

**HB1341/194863/1**

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 1341  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Maryland College Investment Plan – State Match Requirement” and substitute “College Affordability – Maryland 529 Plans and Student Loan Debt Relief Tax Credit”; in line 5, strike “date by which” and substitute “time period during which”; in line 6, after “contribution;” insert “altering a certain State contribution amount; altering a certain appropriation for certain fiscal years;”; in line 10, strike “providing for the application of this Act” and substitute “altering the total amount of a certain credit; altering the name of the Maryland College Investment Plan and Prepaid College Trust; requiring certain plans to be referred to by a certain name; requiring a certain State contribution to be made by a certain date for certain account holders; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct cross-references and terminology in the Code rendered incorrect by this Act and to describe any corrections made in an editor’s note following the sections affected”; in lines 10 and 11, strike “the Maryland College Investment Plan” and substitute “college affordability”; after line 11, insert:

“BY repealing and reenacting, without amendments,

Article - Education

Section 18–1901(a), 18–1904(a), and 18–19A–01(a)

Annotated Code of Maryland

(2018 Replacement Volume)

BY adding to

Article - Education

Section 18-1909(i) and 18-19A-03(f)

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in line 14, strike “18-19A-04.1” and substitute “18-1901(j) and (p), 18-1902.1, 18-1903(a), (g), and (i), 18-1904(b), 18-19A-01(f), 18-19A-02(a), 18-19A-04.1, 18-19A-05(d), 18-19A-06, 18-19B-05(d) and (e), and 18-19C-05(d) and (e)”; and after line 16, insert:

“BY repealing and reenacting, without amendments,

Article - Tax - General

Section 10-740(b) and (h)

Annotated Code of Maryland

(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-740(c)(3)

Annotated Code of Maryland

(2016 Replacement Volume and 2017 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 19, insert:

“18-1901.

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

(j) “Plan” means the Maryland SENATOR EDWARD J. KASEMEYER College Investment Plan established under Subtitle 19A of this title.

(p) “Trust” means the Maryland SENATOR EDWARD J. KASEMEYER Prepaid College Trust established under this subtitle.

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18-1902.1.

(a) There is a Program entitled Maryland 529.

(b) The purpose of the Program is to provide for the administration by the Board of the Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust, the Maryland **SENATOR EDWARD J. KASEMEYER** College Investment Plan, the Maryland Broker-Dealer College Investment Plan, and the Maryland ABLE Program.

18-1903.

(a) There is a Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust.

(g) Money of the Trust may not be considered money of the Maryland **SENATOR EDWARD J. KASEMEYER** College Investment Plan and may not be commingled with the Plan.

(i) Neither the State nor any eligible institution of higher education shall be liable for any losses or shortage of funds in the event that the Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust is insufficient to meet the tuition requirements of an institution attended by the qualified beneficiary.

18-1904.

(a) There is a Maryland 529 Board.

(b) The Board shall administer:

(1) The Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust established under this subtitle;

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(2) The Maryland SENATOR EDWARD J. KASEMEYER College Investment Plan established under Subtitle 19A of this title;

(3) The Maryland Broker–Dealer College Investment Plan established under Subtitle 19B of this title; and

(4) The Maryland ABLE Program established under Subtitle 19C of this title.

18–1909.

**(I) THE MARYLAND PREPAID CONTRACT PLAN SHALL BE REFERRED TO AS THE SENATOR EDWARD J. KASEMEYER PREPAID CONTRACT PLAN.**

18–19A–01.

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

(f) “Plan” means the Maryland SENATOR EDWARD J. KASEMEYER College Investment Plan established under this subtitle.

18–19A–02.

(a) There is a Maryland SENATOR EDWARD J. KASEMEYER College Investment Plan.

18–19A–03.

**(F) THE MARYLAND COLLEGE INVESTMENT PLAN SHALL BE REFERRED TO AS THE SENATOR EDWARD J. KASEMEYER COLLEGE INVESTMENT PLAN.”.**

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On page 2, in lines 22 and 27, in each instance, strike “\$250” and substitute “**\$500**”.

On page 3, in line 3, after “2018;” insert “**AND**”; in line 4, strike “\$7,000,000” and substitute “**\$3,000,000**”; strike beginning with the semicolon in line 4 down through “2020” in line 5; and after line 32, insert:

“18-19A-05.

(d) Money of the Plan may not be considered money of or commingled with the Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust.

18-19A-06.

The assets and income of the Maryland **SENATOR EDWARD J. KASEMEYER** College Investment Plan are exempt from State and local taxation.

18-19B-05.

(d) Money of the Broker-Dealer Plan may not be considered money of or commingled with the Maryland **SENATOR EDWARD J. KASEMEYER** Prepaid College Trust.

(e) Money of the Broker-Dealer Plan may not be considered money of or commingled with the Maryland **SENATOR EDWARD J. KASEMEYER** College Investment Plan.

18-19C-05.

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(d) Money of the Maryland ABLE Program may not be considered money of or commingled with the Maryland SENATOR EDWARD J. KASEMEYER Prepaid College Trust.

(e) Money of the Maryland ABLE Program may not be considered money of or commingled with the Maryland SENATOR EDWARD J. KASEMEYER College Investment Plan.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – General

10-740.

(b) Subject to the limitations of this section, a qualified taxpayer may claim a credit against the State income tax for the taxable year in which the Commission certifies a tax credit under this section.

(c) (3) For any taxable year, the total amount of credits approved by the Commission under this section may not exceed [~~\$5,000,000~~] **\$9,000,000**.

(h) The tax credit under this section shall be referred to as the Student Loan Debt Relief Tax Credit.”.

On page 4, in line 1, strike “2.” and substitute “3.”; strike beginning with “this” in line 1 down through “2016” in line 3 and substitute “for an account holder who made a contribution to an account in calendar year 2017 but failed to make the contribution in accordance with § 18-19A-04.1(e)(1) of the Education Article as enacted by Chapters 689 and 690 of the Acts of the General Assembly of 2016 and was otherwise eligible for a State contribution, a State contribution equal to \$250 shall be made by June 30, 2018.

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SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding § 18–19A–04.1(f) of the Education Article, an account holder who receives a State match under Section 3 of this Act is also eligible for the subtraction modification under § 10–208 of the Tax – General Article for taxable year 2017.

SECTION 5. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross–references and terminology rendered incorrect by this Act. The publisher shall adequately describe any such correction in an editor’s note following the section affected”;

in line 4, strike “3.” and substitute “6.”; and in line 5, after “2018” insert “, and Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2017”.