

§12302. Maine Dental Education Loan Program

1. Establishment. The Maine Dental Education Loan Program, referred to in this chapter as "the program," is established. The authority shall administer the program. Under this program, beginning in fiscal year 2000-01 and ending in fiscal year 2007-08, the chief executive officer shall award up to 3 loans or loan repayment agreements annually up to an aggregate of 12. Beginning in fiscal year 2008-09, the chief executive officer shall award up to 3 loans or loan repayment agreements annually for doctors of dental medicine and up to 6 loans or loan repayment agreements annually for dental hygienists, dental therapists, expanded function dental assistants or dental assistants and may award additional loans or loan repayment agreements annually as funds permit. As provided in subsection 3:

A. Loans are available to Maine residents enrolled in a dental school or enrolled in any accredited school in a program of study for dental hygienists, dental therapists, expanded function dental assistants or dental assistants; or [PL 2023, c. 130, §1 (AMD).]

B. A loan repayment agreement is available to a person who is eligible for licensure as a doctor of dental medicine or as a dental hygienist, dental therapist, expanded function dental assistant or dental assistant in Maine and who has outstanding dental education loans. [PL 2023, c. 130, §1 (AMD).]

[PL 2023, c. 130, §1 (AMD).]

2. Application process. Application must be made directly to the authority. [PL 1999, c. 401, Pt. NN, §2 (NEW); PL 1999, c. 401, Pt. NN, §4 (AFF); PL 1999, c. 496, §2 (NEW).]

3. Eligibility. The following persons are eligible to participate in the program:

A. Applicants under subsection 1, paragraph A who meet eligibility criteria established by rule of the authority, which at a minimum must require:

- (1) That the student be a Maine resident;
- (2) That the student be enrolled in a dental school or in any accredited school with a program of study for dental hygienists, dental therapists, expanded function dental assistants or dental assistants; and
- (3) That priority be given to a student:
 - (a) Who previously received a loan pursuant to this section;
 - (b) Who exhibits financial need; and
 - (c) Who demonstrates an interest in serving an underserved population area; and [PL 2023, c. 130, §2 (AMD).]

B. Applicants under subsection 1, paragraph B who meet eligibility criteria established by rule of the authority, which at a minimum must require:

- (1) That the applicant be eligible for licensure to practice dental medicine or as a dental hygienist, dental therapist, expanded function dental assistant or dental assistant in Maine;
- (2) That the applicant have outstanding dental education loans; and
- (3) That the applicant be willing to serve an underserved population area. [PL 2023, c. 130, §3 (AMD).]

[PL 2023, c. 130, §§2, 3 (AMD).]

4. Maximum amount. The maximum loan or loan repayment amount available to each participant is \$20,000 per year for a period of up to 4 years. For a loan recipient who receives a first loan after January 1, 2020 or a loan repayment participant who signs a first agreement after January 1, 2020, the maximum loan or loan repayment amount available is \$25,000 per year for a period of up to 4 years.

[PL 2019, c. 102, §3 (AMD).]

5. Loan agreement; forgiveness. A student applying under subsection 1, paragraph A shall enter into a loan agreement as set out in this subsection.

A. Upon completion of professional education, the student shall repay the loan in accordance with this paragraph.

(1) A loan recipient who does not obtain loan forgiveness pursuant to subparagraph (2) shall repay the entire principal of the loan plus simple interest at a rate to be determined by rule of the authority.

Interest does not begin to accrue until the loan recipient completes dental education.

(2) A loan recipient who, upon conclusion of the recipient's professional education, including any fellowships, elects to serve as a practitioner of dental medicine in an underserved population area is forgiven 25% of the original outstanding indebtedness for each year of that practice. [PL 1999, c. 401, Pt. NN, §2 (NEW); PL 1999, c. 401, Pt. NN, §4 (AFF); PL 1999, c. 496, §2 (NEW).]

B. Loans must be repaid over a term no longer than 10 years, except that the chief executive officer may extend an individual's term as necessary to ensure repayment of the loan. Repayment must commence when the loan recipient completes, withdraws from or otherwise fails to continue dental education. [PL 1999, c. 401, Pt. NN, §2 (NEW); PL 1999, c. 401, Pt. NN, §4 (AFF); PL 1999, c. 496, §2 (NEW).]

C. A loan recipient serving an underserved population area pursuant to paragraph A, subparagraph (2) must serve patients regardless of ability to pay through insurance or other payment source. [PL 2019, c. 102, §4 (AMD).]

[PL 2019, c. 102, §4 (AMD).]

6. Loan repayment agreement. An applicant under subsection 1, paragraph B shall enter into a loan repayment agreement as set out in this subsection.

A. An applicant will receive payment from the authority on the applicant's outstanding indebtedness for dental education at a rate of \$20,000 per year of service for up to 4 years as long as the applicant continues to serve as a practitioner of dental medicine in an underserved population area. A loan repayment participant who signs a first agreement after January 1, 2020 receives payment from the authority on the participant's outstanding indebtedness for dental education at a rate of up to \$25,000 per year of service for up to 4 years as long as the participant continues to serve as a practitioner of dental medicine in an underserved population area. [PL 2019, c. 102, §5 (AMD).]

B. A person receiving loan repayment payments under this subsection must serve patients regardless of ability to pay through insurance or other payment source. [PL 2019, c. 102, §5 (AMD).]

[PL 2019, c. 102, §5 (AMD).]

7. Default. A loan recipient who agrees to practice in an underserved population area and who fails to complete the period of service required to pay off 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 contract plus interest at a rate determined by the authority. Credit for practice in an underserved population area will be awarded for each consecutive 12-month period served. Exceptions may be made by the authority in accordance with subsection 8.

A loan recipient may be granted permission to default without penalty from an agreement to serve in an underserved population area by petitioning the authority. Grounds for permission to default without penalty include, but are not limited to, catastrophic circumstances that prevent the recipient from

remaining in an underserved population area for the required period of time. The recipient receives credit for the number of months served and the remaining financial obligation plus interest must be repaid to the authority in cash under the terms of the original agreement.

[PL 1999, c. 401, Pt. NN, §2 (NEW); PL 1999, c. 401, Pt. NN, §4 (AFF); PL 1999, c. 496, §2 (NEW).]

8. Deferments. Deferments on the repayment of a loan under the program may be granted for causes established by rule of the authority. Interest at a rate to be determined by rule of the authority must be assessed during the deferment. The student's total debt to the authority, including principal and interest, must be repaid either through return service or cash payments. The chief executive officer shall make determinations of deferment on a case-by-case basis. The decision of the chief executive officer is final.

[PL 1999, c. 401, Pt. NN, §2 (NEW); PL 1999, c. 401, Pt. NN, §4 (AFF); PL 1999, c. 496, §2 (NEW).]

SECTION HISTORY

PL 1999, c. 401, §NN2 (NEW). PL 1999, c. 401, §NN4 (AFF). PL 1999, c. 496, §2 (NEW). PL 2003, c. 510, §E1 (AMD). PL 2005, c. 397, §A17 (AMD). PL 2009, c. 8, §1 (AMD). PL 2019, c. 102, §§3-5 (AMD). PL 2023, c. 130, §§1-3 (AMD).

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