
By: **Delegate Rudolph**

Introduced and read first time: February 8, 2002

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Education - Maryland Teacher Loan Repayment Assistance Program -**
3 **Establishment**

4 FOR the purpose of establishing the Maryland Teacher Loan Repayment Assistance
5 Program; requiring the State Scholarship Administration to assist in the
6 repayment of certain loans owed by certain teachers; requiring certain loan
7 repayment assistance applicants to demonstrate a certain use of certain loans;
8 establishing a maximum annual and aggregate amounts for loan assistance;
9 limiting the period of eligibility for loan assistance; requiring the Administration
10 to adopt certain regulations, including regulations establishing certain
11 eligibility requirements and eligibility review; establishing funding for the
12 program; defining certain terms; and generally relating to the establishment of
13 the Maryland Teacher Loan Repayment Assistance Program.

14 BY adding to
15 Article - Education
16 Section 18-15A-01 through 18-15A-05, inclusive, to be under the new subtitle
17 "Subtitle 15A. Maryland Teacher Loan Repayment Assistance Program"
18 Annotated Code of Maryland
19 (2001 Replacement Volume)

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

22 **Article - Education**

23 SUBTITLE 15A. MARYLAND TEACHER LOAN REPAYMENT ASSISTANCE PROGRAM.

24 18-15A-01.

25 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
26 INDICATED.

27 (B) "ELIGIBLE EMPLOYMENT" MEANS EMPLOYMENT IN THE STATE AS A
28 TEACHER IN:

- 1 (1) A TITLE I SCHOOL;
- 2 (2) A RECONSTITUTED SCHOOL;
- 3 (3) A RECONSTITUTION ELIGIBLE SCHOOL; OR
- 4 (4) AN INSTRUCTIONAL PROGRAM IN A SUBJECT AREA THAT THE STATE
5 SUPERINTENDENT DESIGNATES AS A CRITICAL PERSONNEL SHORTAGE AREA.

6 (C) "HIGHER EDUCATION LOAN" MEANS ANY LOAN FOR UNDERGRADUATE OR
7 GRADUATE STUDY THAT IS OBTAINED FOR TUITION, EDUCATIONAL EXPENSES, OR
8 LIVING EXPENSES FROM:

9 (1) A COLLEGE OR UNIVERSITY, GOVERNMENT, OR COMMERCIAL
10 SOURCE; OR

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

14 (D) "PROGRAM" MEANS THE MARYLAND TEACHER LOAN REPAYMENT
15 ASSISTANCE PROGRAM.

16 18-15A-02.

17 (A) THERE IS A MARYLAND TEACHER LOAN REPAYMENT ASSISTANCE
18 PROGRAM IN THE STATE.

19 (B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE ADMINISTRATION
20 SHALL ASSIST IN THE REPAYMENT OF HIGHER EDUCATION LOANS OWED BY AN
21 INDIVIDUAL WHO:

22 (1) RECEIVES A GRADUATE, PROFESSIONAL, OR UNDERGRADUATE
23 DEGREE FROM A COLLEGE OR UNIVERSITY IN THE STATE;

24 (2) OBTAINS ELIGIBLE EMPLOYMENT;

25 (3) RECEIVES AN INCOME THAT IS LESS THAN THE MAXIMUM ELIGIBLE
26 TOTAL INCOME LEVELS ESTABLISHED BY THE ADMINISTRATION, INCLUDING ANY
27 ADDITIONAL SOURCES OF INCOME; AND

28 (4) SATISFIES ANY OTHER CRITERIA ESTABLISHED BY THE
29 ADMINISTRATION.

30 (C) AN APPLICANT FOR ASSISTANCE IN THE REPAYMENT OF A COMMERCIAL
31 LOAN SHALL DEMONSTRATE TO THE ADMINISTRATION THAT THE COMMERCIAL
32 LOAN WAS USED FOR TUITION, EDUCATIONAL EXPENSES, OR LIVING EXPENSES FOR
33 GRADUATE OR UNDERGRADUATE STUDY.

1 18-15A-03.

2 (A) LOAN ASSISTANCE UNDER THIS SUBTITLE SHALL BE IN THE AMOUNT OF
3 UP TO:

4 (1) 10 PERCENT PER YEAR OF THE TOTAL HIGHER EDUCATION LOANS
5 OWED BY AN ELIGIBLE RECIPIENT; AND

6 (2) A MAXIMUM AGGREGATE TOTAL OF \$8,000.

7 (B) A PERSON MAY RECEIVE LOAN ASSISTANCE UNDER THIS SUBTITLE FOR A
8 MAXIMUM OF 4 YEARS.

9 18-15A-04.

10 THE ADMINISTRATION SHALL ADOPT:

11 (1) REGULATIONS TO ESTABLISH THAT PRIORITY FOR PARTICIPATION
12 IN THE PROGRAM SHALL BE GIVEN TO AN INDIVIDUAL WHO:

13 (I) GRADUATED FROM AN INSTITUTION OF HIGHER EDUCATION IN
14 THE LAST 3 YEARS; AND

15 (II) IS EMPLOYED ON A FULL-TIME BASIS;

16 (2) REGULATIONS TO ESTABLISH AN ANNUAL REVIEW OF THE
17 ELIGIBILITY OF EACH INDIVIDUAL PARTICIPATING IN THE PROGRAM; AND

18 (3) ANY OTHER REGULATIONS NECESSARY TO IMPLEMENT THIS
19 SUBTITLE.

20 18-15A-05.

21 FUNDS FOR THE MARYLAND TEACHER LOAN REPAYMENT ASSISTANCE
22 PROGRAM SHALL BE PROVIDED ON AN ANNUAL BASIS IN THE STATE BUDGET.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
24 effect July 1, 2002.