

SENATE BILL 462

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2001 Regular Session  
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CF HB 143

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By: **Senators Hoffman and Blount**  
Introduced and read first time: February 2, 2001  
Assigned to: Economic and Environmental Affairs

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Committee Report: Favorable  
Senate action: Adopted  
Read second time: March 8, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Janet L. Hoffman Loan Assistance Repayment Program**

3 FOR the purpose of renaming the Loan Assistance Repayment Program administered  
4 by the State Scholarship Administration to be the Janet L. Hoffman Loan  
5 Assistance Repayment Program.

6 BY repealing and reenacting, with amendments,  
7 Article - Education  
8 Section 18-1501 through 18-1505 to be under the amended subtitle "Subtitle  
9 15. Janet L. Hoffman Loan Assistance Repayment Program"  
10 Annotated Code of Maryland  
11 (1999 Replacement Volume and 2000 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article - Health Occupations  
14 Section 14-207(c)  
15 Annotated Code of Maryland  
16 (2000 Replacement Volume)

17 Preamble

18 WHEREAS, Janet L. Hoffman was the first and longest-serving lobbyist for  
19 Baltimore City in Annapolis, who served full-time in her position for 33 years and  
20 another 10 years as a consultant, retiring in 1996 at the age of 77; and

21 WHEREAS, The Baltimore Sun called Ms. Hoffman "a strategist as well as a  
22 master of government finance" who used Baltimore's diminishing power in the

1 General Assembly "with pre-eminent efficiency, building coalitions and making  
2 friends in high places"; and

3 WHEREAS, Ms. Hoffman began her government career in 1949 as the first staff  
4 person employed by the General Assembly's Fiscal Research Bureau; and

5 WHEREAS, By the peak of her career as a lobbyist for the city, Ms. Hoffman was  
6 so effective in her work that she was known as Maryland's forty-eighth senator; and

7 WHEREAS, Ms. Hoffman's financial acuity helped her to create complicated  
8 financial formulas that helped the struggling city and other local jurisdictions pay for  
9 various spiraling expenses, including maintaining local welfare programs and quality  
10 school systems; and

11 WHEREAS, State Comptroller and former Governor William Donald Schaefer  
12 recalls that Ms. Hoffman "never misled anybody" and was "the smartest woman I ever  
13 met in the area of finance"; and

14 WHEREAS, Former Governor Marvin Mandel remembers Ms. Hoffman as "one  
15 of the most knowledgeable persons in Annapolis" who "had a passion for the city that  
16 drove her"; and

17 WHEREAS, U.S. Congressman Benjamin L. Cardin recalls Ms. Hoffman as "the  
18 most effective governmental lobbyist in the history of the State," and a person to  
19 whom he "owes his sensitivity toward fiscal matters"; and

20 WHEREAS, In his eulogy, U. S. Senator Paul S. Sarbanes said of Ms. Hoffman,  
21 "First and foremost, Janet Hoffman was a distinguished public servant who fervently  
22 believed that governance in a democracy is a serious and noble enterprise"; and

23 WHEREAS, The Maryland Chapter of the American Society for Public  
24 Administration recognizes individuals who have made an outstanding contribution to  
25 local government by awarding them the chapter's Janet L. Hoffman Award; and

26 WHEREAS, With Ms. Hoffman's death on December 30, 2000, the State was left  
27 bereft of one of its wisest and ablest public servants; and

28 WHEREAS, Janet Hoffman is deserving of a lasting memorial to her exemplary  
29 career; and

30 WHEREAS, Ms. Hoffman can most appropriately be memorialized by naming  
31 after her the State fund that provides financial assistance to graduates who choose to  
32 work in the public or the nonprofit sector; now, therefore,

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

1 **Article - Education**

2 Subtitle 15. JANET L. HOFFMAN Loan Assistance Repayment Program.

3 18-1501.

4 (a) In this subtitle the following words have the meanings indicated.

5 (b) (1) "Eligible field of employment" means employment in the State by an  
6 organization, institution, association, society, or corporation that is exempt from  
7 taxation under § 501(c)(3) or (4) of the Internal Revenue Code of 1986.

8 (2) "Eligible field of employment" includes employment by the State or  
9 any local government in the State, but does not include being employed as a judicial  
10 clerk in any court.

11 (c) "Higher education loan" means any loan for undergraduate or graduate  
12 study that is obtained for tuition, educational expenses or living expenses from:

13 (1) A college or university, government, or commercial source; or

14 (2) An organization, institution, association, society, or corporation that  
15 is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code of 1986.

16 (D) "PROGRAM" MEANS THE JANET L. HOFFMAN LOAN ASSISTANCE  
17 REPAYMENT PROGRAM.

18 18-1502.

19 (a) There is a program of loan assistance repayment KNOWN AS THE JANET L.  
20 HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM in the State.

21 (b) Subject to the provisions of subsection (c) of this section, the State  
22 Scholarship Administration shall assist in the repayment of the amount of any higher  
23 education loan owed by an individual who:

24 (1) Receives a graduate, professional, or undergraduate degree from:

25 (i) A college or university in the State of Maryland; or

26 (ii) A school of medicine;

27 (2) Obtains eligible employment;

28 (3) Receives an income that is less than the maximum eligible total  
29 income levels established by the Administration, including any additional sources of  
30 income; and

31 (4) Satisfies any other criteria established by the Administration.

1 (c) (1) Notwithstanding the provisions of subsection (b) of this section, the  
2 Administration shall assist in the repayment of the amount of any higher education  
3 loan owed by a physician who engages in primary care in the State or by a medical  
4 resident specializing in primary care who agrees to practice for at least 2 years as a  
5 primary care physician in a geographic area of the State that has been designated by  
6 the Secretary of Health and Mental Hygiene as being medically underserved with the  
7 funds transferred to the Administration by the Comptroller under § 14-207(c)(2)(i) of  
8 the Health Occupations Article.

9 (2) A physician who engages in primary care is not precluded from  
10 receiving assistance from the Administration under subsection (b) of this section.

11 (3) Any unspent portions of the money that is transferred to the  
12 Administration for use under this section from the Physician Quality Assurance Fund  
13 may not be transferred to or revert to the General Fund of the State, but shall remain  
14 in the Fund maintained by the Administration to administer these programs to assist  
15 physicians engaged in primary care as specified in paragraph (1) of this subsection.

16 (d) An applicant for assistance in the repayment of a commercial loan shall  
17 demonstrate to the Administration that the commercial loan was used for tuition,  
18 educational expenses, or living expenses for graduate or undergraduate study.

19 (e) Assistance in the repayment of a loan from an entity set forth in §  
20 18-1501(c)(2) of this subtitle shall require the approval of the Administration.

21 18-1503.

22 (a) The State Scholarship Administration shall adopt regulations to establish:

23 (1) The maximum starting income for eligibility in the JANET L.  
24 HOFFMAN Loan Assistance Repayment Program;

25 (2) The maximum total income for eligibility in the JANET L. HOFFMAN  
26 Loan Assistance Repayment Program, including any additional sources of income;

27 (3) That priority for participation in the Program shall be given to an  
28 individual who:

29 (i) Graduated from an institution of higher education in the last 3  
30 years;

31 (ii) Is a resident of the State;

32 (iii) Is employed on a full-time basis; and

33 (iv) Provides, as the principal part of the individual's employment,  
34 legal services to low income residents in the State who cannot afford legal services,  
35 nursing services in nursing shortage areas in the State as defined in § 18-802 of this  
36 article, or other services in an eligible field of employment in which there is a



