

SB0008/308993/2

KTER

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 8  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Senator Kasemeyer” and substitute “Senators Kasemeyer, Boozer, Cade, Currie, Hoffman, Hogan, Lawlah, Middleton, Munson, Ruben, and Van Hollen”; in line 2, strike “Tuition Trust Fund” and substitute “- Prepaid Tuition Savings Program”; and strike in their entirety lines 3 through 27, inclusive, and substitute:

“FOR the purpose of establishing a Maryland Prepaid Tuition Savings Program; establishing a Task Force on the Maryland Prepaid Tuition Savings Program; specifying the membership, duties, and staffing of the Task Force; requiring the Task Force to issue a certain report by a certain date; providing for the effective date of this Act; requiring the Governor to include a certain appropriation in a certain year; providing for the termination of a certain section of this Act; and generally relating to the Task Force on the Maryland Prepaid Tuition Savings Program.”.

On pages 1 and 2, strike in their entirety the lines beginning with line 28 on page 1 through line 10 on page 2, inclusive, and substitute:

“BY adding to

Article - Education

Section 18-2101 to be under the new subtitle “Subtitle 21. Maryland Prepaid Tuition Program”

Annotated Code of Maryland

(1992 Replacement Volume and 1995 Supplement)”.

AMENDMENT NO. 2

On pages 2 through 11, strike in their entirety the lines beginning with line 11 on page 2 through line 27 on page 11, inclusive, and substitute:

(Over)

“Preamble

WHEREAS, Educational opportunity at the postsecondary level is a critical State interest;  
and

WHEREAS, Educational opportunity often is best ensured through the State’s institutions of higher education that are geographically and financially accessible; and

WHEREAS, The cost of postsecondary education has escalated and constitutes a substantial barrier for many families seeking to finance postsecondary education; and

WHEREAS, It is in the State’s interest to assist families in planning for postsecondary education to meet both the individual’s and State’s future needs; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Education

SUBTITLE 21. MARYLAND PREPAID TUITION PROGRAM

18-2101.

(A) THERE IS A MARYLAND PREPAID TUITION SAVINGS PROGRAM, FOR THE PURPOSE OF ALLOWING FOR THE ADVANCE PAYMENT OF UNDERGRADUATE TUITION AT HIGHER EDUCATION INSTITUTIONS IN THE STATE.

(B) A TASK FORCE ON THE MARYLAND PREPAID TUITION SAVINGS PROGRAM SHALL DEVELOP AN IMPLEMENTATION PLAN FOR THE PROGRAM.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) A Task Force on the Maryland Prepaid Tuition Savings Program shall be established for the purpose of developing an implementation plan for a prepaid tuition savings program in Maryland.

(b) The Task Force shall consist of the following 12 members:

(1) Two members of the House of Delegates, to be appointed by the Speaker of the House;

(2) Two members of the Senate of Maryland, to be appointed by the President of the Senate;

(3) Two representatives of the Maryland Higher Education Commission, to be appointed by the Governor;

(4) A representative of the Office of the State Treasurer, to be appointed by the Treasurer;

(5) A representative of the Governor's Executive Staff, to be appointed by the Governor;

(6) A representative of the Board of Regents of the University of Maryland System, to be appointed by the Governor;

(7) A representative of the Maryland Independent Colleges and Universities Association, to be appointed by the Governor; and

(8) Two members of the public who shall have significant experience in finance, accounting, investment management, or other areas that are relevant to the Task Force, to be appointed by the Governor.

(c) The Governor shall designate the Chairman of the Task Force.

(d) The Department of Fiscal Services and the Maryland Higher Education Commission shall provide staff for the Task Force.

(e) A member of the Task Force may not receive compensation for serving on the Task Force.

(Over)

(f) The Task Force shall:

(1) Establish a plan for implementing a Maryland Prepaid Tuition Savings Program, which would allow for the advance payment of undergraduate tuition at higher education institutions in the State;

(2) Study a variety of issues relating to the Maryland Prepaid Tuition Savings Program, including whether the program should offer a guarantee, whether the program should be self-supporting and off-budget, and what the structure of the program should be;

(3) Consider membership of the board that will oversee the program and the duties of that board;

(4) Determine the staffing and funding needs of the program;

(5) Consult with other states who have prepaid tuition savings programs;

(6) Receive other testimony that the Task Force considers appropriate; and

(7) Hold at least two public hearings on the Prepaid Tuition Savings Program.

(g) (1) The Task Force shall make its final report on or before December 1, 1996 to the Governor, the Senate Budget and Taxation Committee, the Senate Economic and Environmental Affairs Committee, the House Appropriations Committee, and the House Ways and Means Committee of the General Assembly.

(2) The Task Force shall include in its final report proposed legislation to be introduced at the 1997 Session of the General Assembly.

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Governor include an appropriation in the Fiscal Year 1998 budget based on the recommendations of the Task Force report.”.

AMENDMENT NO. 3

On page 11, in line 28, strike “5.” and substitute “4.”; in line 29, strike “October” and substitute “June”; and in the same line, after the period, insert “Section 2 of this Act shall remain effective for a period of 1 year and, at the end of May 31, 1997, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.”.