

SENATE BILL 784

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HB 601/13 – W&M

4lr2609

By: **Senators Montgomery, Astle, Benson, Brinkley, Colburn, Conway,
Feldman, Kelley, Klausmeier, Middleton, and Ramirez**

Introduced and read first time: January 31, 2014

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Education – Loan Assistance – Professional Counselors and Alcohol and Drug**
3 **Counselors**

4 FOR the purpose of requiring the Office of Student Financial Assistance of the
5 Maryland Higher Education Commission to assist in the repayment of certain
6 higher education loans owed by licensed clinical professional counselors or
7 licensed clinical alcohol and drug counselors under certain circumstances;
8 requiring that funds for the Janet L. Hoffman Loan Assistance Repayment
9 Program include certain money paid to the Program from certain fees collected
10 by the State Board of Professional Counselors and Therapists; requiring the
11 Comptroller to distribute a certain amount of the fees received from the State
12 Board of Professional Counselors and Therapists to the Office of Student
13 Financial Assistance; and generally relating to the repayment of higher
14 education loans owed by licensed clinical professional counselors and licensed
15 clinical alcohol and drug counselors.

16 BY repealing and reenacting, without amendments,
17 Article – Education
18 Section 18–1501
19 Annotated Code of Maryland
20 (2008 Replacement Volume and 2013 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – Education
23 Section 18–1502 and 18–1504
24 Annotated Code of Maryland
25 (2008 Replacement Volume and 2013 Supplement)

26 BY repealing and reenacting, with amendments,
27 Article – Health Occupations

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 17–206
2 Annotated Code of Maryland
3 (2009 Replacement Volume and 2013 Supplement)

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

6 **Article – Education**

7 18–1501.

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

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

12 (2) “Eligible field of employment” includes employment by the State or
13 any local government in the State, but does not include being employed as a judicial
14 clerk in any court.

15 (c) “Higher education loan” means any loan for undergraduate or graduate
16 study that is obtained for tuition, educational expenses, or living expenses from:

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

18 (2) An organization, institution, association, society, or corporation
19 that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code of
20 1986.

21 (d) “Program” means the Janet L. Hoffman Loan Assistance Repayment
22 Program.

23 18–1502.

24 (a) There is a program of loan assistance repayment known as the Janet L.
25 Hoffman Loan Assistance Repayment Program in the State.

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

28 (1) (i) Receives a graduate, professional, or undergraduate degree
29 from:

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

31 2. A school of law; or

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

4 (2) Obtains eligible employment;

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

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

9 (c) Subject to the provisions of subsection (b) of this section, the Office shall
10 assist in the repayment of the amount of any higher education loan owed by a public
11 school teacher in the State who:

12 (1) Has taught in Maryland for at least 2 years:

13 (i) In science, technology, engineering, or math subjects; or

14 (ii) In a school in which at least 75% of the students are enrolled
15 in the free and reduced lunch program in the State; and

16 (2) Has received the highest performance evaluation rating for the
17 most recent year available in the county in which the teacher taught.

18 (d) (1) A grant awarded under subsection (c) of this section shall be
19 known as the Nancy Grasmick Teacher Award.

20 (2) A recipient of a Nancy Grasmick Teacher Award shall be known as
21 a Nancy Grasmick Teacher Scholar.

22 (e) An applicant for assistance in the repayment of a commercial loan shall
23 demonstrate to the Office that the commercial loan was used for tuition, educational
24 expenses, or living expenses for graduate or undergraduate study.

25 (f) Assistance in the repayment of a loan from an entity set forth in §
26 18-1501(c)(2) of this subtitle shall require the approval of the Office.

27 **(G) SUBJECT TO THE PROVISIONS OF SUBSECTION (B) OF THIS**
28 **SECTION, THE OFFICE SHALL ASSIST IN THE REPAYMENT OF THE AMOUNT OF**
29 **ANY HIGHER EDUCATION LOAN OWED BY A LICENSED CLINICAL PROFESSIONAL**
30 **COUNSELOR OR A LICENSED CLINICAL ALCOHOL AND DRUG COUNSELOR.**

31 18-1504.

1 (a) Funds for the Janet L. Hoffman Loan Assistance Repayment Program
2 described in subsection (b)(2) of this section shall be allocated by the Commission to an
3 individual who:

4 (1) Has received a graduate degree from a school of law; and

5 (2) Has submitted an application for the Janet L. Hoffman Loan
6 Assistance Repayment Program that the Commission disapproved due to insufficient
7 funds.

8 (b) Funds for the Janet L. Hoffman Loan Assistance Repayment Program
9 shall:

10 (1) Be provided on an annual basis in the State budget; [and]

11 (2) Include money paid to the Program from the fee charged for a
12 special admission of an out-of-state attorney under § 7-202(e) of the Courts Article;
13 **AND**

14 **(3) INCLUDE MONEY PAID TO THE PROGRAM FROM THE FEES**
15 **DISTRIBUTED BY THE COMPTROLLER TO THE OFFICE OF STUDENT FINANCIAL**
16 **ASSISTANCE FROM FEES COLLECTED BY THE STATE BOARD OF PROFESSIONAL**
17 **COUNSELORS AND THERAPISTS UNDER § 17-206(C) OF THE HEALTH**
18 **OCCUPATIONS ARTICLE.**

19 (c) If a federal matching grant loan program furnishes professional services
20 in an eligible field of employment to low-income or underserved residents of the State,
21 the Office may apply not more than 50 percent of the funds provided in the State
22 budget for the Janet L. Hoffman Loan Assistance Repayment Program to the State's
23 participation in the federal program.

24 **Article – Health Occupations**

25 17-206.

26 (a) There is a State Board of Professional Counselors and Therapists Fund.

27 (b) (1) The Board may set reasonable fees for the issuance and renewal of
28 licenses or certificates and its other services.

29 (2) The fees charged shall be set to produce funds so as to approximate
30 the cost of maintaining the Board.

31 (3) Funds to cover the expenses of the Board members shall be
32 generated by fees set under this section.

1 (c) (1) The Board shall pay all fees collected under this title to the
2 Comptroller of the State.

3 (2) The Comptroller shall [distribute the fees to the Fund]:

4 (I) **DISTRIBUTE 12% OF THE FEES TO THE OFFICE OF**
5 **STUDENT FINANCIAL ASSISTANCE OF THE MARYLAND HIGHER EDUCATION**
6 **COMMISSION TO PROVIDE GRANTS TO LICENSED CLINICAL PROFESSIONAL**
7 **COUNSELORS AND LICENSED CLINICAL ALCOHOL AND DRUG COUNSELORS**
8 **UNDER THE JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM AS**
9 **PROVIDED IN § 18-504 OF THE EDUCATION ARTICLE; AND**

10 (II) **DISTRIBUTE THE REMAINDER OF THE FEES TO THE**
11 **FUND.**

12 (d) (1) The Fund shall be used to cover the actual documented direct and
13 indirect costs of fulfilling the statutory and regulatory duties of the Board as provided
14 by the provisions of this article.

15 (2) The Fund is a continuing, nonlapsing fund, not subject to § 7-302
16 of the State Finance and Procurement Article.

17 (3) Any unspent portions of the Fund may not be transferred or revert
18 to the General Fund of the State, but shall remain in the Fund to be used for the
19 purposes specified in this article.

20 (4) No other State money may be used to support the Fund.

21 (e) (1) A designee of the Board shall administer the Fund.

22 (2) Moneys in the Fund may be expended only for any lawful purpose
23 authorized under the provisions of this article.

24 (f) The Legislative Auditor shall audit the accounts and transactions of the
25 Fund as provided in § 2-1220 of the State Government Article.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2014.