

**MINUTES OF THE September 18, 2025 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair, Ms. Ouellette called the September 18, 2025 meeting of the Finance Authority of Maine to order at 9:00 a.m. This meeting was conducted in person at the offices of the Authority in Augusta, Maine, and virtually through Microsoft Teams. Provisions were made for the public to attend.

Legal Assistant, Elizabeth Polk, noted for the record that the members had received an Agenda and Notice of Meeting and that notices of the meeting had been published in certain newspapers throughout the state (*see Affidavits of Publication attached as Appendix 2*).

A. CALL TO ORDER

Ms. Polk called the roll of the members and noted that there were sufficient members present for the purpose of beginning the meeting.

Those members present (via Teams) were as follows:

Renee Ouellette
William Tracy, Vice Chair
Steve Shannon
Jean Hoffman
Fritz Onion
Joe Perry
Richard Trafton
Michael Foley
Blue Keim *entered 9:45 a.m. and left the meeting at 11:17 a.m.*
Michael Duguay *entered 9:24 a.m. and left the meeting at 11:33 a.m.*

Those members absent:

Dustin Brooks, Treasurer
Amanda Beal
Daniel Cummings
Andy Mueller
Simon Ferland

Staff present:

Carlos Mello, Chief Executive Officer
Sarah Nadeau-Balducci, Deputy General Counsel
Martha Johnston, Director of Education

Jennifer Cummings, Director of Business Programs
Bert Audette, Chief Information Officer
Lisa Brown, Director of Human Resources
Elizabeth Polk, Legal/Executive Assistant
Jonathan Poole, Director of Strategic Development
Christopher Roney, General Counsel
Kim Getchell, Senior Loan Officer
Emily Babineau, Business Programs Manager
Karen Kunesh, Workout Officer
Eva Giles, College Savings Program Manger
Elizabeth Vanderweide, Director of Marketing

Guests:

A: CALL TO ORDER

A1: Ascertainment of Quorum 9:09 a.m.

A2: Accept the May 20, 2025 Advisory Committee on College Savings Meeting Minutes

A3: Approval of the August 1, 2025 Board Meeting Minutes

A motion was made by Mr. Tracy and seconded by Mr. Onion to accept the May 20, 2025 Advisory Committee on College Savings Meeting Minutes and to approve the August 1, 2025 Board Meeting Minutes.

The motion was approved by a vote of 9 in favor 0 opposed, and 0 abstentions.

B: CHAIR'S REPORT 9:15 a.m.

Ms. Ouellete stated that she is looking for volunteers to be on the Nominating Committee. Mr. Poole then gave an overview of the October Board Retreat agenda.

C: ACTION ITEMS

C1: Approval of Rulemaking- Chapter 307 Amendment 10 Maine Seed Capital Tax Credit Program 9:24 a.m.

Mr. Roney provided a brief overview of how the rulemaking process works. He then explained that the Maine Seed Capital Tax Credit Rule is being amended to add how a Maine business is defined as there was no definition included in the rule previously.

C2. Approval of Rulemaking- Chapter 325 Amendment 4 New Markets Tax Credit Program 9:24 a.m.

Mr. Roney stated that the rule is being amended to include additional funding to replenish the nearly exhausted funding provided when the program was enacted in 2012, as well as to conform to statutory changes.

C3: Approval of Rulemaking- Chapter 611 Amendment 19 Education Savings Program 9:24 a.m.

Mr. Roney stated the rule is being amended to reflect changes in the federal financial aid system from “Expected Family Contribution” to “Student Aid Index.”

C4: Approval of Rulemaking- Chapter 610 Amendment 6 Educators for Maine 9:24 a.m.

Mr. Roney stated the Educators for Maine is a program that provides forgivable loans for teachers and educators. The statutory changes being made to the rule will allow the program to now include school counselors and change the language from speech pathologists to licensed speech pathologists.

A motion to approve the four rulemaking proposals, was made by Mr. Trafton and seconded by Mr. Onion and was approved by a vote of 9 in favor, 0 opposed, and 0 abstention.

Action items C1 through C4 were collectively approved by a single motion and vote by board members.

C5: Approval of Edits to the Underwriting Policy- Credit-based Education Loan Programs 9:37 a.m.

Ms. Johnston presented the edits to the Underwriting Policy- Credit-based Education Loan programs. She stated that the edits that are being proposed are already in practice and approval from the board is a formality. The edits include allowing 17 years old to sign promissory note as long as when they turn 18 they ratify their signature. She stated that this is in alignment with Maine state law. The next edit was to make it clear that FAME only provides education loans to New England residents. The next change was to take out the language that advertised the Maine Medical Loan for medical students. Ms. Johnston then stated that the final two smaller edits were to take out the reference to semesters as it has nothing to do with if they are eligible or not and to clear up the language of co-borrower and co-signer as they mean the same thing and were both being used.

A motion to approve the edits to the Underwriting Policy- Credit based Education Loan Program with the amendment to reinstate the loan limits language in exhibit B, was made

by Mr. Shannon and seconded by Mr. Foley and was approved by a vote of 9 in favor, 0 opposed, and 0 abstention.

Mr. Keim entered the meeting at 9:45 a.m.

C6: Approval of NextGen 529 Modifications to Terms and Conditions 9:45 a.m.

Ms. Giles stated that at the Education Committee the expansion of the Financial Wellness Activity Grant to include any eligible Maine NextGen account was discussed. The grant is currently designed for low and moderate income participants only. The changes to the terms and conditions would allow any eligible Maine NextGen account to receive the Financial Wellness Activity Grant. The grant allows FAME to award up to \$100 per year for completion of assigned financial wellness activities.

A motion to approve the modification to the terms and conditions was made by Mr. Shannon and seconded by Mr. Duguay and was approved by a vote of 10 in favor, 0 opposed, and 0 abstention.

F. Staff Reports 9:53 a.m.

1. CEO Report

Mr. Mello presented his CEO Report. He stated that FAME was named the Best Places to Work in Maine for the eleventh year in a row. He then stated that however the overall rating went down compared to last year. Mr. Mello then stated that Ms. Cummings' last day at FAME is Friday, September 19 as she is leaving to become the Director of Commercial Lending for Camden National Bank. He then presented business highlights and education highlights.

2. FY2025 Financial Report

Ms. Sims Provided an overview of the fiscal year 2025 financial review.

3. Maine's Freedom of Access Law- Board Training

Mr. Roney stated that Maine legislature chose to expand the people who are required to be trained on the Freedom of Access Act and that now includes board members of FAME and similar agencies. Ms. Knowlton then gave a comprehensive presentation on FOAA.

4. Federal/State Grant Shutdown Loan Guarantee Program

Mr. Poole gave an overview of the Government Shutdown Loan Program.

5. CLI and Direct Reports

Ms. Curtiss provided an overview of the CLI and ERLP Snapshot reports. She stated that eleven direct loans were closed in FY25 for just over \$4.8 million, which compares to 17 loans closed in FY24 for just over \$6.5 million. The exceptions rate for loans increased to 100 percent.

Michael Duguay left the meeting at 11:33 a.m.

6. Watchdesk Report

Mr. Roney asked to go into executive session to discuss matters relating to the Watchdesk Report.

A motion to enter Executive Session No. 1 under 10 MRSA §975-A(2)(B) and 10 MRSA §975-A(2)(D) was made by Mr. Trafton and seconded by Mr. Tracy and approved by a vote of 9 in favor, 0 opposed, and 0 abstentions.

7. Federal HR-1 Update

Mr. Keim left the meeting at 11:17 a.m.

Ms. Tappan stated that HR1 was signed into law on July 4th, 2025. She then presented the details of HR-1. She then stated that to keep borrowers up to date on the changes being made for federal borrowing the Education team is releasing monthly Tuesday tips, they launched the new website, hosted webinars with partners, and are hosting three meetings to discuss the changes that are being made and best way they can help Maine students to compensate for these changes.

8. Showcase Maine

Mr. Mello stated that Showcase Maine is now on a Monday and will solely focus on the showcase portion this year rather than having a fall dinner. It will be held at the Westin in Portland and board members are welcome to stay at no charge.

9. CEO Review (Executive Session)

A motion to enter Executive Session No. 2 under 1 MRSA §405(6)(A) was made by Mr. Trafton and seconded by Mr. Tracy and approved by a vote of 7 in favor, 0 opposed, and 0 abstentions.

Entered Executive Session at 11:45 a.m.

Exited Executive Session at 11:49

ADJOURN- 11:49 A.M.

A true copy as adopted,

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Bill Tracy
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Bill Tracy, Vice Chair to the FAME Board of Directors