

Chapter 735

(Senate Bill 927)

AN ACT concerning

Institutions of Higher Education – Prohibition Against Incentive Payments – Foreign Student Exemption

FOR the purpose of altering the application of certain provisions of law prohibiting an institution of higher education from paying certain financial or other incentives based on certain success to exempt the recruitment of certain foreign students; and generally relating to the prohibition against incentive payments paid by institutions of higher education.

BY repealing and reenacting, with amendments,
Article – Education
Section 11–402.1
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

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

Article – Education

11–402.1.

(A) THIS SECTION DOES NOT APPLY TO THE RECRUITMENT OF A FOREIGN STUDENT WHO IS:

- (1) RESIDING IN A FOREIGN COUNTRY; AND**
- (2) NOT ELIGIBLE TO RECEIVE FEDERAL STUDENT ASSISTANCE.**

(B) An institution of higher education may not pay a commission, a bonus, or any other incentive payment based on success in securing enrollments or the award of financial aid to a person or entity engaged in student recruitment or admission activity.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~
June 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.