

CHAPTER 428-C

JOB CREATION THROUGH EDUCATIONAL OPPORTUNITY PROGRAM

§12541. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2007, c. 469, Pt. A, §1 (NEW).]

1. Accredited Maine community college, college or university. "Accredited Maine community college, college or university" means an institution that is accredited by a regional accrediting association or by one of the specialized accrediting agencies recognized by the United States Secretary of Education and is:

A. Any campus of the Maine Community College System; [PL 2007, c. 469, Pt. A, §1 (NEW).]

B. Any campus of the University of Maine System; [PL 2007, c. 469, Pt. A, §1 (NEW).]

C. The Maine Maritime Academy; [PL 2007, c. 469, Pt. A, §1 (NEW).]

D. Any educational institution that is located in this State and has authorization to confer an associate degree or a bachelor's degree, in accordance with sections 10704 and 10704-A; [PL 2007, c. 469, Pt. A, §1 (NEW).]

E. Any educational institution that is located in this State and is exempted from chapter 409 under section 10708, subsections 1 and 2; and [PL 2007, c. 469, Pt. A, §1 (NEW).]

F. Any educational institution that is located in this State and is operating under a certificate of temporary approval from the state board under section 10703, to the extent that a student is ultimately able either to obtain an associate or a bachelor's degree at that institution or to transfer to and obtain a degree from an institution described in paragraphs A to E. [PL 2007, c. 469, Pt. A, §1 (NEW).]

[PL 2009, c. 553, Pt. A, §1 (AMD).]

1-A. Accredited non-Maine community college, college or university. "Accredited non-Maine community college, college or university" means an institution located outside the State that is accredited by a regional accrediting association or by one of the specialized accrediting agencies recognized by the United States Secretary of Education.

[PL 2011, c. 665, §1 (NEW).]

2. Benchmark loan payment.

[PL 2013, c. 525, §1 (RP).]

2-A. Educational cost-of-living adjustment.

[PL 2013, c. 525, §2 (RP).]

3. Educational institution. "Educational institution" has the same meaning as in section 10701, subsection 3.

[PL 2007, c. 469, Pt. A, §1 (NEW).]

4. Educational opportunity tax credit. "Educational opportunity tax credit" means the tax credit provided for in Title 36, section 5217-D.

[PL 2007, c. 469, Pt. A, §1 (NEW).]

4-A. Financial aid package. "Financial aid package" means financial aid obtained by a student for attendance at an accredited Maine community college, college or university. For purposes of a qualified individual claiming an educational opportunity tax credit for tax years beginning on or after January 1, 2013, "financial aid package" may include financial aid obtained for up to 30 credit hours of

course work at an accredited non-Maine community college, college or university earned prior to transfer to an accredited Maine community college, college or university, if the 30 credit hours were earned after December 31, 2007 and the transfer occurred after December 31, 2012. For purposes of an employer claiming an educational opportunity tax credit for tax years beginning on or after January 1, 2013, "financial aid package" may include financial aid obtained by a qualified employee for attendance at an accredited non-Maine community college, college or university. The financial aid package may include private loans or less than the full amount of loans under federal programs, depending on the practices of the accredited Maine or non-Maine community college, college or university. Loans are includable in the financial aid package only if entered into prior to July 1, 2023. [PL 2015, c. 300, Pt. A, §4 (AMD).]

5. Maine resident. "Maine resident" means an individual who qualifies for Maine residence under Title 21-A, section 112. An individual is a Maine resident if, at the time the individual commences the relevant degree program, the individual is registered to vote in the State or occupies a dwelling in the State and continues to occupy a dwelling in the State during the school year, except periods when it is reasonably necessary for the individual to live elsewhere as part of an accredited Maine community college, college or university's academic programs. [PL 2009, c. 553, Pt. A, §5 (AMD).]

6. Opportunity contract.
[PL 2009, c. 553, Pt. A, §6 (RP).]

7. Principal cap.
[PL 2013, c. 525, §4 (RP).]

8. Qualified employee. "Qualified employee" has the same meaning as in Title 36, section 5217-D, subsection 1, paragraph E.
[PL 2013, c. 525, §5 (NEW).]

9. Qualified individual. "Qualified individual" has the same meaning as in Title 36, section 5217-D, subsection 1, paragraph G.
[PL 2013, c. 525, §6 (NEW).]

SECTION HISTORY

PL 2007, c. 469, Pt. A, §1 (NEW). PL 2009, c. 553, Pt. A, §§1-7 (AMD). PL 2011, c. 665, §1 (AMD). PL 2013, c. 525, §§1-6 (AMD). PL 2015, c. 300, Pt. A, §4 (AMD).

§12542. Program established

1. Program created; goals. The Job Creation Through Educational Opportunity Program, referred to in this chapter as "the program," is created to provide an educational opportunity tax credit to Maine residents who obtain an associate degree or a bachelor's degree in this State, and live, work and pay taxes in this State thereafter. The program is designed to achieve the following goals:

- A. Promote economic opportunity for people in this State by ensuring access to the training and higher education that higher-paying jobs require; [PL 2007, c. 469, Pt. A, §1 (NEW).]
- B. Bring more and higher-paying jobs to this State by increasing the skill level of this State's workforce; [PL 2007, c. 469, Pt. A, §1 (NEW).]
- C. Offer educational opportunity and retraining to individuals impacted by job loss, workplace injury, disability or other hardship; [PL 2007, c. 469, Pt. A, §1 (NEW).]
- D. Keep young people in this State through incentives for educational opportunity and creation of more high-paying jobs; and [PL 2007, c. 469, Pt. A, §1 (NEW).]
- E. Accomplish all of the goals in this subsection with as little bureaucracy as possible. [PL 2007, c. 469, Pt. A, §1 (NEW).]

[PL 2013, c. 525, §7 (AMD).]

2. Principal cap.

[PL 2009, c. 553, Pt. A, §8 (RP).]

2-A. Principal cap.

[PL 2013, c. 525, §8 (RP).]

3. Eligibility for the program.

[PL 2013, c. 525, §9 (RP).]

3-A. Educational loans.

[PL 2013, c. 525, §10 (RP).]

4. Administration.

[PL 2009, c. 553, Pt. A, §12 (RP).]

4-A. Administration. The program must be administered as described in this subsection.

A. The department, in consultation with the State Tax Assessor, shall make information about the program available on the department's publicly accessible website. The department shall refer any questions regarding the program to the relevant accredited Maine community college, college or university's financial aid office. The assessor shall provide to an accredited Maine community college, college or university information that is necessary to document a student's eligibility for the educational opportunity tax credit. [PL 2009, c. 553, Pt. A, §13 (NEW).]

B. A Maine resident who enrolls in an accredited Maine community college, college or university who receives financial aid in the form of loans must have the opportunity to participate in the program. An accredited Maine community college, college or university shall, at a minimum, provide information about the program in financial aid award materials, entrance interviews, exit interviews, materials listing financial aid resources and, as appropriate, any promotional materials provided by state agencies, to the extent such contacts with students are already part of the accredited Maine community college, college or university's procedures. [PL 2009, c. 553, Pt. A, §13 (NEW).]

C. An accredited Maine community college, college or university must document for the student information required for purposes of the educational opportunity tax credit, including, once the student has earned the degree, the total principal of loans the student received as part of that student's financial aid package related to course work completed at the accredited Maine community college, college or university. The accredited Maine community college, college or university shall provide an original or certified copy to the student and shall retain a copy of the documentation in its files for at least 10 years after the student graduates. [PL 2013, c. 525, §11 (AMD).]

D. [PL 2013, c. 525, §12 (RP).]

[PL 2013, c. 525, §§11, 12 (AMD).]

5. Effective date; participation by individual already enrolled in degree program. The program must commence for the first semester that begins after the effective date of this chapter. A Maine resident who when the program commences is enrolled in an associate or a bachelor's degree program at an accredited Maine community college, college or university may participate, subject to the same essential terms as other program participants.

[PL 2013, c. 525, §13 (AMD).]

6. Promotion by state agencies. The department, the Finance Authority of Maine, the Department of Economic and Community Development and any other agency engaging in education-related

outreach shall integrate promotion of the program into existing educational opportunity outreach efforts to the extent possible in a manner consistent with the scope of the program and its centrality to the State's efforts to raise educational attainment.

A. The department shall notify superintendents about the program annually and encourage the superintendents to publicize the availability of the program among students, parents and school staff. [PL 2013, c. 417, §1 (NEW).]

B. The Department of Labor shall require that publicly funded workforce development programs, including state and local workforce boards and the Competitive Skills Scholarship Program established in Title 26, section 2033, include within their plans and programs efforts to promote and increase awareness of the program. [PL 2017, c. 110, §5 (AMD).]
[PL 2013, c. 417, §1 (AMD); PL 2017, c. 110, §5 (AMD).]

7. Promotion by institutions. Public higher education institutions identified in section 12541, subsection 1, paragraphs A to C shall make reasonable efforts to inform students about the program. [PL 2013, c. 417, §2 (NEW).]

8. Publicity. To assist institutions of higher education to promote the program, the Finance Authority of Maine shall contract with a private nonprofit corporation in the amount of at least \$20,000 annually to market the program throughout the State, targeting high schools, postsecondary educational institutions and organizations of parents, teachers and other relevant audiences. Marketing efforts must include printed materials, online information and in-person promotional efforts. [PL 2013, c. 417, §2 (NEW).]

SECTION HISTORY

PL 2007, c. 469, Pt. A, §1 (NEW). PL 2009, c. 553, Pt. A, §§8-15 (AMD). PL 2011, c. 548, §7 (AMD). PL 2011, c. 665, §§2-4 (AMD). PL 2013, c. 417, §§1, 2 (AMD). PL 2013, c. 525, §§7-13 (AMD). PL 2017, c. 110, §5 (AMD).

§12543. Effect on funding of higher education

It is the intent of the Legislature that neither the existence of the program nor the benefits provided under the educational opportunity tax credit serve as justification to decrease other funds appropriated or allocated to accredited Maine community colleges, colleges or universities, including institutions in the Maine Community College System and the University of Maine System, or to other higher education programs. [PL 2009, c. 553, Pt. A, §16 (AMD).]

SECTION HISTORY

PL 2007, c. 469, Pt. A, §1 (NEW). PL 2009, c. 553, Pt. A, §16 (AMD).

§12544. Rules

(REPEALED)

SECTION HISTORY

PL 2007, c. 469, Pt. A, §1 (NEW). PL 2009, c. 553, Pt. A, §17 (RP).

§12545. Report

By February 1, 2022, each accredited Maine community college, college and university, as defined in section 12541, subsection 1, shall report to the department on efforts to promote the program and to train admissions and financial aid staff about the program. By February 1, 2022, the department shall report findings and recommendations regarding the program to the joint standing committee of the Legislature having jurisdiction over education and cultural affairs and the joint standing committee of the Legislature having jurisdiction over taxation matters. By February 1, 2022, the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of Tax Policy shall report

on implementation of the educational opportunity tax credit, including statistics on credits claimed, to the joint standing committee of the Legislature having jurisdiction over education and cultural affairs and the joint standing committee of the Legislature having jurisdiction over taxation matters. The Office of Tax Policy, in conjunction with the State Economist and the Department of Labor, shall include in its report an analysis of the costs of the credits claimed and the impact of the program on the State's labor force. After receipt and review of the information required under this section, the joint standing committee of the Legislature having jurisdiction over education and cultural affairs or the joint standing committee of the Legislature having jurisdiction over taxation matters may report out to the Legislature a bill regarding the program. [PL 2021, c. 181, Pt. A, §1 (AMD).]

SECTION HISTORY

PL 2011, c. 665, §5 (NEW). PL 2015, c. 328, §1 (AMD). PL 2021, c. 181, Pt. A, §1 (AMD).

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