

Chapter 360

**(Senate Bill 69)**

AN ACT concerning

**Higher Education – Student Loan Notification Letter – Modifications**

FOR the purpose of requiring certain institutions of postsecondary education to provide certain information annually with a certain notice to students regarding their education loans; altering a certain statement; prohibiting certain institutions of postsecondary education from incurring a certain liability under certain circumstances; providing for a delayed effective date; and generally relating to notification of education loans to students by institutions of postsecondary education.

BY repealing and reenacting, without amendments,

Article – Education

Section 10–101(i)

Annotated Code of Maryland

(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 18–115

Annotated Code of Maryland

(2014 Replacement Volume and 2017 Supplement)

(As enacted by Chapter 658 of the Acts of the General Assembly of 2017)

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

**Article – Education**

10–101.

(i) (1) “Institution of postsecondary education” means a school or other institution that offers an educational program in the State for individuals who are at least 16 years old and who have graduated from or left elementary or secondary school.

(2) “Institution of postsecondary education” does not include:

(i) Any adult education, evening high school, or high school equivalence program conducted by a public school system of the State; or

(ii) Any apprenticeship or on-the-job training program subject to approval by the Apprenticeship and Training Council.

18–115.

(a) (1) In this section, “education loan” means a direct loan administered by the U.S. Department of Education that is made to assist a student in obtaining a postsecondary education.

(2) “Education loan” does not include a Parent Plus loan or a private student loan.

[(b) This section applies only to an institution of higher education that receives funding from the State.]

[(c)] (B) An institution of [higher] POSTSECONDARY education that receives education loan information from the U.S. Department of Education shall provide to each undergraduate student enrolled in the institution who applies for federal student aid in the applicable award year:

(1) The information reported on the student’s Student Aid Report issued by the U.S. Department of Education from the most recent award year, including:

(i) The total amount of outstanding loans; and

(ii) The monthly payment amount for a 10–year period for every \$1,000 owed by the borrower;

(2) The lifetime loan limit for undergraduate student borrowers;

(3) A statement that the actual repayment amount is dependent on the following factors:

(i) The total amount a student borrows;

(ii) The interest rate at the time the funds are borrowed and the amount of interest that accrues over the course of the loan;

(iii) The length of the repayment term of the loan; and

(iv) The decisions a student makes relating to:

1. Income–based repayment plans;

2. Deferments; and

3. Loan forgiveness;

(4) A link to the National Student Loan Data System for Students Web site

and an income–driven repayment plan Web site; and

(5) The address of the financial aid office where the student may seek financial aid counseling.

**[(d)] (C)** An institution of [higher] POSTSECONDARY education shall provide the information required under subsection **[(c)] (B)** of this section to students annually with the student's financial aid award notice.

**[(e)] (D)** The information provided under this section may include the following statement:

"The information provided by the institution of [higher] POSTSECONDARY education was obtained from your Student Aid Report issued by the U.S. Department of Education for the most recent award year. It is based on assumptions made by the U.S. Department of Education as reported in your Student Aid Report and is not meant as a guarantee or promise. This information does not include Parent Plus loans or private student loans."

**[(f)] (E)** If an institution of [higher] POSTSECONDARY education includes the statement under subsection **[(e)] (D)** of this section with the information required under subsection **[(c)] (B)** of this section, the institution of [higher] POSTSECONDARY education does not incur liability for any inaccurate representations made under this section if the representations were:

(1) Made based on incorrect information provided by the U.S. Department of Education; and

(2) Reasonably relied on in good faith by the institution of [higher] POSTSECONDARY education.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2019.

Approved by the Governor, May 8, 2018.