

HOUSE BILL 360

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6lr1726
CF SB 73

By: **Delegates Jalisi, Afzali, Brooks, Carey, Ebersole, Glass, Hornberger, McComas, McMillan, Metzgar, Moon, Platt, B. Robinson, Rosenberg, Shoemaker, Tarlau, A. Washington, M. Washington, ~~and C. Wilson~~ C. Wilson, and Jackson**

Introduced and read first time: January 27, 2016

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 14, 2016

CHAPTER _____

1 AN ACT concerning

2 **Maryland Loan Assistance Repayment Program for ~~Orphans and~~ Foster Care**
3 **Recipients**

4 FOR the purpose of establishing the Maryland Loan Assistance Repayment Program for
5 ~~Orphans and~~ Foster Care Recipients; establishing eligibility requirements for
6 participation in the Program; providing for the amount, duration, renewal, and uses
7 of certain awards; requiring the Office of Student Financial Assistance to adopt
8 certain regulations; defining certain terms; providing for the application of this Act;
9 requiring the Maryland Higher Education Commission to make a certain report on
10 or before a certain date; and generally relating to the Maryland Loan Assistance
11 Repayment Program for ~~Orphans and~~ Foster Care Recipients.

12 BY adding to

13 Article – Education

14 Section 18–3101 through 18–3106 to be under the new subtitle “Subtitle 31.

15 Maryland Loan Assistance Repayment Program for ~~Orphans and~~ Foster Care
16 Recipients”

17 Annotated Code of Maryland

18 (2014 Replacement Volume and 2015 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

20 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Education

2 SUBTITLE 31. MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR
3 ~~ORPHANS AND FOSTER CARE RECIPIENTS.~~

4 18-3101.

5 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
6 INDICATED.

7 (B) “FOSTER CARE RECIPIENT” MEANS AN INDIVIDUAL WHO WAS PLACED IN
8 AN OUT-OF-HOME PLACEMENT BY A STATE’S OR UNIT OF A STATE GOVERNMENT’S
9 DEPARTMENT OF SOCIAL SERVICES FOR 3 YEARS OR MORE.

10 (C) “HIGHER EDUCATION LOAN” MEANS ANY LOAN FOR UNDERGRADUATE,
11 ~~PROFESSIONAL, OR GRADUATE~~ STUDY THAT IS OBTAINED FOR TUITION,
12 EDUCATIONAL EXPENSES, OR LIVING EXPENSES FROM:

13 (1) AN INSTITUTION OF HIGHER EDUCATION, GOVERNMENT, OR
14 COMMERCIAL SOURCE; OR

15 (2) AN ORGANIZATION, AN INSTITUTION, AN ASSOCIATION, A
16 SOCIETY, OR A CORPORATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3)
17 OR (4) OF THE INTERNAL REVENUE CODE OF 1986.

18 ~~(D) “ORPHAN” MEANS A CHILD WHO HAS BEEN LEGALLY DETERMINED NOT
19 TO HAVE PARENTS BECAUSE OF THE PARENTS’:~~

20 ~~(1) DEATH OR DISAPPEARANCE;~~

21 ~~(2) ABANDONMENT OR DESERTION OF THE CHILD; OR~~

22 ~~(3) SEPARATION FROM THE CHILD.~~

23 ~~(E) (D)~~ “PROGRAM” MEANS THE MARYLAND LOAN ASSISTANCE
24 REPAYMENT PROGRAM FOR ~~ORPHANS AND FOSTER CARE RECIPIENTS.~~

25 18-3102.

26 (A) THERE IS A MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR
27 ~~ORPHANS AND FOSTER CARE RECIPIENTS~~ IN THE STATE.

28 (B) THE OFFICE SHALL ASSIST IN THE REPAYMENT OF HIGHER EDUCATION
29 LOANS OWED BY ~~AN ORPHAN OR~~ A FOSTER CARE RECIPIENT WHO:

1 (1) IS EMPLOYED ON A FULL-TIME OR PART-TIME BASIS BY THE
2 STATE OR A COUNTY OR MUNICIPALITY OF THE STATE;

3 (2) RECEIVED ~~A GRADUATE, PROFESSIONAL, OR AN~~
4 UNDERGRADUATE DEGREE FROM ~~AN~~ A PUBLIC INSTITUTION OF HIGHER EDUCATION
5 IN THE STATE; AND

6 (3) MEETS ANY OTHER REQUIREMENT ESTABLISHED BY THE OFFICE.

7 (C) AN APPLICANT FOR ASSISTANCE IN THE REPAYMENT OF A COMMERCIAL
8 LOAN SHALL DEMONSTRATE TO THE OFFICE THAT THE COMMERCIAL LOAN WAS
9 USED FOR TUITION, EDUCATIONAL EXPENSES, OR LIVING EXPENSES FOR
10 ~~GRADUATE, PROFESSIONAL, OR~~ UNDERGRADUATE STUDY.

11 (D) ASSISTANCE IN THE REPAYMENT OF A LOAN FROM AN ENTITY SET
12 FORTH IN § 18-1601(C)(2) OF THIS TITLE SHALL REQUIRE THE APPROVAL OF THE
13 OFFICE.

14 18-3103.

15 THE AWARD AMOUNT UNDER THE PROGRAM SHALL BE EQUAL TO 10% OF THE
16 ELIGIBLE INDIVIDUAL'S TOTAL HIGHER EDUCATION LOAN DEBT FOR EACH YEAR
17 THE INDIVIDUAL QUALIFIES FOR THE PROGRAM.

18 18-3104.

19 (A) EACH RECIPIENT OF AN AWARD UNDER THE PROGRAM MAY HOLD THE
20 AWARD FOR 3 YEARS IF THE RECIPIENT:

21 (1) CONTINUES TO MEET THE QUALIFICATIONS SPECIFIED UNDER §
22 18-3102 OF THIS SUBTITLE; AND

23 (2) SIGNS AN AGREEMENT AT THE TIME OF THE AWARD TO REMAIN
24 EMPLOYED BY THE STATE OR A COUNTY OR MUNICIPALITY OF THE STATE FOR AT
25 LEAST 1 YEAR AFTER THE EXPIRATION OF THE TERM OF THE AWARD.

26 (B) EACH AWARD UNDER THE PROGRAM SHALL BE RENEWABLE ON THE
27 EXPIRATION OF THE TERM OF THE AWARD.

28 18-3105.

29 AN AWARD UNDER THE PROGRAM SHALL BE USED ONLY FOR REPAYMENT OF
30 THE HIGHER EDUCATION LOANS OWED BY THE RECIPIENT.

1 **18-3106.**

2 **THE OFFICE SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS**
 3 **OF THIS SUBTITLE.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
 5 apply retroactively and shall be applied to and interpreted to affect any individual who
 6 meets the eligibility requirements of the Maryland Loan Assistance Repayment Program
 7 for ~~Orphans and~~ Foster Care Recipients of Title 18, Subtitle 31 of the Education Article, as
 8 enacted by Section 1 of this Act, on or after July 1, 2010.

9 SECTION 3. AND BE IT FURTHER ENACTED, That on or before December 1,
 10 2019, the Maryland Higher Education Commission shall report to the Governor and, in
 11 accordance with § 2-1246 of the State Government Article, the General Assembly on the
 12 number of individuals who received loan assistance repayment during the previous 3 years
 13 under the Maryland Loan Assistance Repayment Program for Foster Care Recipients under
 14 Title 18, Subtitle 31 of the Education Article, as enacted by Section 1 of this Act.

15 SECTION ~~3.~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
 16 July 1, 2016.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.