

# HOUSE BILL 262

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7lr0801

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By: **Delegates Afzali and Luedtke**

Introduced and read first time: January 23, 2017

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Student Debt Disclosure Act of 2017**

3 FOR the purpose of requiring institutions of higher education that receive State funds to  
4 provide certain information to students regarding their education loans on or before  
5 a certain date each year; defining a certain term; providing that the information may  
6 include certain statements and assumptions; prohibiting an institution of higher  
7 education from incurring a certain liability; and generally relating to education loans  
8 for students at institutions of higher education.

9 BY adding to

10 Article – Education

11 Section 18–115

12 Annotated Code of Maryland

13 (2014 Replacement Volume and 2016 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

15 That the Laws of Maryland read as follows:

16 **Article – Education**

17 **18–115.**

18 **(A) IN THIS SECTION, “EDUCATION LOAN” MEANS A DIRECT LOAN OR LOAN**  
19 **INSURED OR GUARANTEED UNDER A FEDERAL OR PRIVATE PROGRAM THAT IS MADE**  
20 **TO ASSIST A STUDENT IN OBTAINING POSTSECONDARY EDUCATION.**

21 **(B) THIS SECTION APPLIES ONLY TO AN INSTITUTION OF HIGHER**  
22 **EDUCATION THAT RECEIVES FUNDING FROM THE STATE.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(C) (1) ON OR BEFORE OCTOBER 15 EACH YEAR, AN INSTITUTION OF**  
2 **HIGHER EDUCATION THAT RECEIVES EDUCATION LOAN INFORMATION FOR A**  
3 **STUDENT ENROLLED IN THE INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE**  
4 **TO THE STUDENT:**

5                   **(I) AN ESTIMATE OF:**

6                   1.   **THE TOTAL AMOUNT OF EDUCATION LOANS TAKEN**  
7 **OUT BY THE STUDENT;**

8                   2.   **THE POTENTIAL TOTAL PAYOFF AMOUNT OF THE**  
9 **EDUCATION LOANS INCURRED OR A RANGE OF THE TOTAL PAYOFF AMOUNT; AND**

10                  3.   **MONTHLY REPAYMENT AMOUNTS THAT A SIMILARLY**  
11 **SITUATED BORROWER MAY INCUR, INCLUDING PRINCIPAL AND INTEREST, FOR THE**  
12 **AMOUNT OF LOANS THE STUDENT HAS TAKEN OUT AT THE TIME THE INFORMATION**  
13 **IS PROVIDED; AND**

14                   **(II) THE PERCENTAGE OF THE BORROWING LIMIT THE STUDENT**  
15 **HAS REACHED AT THE TIME THE INFORMATION IS PROVIDED.**

16           **(2) IF A STUDENT HAS DECLARED A MAJOR, THE INFORMATION**  
17 **PROVIDED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION SHALL ALSO**  
18 **INCLUDE:**

19                   **(I) THE MAJOR OF THE STUDENT;**

20                   **(II) THE EXPECTED STARTING GROSS SALARY RANGE OF A JOB**  
21 **IN THE STUDENT'S FIELD OF STUDY; AND**

22                   **(III) THE EXPECTED NET MONTHLY SALARY FOR A JOB IN THE**  
23 **STUDENT'S FIELD OF STUDY LISTED NEXT TO THE AMOUNT CALCULATED IN**  
24 **PARAGRAPH (1)(I)3 OF THIS SUBSECTION.**

25           **(D) THE INFORMATION PROVIDED UNDER THIS SECTION MAY INCLUDE:**

26                   **(1) A STATEMENT THAT THE ESTIMATES AND RANGES PROVIDED ARE**  
27 **GENERAL IN NATURE AND NOT MEANT AS A GUARANTEE OR PROMISE; AND**

28                   **(2) ANY ASSUMPTIONS MADE WHEN CALCULATING THE ESTIMATES**  
29 **THAT WERE PROVIDED.**

1           **(E) AN INSTITUTION OF HIGHER EDUCATION DOES NOT INCUR LIABILITY**  
2 **FOR ANY REPRESENTATION MADE UNDER THIS SECTION.**

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
4 1, 2017.