

HOUSE BILL 1576

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7lr0818

By: **Prince George's County Delegation**

Introduced and read first time: February 17, 2017

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Student Loan Refinancing Authority**

3 **PG 419–17**

4 FOR the purpose of expressing the intent of the General Assembly for Prince George's
5 County to study whether a higher education financial assistance program should be
6 offered in the county; requiring Prince George's County, on or before a certain date,
7 to perform certain actions related to a study of a student loan refinancing program
8 in Prince George's County, including reviewing the Prince George's County
9 Supplemental Higher Educational Loan Authority and performing a certain
10 feasibility and demand study; requiring the Authority to meet certain requirements
11 if a certain loan authority is reestablished or established; providing for the
12 termination of this Act; and generally relating to a student loan refinancing
13 authority in Prince George's County.

14 Preamble

15 WHEREAS, Chapter 704 of the Acts of the General Assembly of 1986 authorized
16 Prince George's County to create an entity known as the Prince George's County
17 Supplemental Higher Educational Loan Authority; and

18 WHEREAS, In accordance with Chapter 704 of the Acts of the General Assembly of
19 1986, the Prince George's County Council created the Prince George's County
20 Supplemental Higher Educational Loan Authority through Council Bill 99–1986; and

21 WHEREAS, It appears that the Prince George's County Supplemental Higher
22 Educational Loan Authority has been defunct for at least 20 years; and

23 WHEREAS, Chapter 296 of the Acts of the General Assembly of 2016 authorized
24 Montgomery County to study aspects of implementing a Montgomery County Student Loan
25 Refinancing Authority and Chapter 290 of the Acts of the General Assembly of 2016

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 requires a study of the expansion or creation of an appropriate bonding authority for the
2 refinancing of student loans in Maryland; and

3 WHEREAS, The recent legislation regarding the study of higher education loan
4 authorities, both at the county level and statewide, has generated interest in reviewing the
5 Prince George's County Supplemental Higher Educational Loan Authority; now, therefore,

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
7 That:

8 (a) It is the intent of the General Assembly that Prince George's County study
9 whether a program of financial assistance consisting of affordable grants, loans, and other
10 aids should be offered in Prince George's County to enable individuals, as determined by
11 the county, to obtain a postsecondary education.

12 (b) On or before December 1, 2018, Prince George's County shall:

13 (1) Review and study the Prince George's County Supplemental Higher
14 Educational Loan Authority, including:

15 (i) Determining the functions the Authority performed and the
16 actions the Authority took when it was a functioning entity;

17 (ii) Determining the reasons why the Authority is now defunct; and

18 (iii) 1. Determining whether changes could be made to the
19 Authority that would enable it to be a functioning entity that meets the needs of Prince
20 George's County; or

21 2. Determining whether the provisions of law for the
22 Authority should be repealed, and if so, whether another entity should be created that
23 would better meet the needs of Prince George's County;

24 (2) Perform a feasibility and demand study for a student loan refinancing
25 program in Prince George's County, including a determination of categories of individuals
26 who might benefit from the program such as county residents, graduates of the county
27 public school system, and individuals employed by the county government or public school
28 system;

29 (3) Assess the potential benefit to recruitment and retention of county and
30 school system employees of a student loan refinancing program in Prince George's County;

31 (4) Study the operation of student loan refinancing programs in other
32 systems, including operating costs; and

33 (5) (i) Hold public hearings on a student loan refinancing program in
34 Prince George's County; and

1 (ii) Provide an opportunity for public comment.

2 (c) (1) If Prince George's County reestablishes the Prince George's County
3 Supplemental Higher Educational Loan Authority or a similar student loan refinancing
4 authority, the authority shall meet the requirements of this subsection.

5 (2) The authority shall be subject to:

6 (i) The Prince George's County public ethics law; and

7 (ii) The Open Meetings Act under Title 3 of the General Provisions
8 Article.

9 (3) The provisions of the Prince George's County Charter do not apply to
10 the authority unless the governing body of Prince George's County expressly provides by
11 law that a charter provision applies to the authority.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2017. It shall remain effective for a period of 2 years and, at the end of June 30, 2019,
14 with no further action required by the General Assembly, this Act shall be abrogated and
15 of no further force and effect.