

SENATE BILL 514

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5lr2015
CF 5lr1969

By: **Senator Klausmeier**

Introduced and read first time: February 6, 2015

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education – Net Price Calculator Improvement Act – Establishment**

3 FOR the purpose of requiring each institution of higher education in the State to meet
4 certain requirements for certain net price calculators on or before a certain date;
5 requiring the Web site of each institution of higher education to contain a link to the
6 net price calculator; requiring the results page for the net price calculator to include
7 certain information under certain circumstances; requiring a net price calculator
8 estimate to contain a certain notice; prohibiting institutions of higher education from
9 allowing certain personally identifiable information provided to a certain net price
10 calculator to be sold or otherwise made available to certain third parties; defining
11 certain terms; and generally relating to net price calculators at institutions of higher
12 education in the State.

13 BY adding to

14 Article – Education

15 Section 18–114

16 Annotated Code of Maryland

17 (2014 Replacement Volume and 2014 Supplement)

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

20 **Article – Education**

21 **18–114.**

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
23 **INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) (I) “NET PRICE” MEANS THE COST TO AN INDIVIDUAL TO**
2 **ATTEND AN INSTITUTION OF HIGHER EDUCATION.**

3 **(II) “NET PRICE” INCLUDES AN INSTITUTION OF HIGHER**
4 **EDUCATION’S DIRECT AND INDIRECT CHARGES MINUS ANY GRANTS OR**
5 **SCHOLARSHIPS AN INDIVIDUAL MAY BE ELIGIBLE TO RECEIVE.**

6 **(3) “NET PRICE CALCULATOR” MEANS AN INTERACTIVE PROGRAM**
7 **CREATED BY AN INSTITUTION OF HIGHER EDUCATION THAT AN INDIVIDUAL MAY USE**
8 **TO ESTIMATE THE NET PRICE IT WOULD COST THE INDIVIDUAL TO ATTEND THE**
9 **INSTITUTION OF HIGHER EDUCATION.**

10 **(B) ON OR BEFORE JULY 1, 2016, EACH INSTITUTION OF HIGHER**
11 **EDUCATION IN THE STATE SHALL MEET THE REQUIREMENTS OF THIS SECTION**
12 **REGARDING A NET PRICE CALCULATOR.**

13 **(C) A NET PRICE CALCULATOR FOR AN INSTITUTION OF HIGHER**
14 **EDUCATION SHALL:**

15 **(1) INDICATE WHICH QUESTIONS ARE REQUIRED TO BE COMPLETED**
16 **TO RECEIVE AN ESTIMATE FROM THE NET PRICE CALCULATOR;**

17 **(2) IF THE NET PRICE CALCULATOR REQUESTS CONTACT**
18 **INFORMATION FROM A USER, INDICATE THAT PROVIDING CONTACT INFORMATION**
19 **IS OPTIONAL;**

20 **(3) INDICATE “ANY INFORMATION THAT YOU PROVIDE ON THIS SITE**
21 **IS CONFIDENTIAL. THE NET PRICE CALCULATOR DOES NOT STORE YOUR**
22 **RESPONSES OR REQUIRE PERSONAL IDENTIFYING INFORMATION OF ANY KIND.”;**

23 **(4) BE POPULATED WITH FINANCIAL DATA FROM THE MOST RECENT**
24 **ACADEMIC YEAR; AND**

25 **(5) INCLUDE AN INPUT FOR AN INDIVIDUAL’S GRADE POINT AVERAGE**
26 **AND STANDARDIZED TEST SCORES.**

27 **(D) AN INSTITUTION OF HIGHER EDUCATION’S WEB SITE SHALL CONTAIN A**
28 **LINK TO THE INSTITUTION’S NET PRICE CALCULATOR THAT IS:**

29 **(1) CLEARLY LABELED WITH THE WORDS “NET PRICE CALCULATOR”;**
30 **AND**

1 **(2) PROMINENTLY AND CONSPICUOUSLY POSTED IN A LOCATION ON**
2 **THE INSTITUTION’S WEB SITE WHERE INFORMATION ON TUITION, FEES, COSTS, OR**
3 **FINANCIAL AID IS GENERALLY LOCATED.**

4 **(E) (1) THE RESULTS PAGE FOR AN INSTITUTION OF HIGHER**
5 **EDUCATION’S ESTIMATED NET PRICE CALCULATOR SHALL INCLUDE:**

6 **(I) IN ACCORDANCE WITH PARAGRAPH (4) OF THIS SECTION,**
7 **THE ESTIMATED NET PRICE OF ATTENDING THE INSTITUTION OF HIGHER**
8 **EDUCATION FOR THE INDIVIDUAL;**

9 **(II) THE COST OF ATTENDANCE FOR A FIRST-TIME, FULL-TIME**
10 **UNDERGRADUATE STUDENT AT THE INSTITUTION OF HIGHER EDUCATION,**
11 **INCLUDING:**

12 **1. TUITION AND MANDATORY FEES;**

13 **2. THE AVERAGE ANNUAL COST OF ROOM AND BOARD;**

14 **3. THE AVERAGE ANNUAL COST OF BOOKS AND**
15 **SUPPLIES; AND**

16 **4. THE ESTIMATED COST OF PERSONAL AND**
17 **TRANSPORTATION EXPENSES;**

18 **(III) IN ACCORDANCE WITH PARAGRAPH (5) OF THIS**
19 **SUBSECTION, THE ESTIMATED TOTAL OF NEED-BASED AND MERIT-BASED GRANT**
20 **AID FROM STATE, FEDERAL, AND INSTITUTIONAL SOURCES THAT THE INDIVIDUAL**
21 **MAY BE ELIGIBLE TO RECEIVE; AND**

22 **(IV) THE PERCENTAGE OF FIRST-TIME, FULL-TIME**
23 **UNDERGRADUATE STUDENTS ENROLLED IN THE INSTITUTION THAT RECEIVED ANY**
24 **NEED-BASED OR MERIT-BASED GRANT AID.**

25 **(2) (I) IF AN INSTITUTION OF HIGHER EDUCATION’S NET PRICE**
26 **CALCULATOR CAN ASSESS WHETHER AN INDIVIDUAL MAY BE ELIGIBLE FOR**
27 **VETERANS’ OR ACTIVE DUTY SERVICE MEMBERS’ EDUCATION BENEFITS, THE**
28 **BENEFITS THE INDIVIDUAL MAY BE ELIGIBLE TO RECEIVE SHALL BE DISPLAYED ON**
29 **THE RESULTS SCREEN IN A MANNER THAT DISTINGUISHES THE BENEFITS FROM THE**
30 **GRANT AID DESCRIBED IN PARAGRAPH (1)(III) OF THIS SUBSECTION.**

31 **(II) IF AN INSTITUTION OF HIGHER EDUCATION’S NET PRICE**
32 **CALCULATOR DOES NOT ASSESS WHETHER AN INDIVIDUAL MAY BE ELIGIBLE TO**

1 RECEIVE THE BENEFITS DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH,
2 THE RESULTS SCREEN SHALL:

3 1. INDICATE THAT CERTAIN INDIVIDUALS MAY BE
4 ELIGIBLE FOR VETERANS' OR ACTIVE DUTY SERVICE MEMBERS' EDUCATION
5 BENEFITS; AND

6 2. INCLUDE A LINK TO INFORMATION ABOUT VETERANS'
7 OR ACTIVE DUTY SERVICE MEMBERS' EDUCATION BENEFITS.

8 (3) (I) AN ESTIMATE GIVEN BY AN INSTITUTION OF HIGHER
9 EDUCATION'S NET PRICE CALCULATOR SHALL BE ACCOMPANIED BY A CLEAR AND
10 CONSPICUOUS NOTICE STATING THAT:

11 1. THE ESTIMATE:

12 A. DOES NOT REPRESENT A FINAL DETERMINATION OR
13 AN ACTUAL AWARD OF FINANCIAL ASSISTANCE;

14 B. IS NOT BINDING ON THE SECRETARY, THE
15 INSTITUTION OF HIGHER EDUCATION, OR THE STATE; AND

16 C. MAY CHANGE AT ANY TIME; AND

17 2. THE STUDENT MUST COMPLETE THE FREE
18 APPLICATION FOR FEDERAL STUDENT AID TO BE ELIGIBLE FOR AND RECEIVE A
19 FINANCIAL AID AWARD.

20 (II) THE ESTIMATE SHALL ALSO INCLUDE A LINK TO THE U.S.
21 DEPARTMENT OF EDUCATION'S FREE APPLICATION FOR FEDERAL STUDENT AID
22 WEB SITE.

23 (4) THE INFORMATION IN PARAGRAPH (1)(I) OF THIS SUBSECTION
24 SHALL BE THE MOST PROMINENTLY DISPLAYED INFORMATION ON THE RESULTS
25 PAGE.

26 (5) THE INFORMATION IN PARAGRAPH (1)(III) OF THIS SUBSECTION
27 SHALL BE DISPLAYED IN A MANNER THAT DIFFERENTIATES BETWEEN:

28 (I) GRANT, LOAN, AND WORK STUDY AID; AND

29 (II) STATE, FEDERAL, AND INSTITUTIONAL AID.

1 **(F) AN INSTITUTION OF HIGHER EDUCATION MAY NOT ALLOW PERSONALLY**
2 **IDENTIFIABLE INFORMATION PROVIDED BY AN INDIVIDUAL USING THE NET PRICE**
3 **CALCULATOR TO BE SOLD OR OTHERWISE MADE AVAILABLE TO A THIRD PARTY.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
5 1, 2015.