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By: Senators Hoffman and Blount

Introduced and read first time: February 2, 2001 Assigned to: Economic and Environmental Affairs

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

CHAPTER_____

1 AN ACT concerning

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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 for19 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

General Assembly "with pre-eminent efficiency, building coalitions and making
 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

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

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

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

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

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

28 WHEREAS, Janet Hoffman is deserving of a lasting memorial to her exemplary29 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 OF34 MARYLAND, That the Laws of Maryland read as follows:

3			SENATE BILL 462	
1			Article - Education	
2			Subtitle 15. JANET L. HOFFMAN Loan Assistance Repayment Program.	
3	18-1501.			
4	(a)	In this s	ubtitle the following words have the meanings indicated.	
			"Eligible field of employment" means employment in the State by an on, association, society, or corporation that is exempt from c)(3) or (4) of the Internal Revenue Code of 1986.	
	any local gov clerk in any		"Eligible field of employment" includes employment by the State or in the State, but does not include being employed as a judicial	
11 12	(c) study that is		education loan" means any loan for undergraduate or graduate for tuition, educational expenses or living expenses from:	
13		(1)	A college or university, government, or commercial source; or	
14 15		(2) om taxati	An organization, institution, association, society, or corporation that ion 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 20			a program of loan assistance repayment KNOWN AS THE JANET L. ASSISTANCE REPAYMENT PROGRAM in the State.	
 (b) Subject to the provisions of subsection (c) of this section, the State Scholarship Administration shall assist in the repayment of the amount of any higher 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;	
	(3) Receives an income that is less than the maximum eligible total income levels established by the Administration, including any additional sources of 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 funds transferred to the Administration by the Comptroller under § 14-207(c)(2)(i) of 7 8 the Health Occupations Article. A physician who engages in primary care is not precluded from 9 (2)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 An applicant for assistance in the repayment of a commercial loan shall (d) 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 Assistance in the repayment of a loan from an entity set forth in § (e) 20 18-1501(c)(2) of this subtitle shall require the approval of the Administration. 21 18-1503. 22 The State Scholarship Administration shall adopt regulations to establish: (a) 23 (1)The maximum starting income for eligibility in the JANET L. 24 HOFFMAN Loan Assistance Repayment Program; 25 The maximum total income for eligibility in the JANET L. HOFFMAN (2)26 Loan Assistance Repayment Program, including any additional sources of income;

27(3)That priority for participation in the Program shall be given to an28 individual who:

29(i)Graduated from an institution of higher education in the last 330 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

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shortage of qualified practitioners to low income or underserved residents or areas of
 the State;

3 (4) A limit on the total amount of assistance provided by the State 4 Scholarship Administration in repaying the loan of an eligible individual, based on 5 the individual's total income and outstanding higher education loan balance;

6 (5) A procedure and schedule for the payment of the amount of loan 7 assistance provided by the State Scholarship Administration to the eligible 8 individual: and

9 (6) An annual review of the eligibility of each individual participating in 10 the Program.

11 (b) The State Scholarship Administration shall adopt any other regulations 12 necessary to implement this subtitle.

13 18-1504.

14 (a) Funds for the JANET L. HOFFMAN Loan Assistance Repayment Program 15 shall be provided on an annual basis in the State budget.

16 (b) If a federal matching grant loan program furnishes professional services in

17 an eligible field of employment to low income or underserved residents of the State,

18 the Administration may apply not more than 50 percent of the funds provided in the

19 State budget for the JANET L. HOFFMAN Loan Assistance Repayment Program to the

20 State's participation in the federal program.

21 18-1505.

22 Subject to § 2-1246 of the State Government Article, the State Scholarship

23 Administration shall report to the General Assembly by January 1 of each year on the

24 implementation of the JANET L. HOFFMAN Loan Assistance Repayment Program.

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Article - Health Occupations

26 14-207.

27 (c) (1) Except for fees assessed in accordance with the provisions of §
28 14-402(e) of this title, the Board shall pay all fees collected under the provisions of
29 this title to the Comptroller of the State.

30 (2) The Comptroller shall distribute:

31 (i) 14 percent of the fees received from the Board to the State
32 Scholarship Administration to be used as follows:

33 1. One-half to make grants under the Health Manpower
34 Shortage Incentive Grant Program under § 18-803 of the Education Article; and

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2. One-half to make grants under the JANET L. HOFFMAN

2 Loan Assistance Repayment Program under § 18-1502(c) of the Education Article to

3 physicians engaged in primary care or to medical residents specializing in primary

4 care who agree to practice for at least 2 years as primary care physicians in a

5 geographic area of the State that has been designated by the Secretary of Health and

6 Mental Hygiene as being medically underserved; and

7 (ii) The balance of the fees to the Board of Physician Quality

8 Assurance Fund.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 10 October 1, 2001.

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