

HOUSE BILL 703

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By: **Delegates Rosenberg, Anderson, Barnes, Conaway, Haynes, Ramirez, Schuler, Valderrama, and Vallario**

Introduced and read first time: February 4, 2010

Assigned to: Ways and Means and Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Lawyer Loan Assistance Repayment Program**

3 FOR the purpose of altering the eligibility for the Janet L. Hoffman Loan Assistance
4 Repayment Program in a certain manner; establishing the Maryland Lawyer
5 Loan Assistance Repayment Program Fund; requiring lawyers to pay a certain
6 annual fee to the Fund; requiring all fees received to be used for a certain
7 purpose; requiring the Office of Student Financial Assistance of the Maryland
8 Higher Education Commission to provide a certain list to the Court of Appeals;
9 requiring the list to be provided free of charge and to contain certain
10 information; providing for the purpose and composition of the Fund and
11 expenditures from the Fund; specifying that money in the Fund shall be used by
12 the Office to administer the Maryland Lawyer Loan Assistance Repayment
13 Program; establishing the Program; requiring the Office to assist in the
14 repayment of certain loans owed by certain lawyers using certain funds;
15 providing that certain money may not transfer or revert to the General Fund of
16 the State but shall remain in the Fund for a certain purpose; requiring the
17 Office to adopt certain regulations; making certain conforming changes;
18 defining certain terms; and generally relating to loan assistance repayment for
19 lawyers.

20 BY repealing and reenacting, without amendments,
21 Article – Business Occupations and Professions
22 Section 10–101(g)
23 Annotated Code of Maryland
24 (2004 Replacement Volume and 2009 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Business Occupations and Professions
27 Section 10–206(a)
28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2004 Replacement Volume and 2009 Supplement)

2 BY adding to

3 Article – Business Occupations and Professions

4 Section 10–216; and 10–801 through 10–805 to be under the new subtitle

5 “Subtitle 8. Maryland Lawyer Loan Assistance Repayment Program”

6 Annotated Code of Maryland

7 (2004 Replacement Volume and 2009 Supplement)

8 BY repealing and reenacting, with amendments,

9 Article – Education

10 Section 18–204(b)(1) and 18–1502(b)

11 Annotated Code of Maryland

12 (2008 Replacement Volume and 2009 Supplement)

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

15 **Article – Business Occupations and Professions**

16 10–101.

17 (g) “Lawyer” means an individual who is admitted to the Bar.

18 10–206.

19 (a) Except as otherwise provided by law, before an individual may practice
20 law in the State, the individual shall:

21 (1) be admitted to the Bar; [and]

22 (2) meet any requirement that the Court of Appeals may set by rule;

23 **AND**

24 **(3) COMPLY WITH § 10–216 OF THIS SUBTITLE.**

25 **10–216.**

26 **(A) (1) A LAWYER SHALL PAY AN ANNUAL FEE OF \$50 TO THE**
27 **MARYLAND LAWYER LOAN ASSISTANCE REPAYMENT PROGRAM FUND**
28 **ESTABLISHED UNDER SUBTITLE 8 OF THIS TITLE.**

29 **(2) ALL FEES RECEIVED UNDER THIS SUBSECTION SHALL BE**
30 **USED TO MAKE GRANTS UNDER THE MARYLAND LAWYER LOAN ASSISTANCE**
31 **REPAYMENT PROGRAM.**

1 **(B) (1) BY AUGUST 31 OF EACH YEAR, THE OFFICE OF STUDENT**
2 **FINANCIAL ASSISTANCE OF THE MARYLAND HIGHER EDUCATION COMMISSION**
3 **SHALL PROVIDE A LIST OF LAWYERS WHO HAVE PAID THE ANNUAL FEE**
4 **REQUIRED UNDER SUBSECTION (A) OF THIS SECTION TO THE FUND DURING THE**
5 **PREVIOUS FISCAL YEAR TO THE COURT OF APPEALS.**

6 **(2) THE LIST PROVIDED UNDER THIS SUBSECTION SHALL:**

7 **(I) BE PROVIDED FREE OF CHARGE; AND**

8 **(II) INCLUDE, FOR EACH PERSON ON THE LIST, THE NAME**
9 **AND MAILING ADDRESS OF THE PERSON.**

10 **SUBTITLE 8. MARYLAND LAWYER LOAN ASSISTANCE REPAYMENT PROGRAM.**

11 **10-801.**

12 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
13 **INDICATED.**

14 **(B) “EDUCATION LOAN” MEANS ANY LOAN THAT IS OBTAINED FOR**
15 **TUITION, EDUCATIONAL EXPENSES, OR LIVING EXPENSES FOR STUDY LEADING**
16 **TO PRACTICE AS A LAWYER.**

17 **(C) (1) “ELIGIBLE FIELD OF EMPLOYMENT” MEANS EMPLOYMENT BY**
18 **AN ORGANIZATION, AN INSTITUTION, AN ASSOCIATION, A SOCIETY, OR A**
19 **CORPORATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF**
20 **THE INTERNAL REVENUE CODE OF 1986.**

21 **(2) “ELIGIBLE FIELD OF EMPLOYMENT” INCLUDES EMPLOYMENT**
22 **BY THE STATE OR ANY LOCAL GOVERNMENT IN THE STATE.**

23 **(D) “FUND” MEANS THE MARYLAND LAWYER LOAN ASSISTANCE**
24 **REPAYMENT PROGRAM FUND.**

25 **(E) “OFFICE” MEANS THE OFFICE OF STUDENT FINANCIAL**
26 **ASSISTANCE OF THE MARYLAND HIGHER EDUCATION COMMISSION**
27 **ESTABLISHED UNDER § 18-201 OF THE EDUCATION ARTICLE.**

28 **(F) “PROGRAM” MEANS THE MARYLAND LAWYER LOAN ASSISTANCE**
29 **REPAYMENT PROGRAM.**

30 **10-802.**

1 (A) (1) THERE IS A MARYLAND LAWYER LOAN ASSISTANCE
2 REPAYMENT PROGRAM FUND IN THE STATE.

3 (2) THE PURPOSE OF THE FUND IS TO MAINTAIN THE INTEGRITY
4 OF THE LEGAL PROFESSION BY ASSISTING NONPROFIT AND GOVERNMENTAL
5 LEGAL SERVICE PROVIDERS IN THE RECRUITMENT AND RETENTION OF
6 QUALIFIED EMPLOYEES.

7 (3) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT
8 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

9 (4) THE OFFICE SHALL HOLD AND ACCOUNT FOR THE FUND.

10 (5) THE FUND SHALL BE INVESTED AND REINVESTED IN THE
11 SAME MANNER AS OTHER STATE FUNDS.

12 (6) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID
13 INTO THE FUND.

14 (B) THE FUND CONSISTS OF:

15 (1) REVENUE GENERATED IN ACCORDANCE WITH § 10-216 OF
16 THIS TITLE; AND

17 (2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
18 THE BENEFIT OF THE FUND.

19 (C) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
20 ACCORDANCE WITH THE STATE BUDGET.

21 (D) THE MONEY IN THE FUND SHALL BE USED BY THE OFFICE TO
22 ADMINISTER THE PROGRAM.

23 **10-803.**

24 THERE IS A MARYLAND LAWYER LOAN ASSISTANCE REPAYMENT
25 PROGRAM IN THE STATE.

26 **10-804.**

27 (A) THE OFFICE SHALL ASSIST IN THE REPAYMENT OF THE AMOUNT OF
28 EDUCATION LOANS OWED BY A LAWYER WHO PRACTICES IN AN ELIGIBLE FIELD
29 OF EMPLOYMENT.

1 (B) ANY UNSPENT PORTIONS OF THE MONEY THAT IS COLLECTED BY
2 THE OFFICE FOR USE UNDER THIS SUBTITLE MAY NOT BE TRANSFERRED OR
3 REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE
4 FUND MAINTAINED BY THE OFFICE TO ADMINISTER THE PROGRAM.

5 10-805.

6 THE OFFICE SHALL ADOPT REGULATIONS TO IMPLEMENT THE
7 PROVISIONS OF THIS SUBTITLE, INCLUDING:

8 (1) ESTABLISHING THE MAXIMUM NUMBER OF PARTICIPANTS IN
9 THE PROGRAM EACH YEAR; AND

10 (2) ESTABLISHING THE MINIMUM AND MAXIMUM AMOUNT OF A
11 LOAN AWARDED UNDER THIS SUBTITLE.

12 Article – Education

13 18-204.

14 (b) Except as otherwise provided in this title, the Office shall:

15 (1) Administer the scholarship and tuition assistance programs under
16 this title AND UNDER TITLE 10, SUBTITLE 8 OF THE BUSINESS OCCUPATIONS
17 AND PROFESSIONS ARTICLE;

18 18-1502.

19 (b) The Office of Student Financial Assistance shall assist in the repayment
20 of the amount of any higher education loan owed by an individual who:

21 (1) (i) Receives a graduate, professional, or undergraduate degree
22 from[:

23 1. A] A college or university in the State of Maryland; or

24 [2. A school of law; or]

25 (ii) Receives a Resident Teacher Certificate (RTC) from the
26 Department after completing an alternative teaching preparation program approved
27 by the State Superintendent;

28 (2) Obtains eligible employment;

1 (3) Receives an income that is less than the maximum eligible total
2 income levels established by the Office, including any additional sources of income;
3 and

4 (4) Satisfies any other criteria established by the Office.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2010.