, engineering and mathematics. The authority shall provide loans in amounts up to \$7,500 per year for a maximum of 5 years to selected STEM students. As used in this section, "employed in the field of science, computer science, technology, engineering or mathematics" includes a person employed as an educator in any of those fields. [PL 2015, c. 435, §1 (NEW).]

1. Annual interest rate of 0%. A STEM student may receive a loan bearing an annual interest rate of 0% if the student upon graduation:

A. Remains in or returns to the State to live and work; and [PL 2015, c. 435, §1 (NEW).]

B. Is employed in the field of science, computer science, technology, engineering or mathematics.
[PL 2015, c. 435, §1 (NEW).]

[PL 2015, c. 435, §1 (NEW).]

2. Annual interest rate of 5%. A STEM student may receive a loan bearing an annual interest rate of 5% if the student upon graduation:

A. Remains in or returns to the State to live and work; and [PL 2015, c. 435, §1 (NEW).]

B. Is not employed in the field of science, computer science, technology, engineering or mathematics. [PL 2015, c. 435, §1 (NEW).]

[PL 2015, c. 435, §1 (NEW).]

3. Annual interest rate of 8%. A STEM student may receive a loan bearing an annual interest rate of 8% if the student does not remain in or return to the State to live and work upon graduation. [PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12923. Maine Science, Technology, Engineering and Mathematics Loan Fund

1. Fund established. The Maine Science, Technology, Engineering and Mathematics Loan Fund is created as a nonlapsing, interest-earning, revolving fund to carry out the purposes of this chapter. [PL 2015, c. 435, §1 (NEW).]

2. Funds. 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 Legislature to the fund and any federal funds received by the State for the benefit of students in this State who have outstanding education loans. Money received by the authority on behalf of the fund must be used for the purposes of this chapter. Interest income may be used for the designated purpose or to pay administrative costs incurred by the authority as determined appropriate by the authority. Any unexpended balance in the fund carries forward for continued use under this chapter.

[PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12924. Loan agreement; repayment

A STEM student applying for a loan under section 12922 shall enter into an agreement with the authority that includes the following provisions. [PL 2015, c. 435, §1 (NEW).]

1. Principal; interest. Upon completion of postsecondary education, the STEM student shall repay the entire principal of the loan plus simple interest. Interest does not begin to accrue until 6 months following completion of the loan recipient's education, withdrawal from school or discontinuance in school.

[PL 2015, c. 435, §1 (NEW).]

2. Term of loan. Loans must be repaid over a term no longer than 10 years, except that the authority may extend a loan recipient's term as necessary to ensure repayment of the loan.

Repayment must commence within 6 months following completion of the loan recipient's education, withdrawal from school or discontinuance in school.

[PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12925. Default

If a recipient of a loan under the program agrees to live and work in the State or be employed in the field of science, computer science, technology, engineering or mathematics and that recipient does not remain living and working in the State or does not remain employed in such a field, the interest rate on the loan held by that recipient is subject to change in accordance with the interest rates set forth in section 12922. A recipient who fails to pay the loan is liable to the authority for an amount equal to

the sum of the total amount paid by or on behalf of the authority to or on behalf of the recipient under the agreement under section 12924 plus interest at a rate determined by the authority. Exceptions may be made by the authority for good cause. [PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12926. Deferments

The authority may grant deferments on the repayment of a loan under the program for causes established by rule. Interest at a rate to be determined by rule of the authority may be assessed during a deferment. The student's total debt to the authority, including principal and interest, must be repaid. The authority shall make determinations of deferment on a case-by-case basis. The decision of the authority regarding deferment is final. [PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

§12927. Administration; rules

The authority shall administer the program and the fund. 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. [PL 2015, c. 435, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 435, §1 (NEW).

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