

HOUSE BILL 877

F2
HB 920/25 – APP

6lr3030
CF 6lr3326

By: **Delegates Spiegel, Behler, Coley, Foley, Forbes, Kaiser, Lopez, Schindler, Wims, and Wu**

Introduced and read first time: February 4, 2026

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Institutions of Postsecondary Education – Institutional Debt – Report**

3 FOR the purpose of requiring institutions of postsecondary education to submit a report on
4 institutional debt to the Maryland Higher Education Commission each year;
5 authorizing the Commission to assess a civil penalty against an institution for failure
6 to submit a report or knowingly including inaccurate information in a report;
7 establishing certain notice and hearing procedures that the Commission must follow
8 before assessing a civil penalty against an institution; and generally relating to
9 institutional debt reporting by institutions of postsecondary education.

10 BY adding to

11 Article – Education

12 Section 11–212

13 Annotated Code of Maryland

14 (2022 Replacement Volume and 2025 Supplement)

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

17 **Article – Education**

18 **11–212.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
20 **INDICATED.**

21 **(2) “ADMINISTRATIVE HOLD” MEANS ANY HOLD OR LIMITATION ON A**
22 **STUDENT’S ACCOUNT AT AN INSTITUTION OF POSTSECONDARY EDUCATION THAT**
23 **PREVENTS THE STUDENT FROM ENROLLING IN COURSES, OBTAINING OR RESIDING**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 IN CAMPUS HOUSING, USING FACILITIES, OR OTHERWISE LIMITING THE STUDENT'S
2 ACCESS TO THE INSTITUTION'S FACILITIES OR RESOURCES.

3 (3) "CHARGE OFF" MEANS AN ACCOUNTING MECHANISM BY WHICH
4 AN INSTITUTION OF POSTSECONDARY EDUCATION INDICATES IT NO LONGER
5 EXPECTS TO COLLECT AN INSTITUTIONAL DEBT, REGARDLESS OF WHETHER THE
6 INSTITUTION:

7 (I) REMOVES THE DEBT FROM ITS RECORDS;
8 (II) PURSUES THE STUDENT OWING THE DEBT;
9 (III) ACCEPTS PAYMENT FOR THE DEBT; OR
10 (IV) SELLS THE DEBT.

11 (4) "DEMOGRAPHIC CATEGORIES" MEANS THE FOLLOWING GROUPS
12 AND POPULATIONS:

13 (I) RACE;
14 (II) ETHNICITY;
15 (III) AGE;
16 (IV) GENDER;
17 (V) IN-STATE OR OUT-OF-STATE RESIDENCY;
18 (VI) ENROLLMENT STATUS; AND
19 (VII) DEGREE, CERTIFICATE, OR CREDENTIAL CONFERRED OR
20 PURSUED.

21 (5) (I) "INSTITUTIONAL DEBT" MEANS AN EXTENSION OF CREDIT,
22 A DEBT, OR AN OBLIGATION OWED OR INCURRED BY A STUDENT, IN THE STUDENT'S
23 CAPACITY AS A STUDENT, TO AN INSTITUTION OF POSTSECONDARY EDUCATION.

24 (II) "INSTITUTIONAL DEBT" INCLUDES CREDIT, DEBT, OR
25 OBLIGATION FOR:

26 1. TUITION CHARGES;

2. ROOM AND BOARD CHARGES; AND
3. FINES AND FEES.

14 (B) (1) ON OR BEFORE OCTOBER 1, 2027, AND EACH OCTOBER 1
15 THEREAFTER, AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL SUBMIT TO
16 THE COMMISSION A REPORT ON INSTITUTIONAL DEBT IN ACCORDANCE WITH
17 SUBSECTION (C) OF THIS SECTION.

23 (C) THE REPORT REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION
24 SHALL INCLUDE THE FOLLOWING INFORMATION AS REFLECTED ON THE LAST DAY
25 OF THE PREVIOUS FISCAL YEAR:

26 (1) TOTAL STUDENT ENROLLMENT, DISAGGREGATED BY
27 DEMOGRAPHIC CATEGORIES:

28 (2) TOTAL DOLLAR AMOUNT OF INSTITUTIONAL DEBT,
29 DISAGGREGATED BY:

30 (I) DEMOGRAPHIC CATEGORIES;

31 (II) NUMBER OF ENROLLED AND FORMER STUDENTS WHO OWE
32 INSTITUTIONAL DEBT:

(III) LENGTH OF TIME INSTITUTIONAL DEBT HAS BEEN OWED;

(IV) TYPE OF CHARGES FOR WHICH INSTITUTIONAL DEBT WAS

(V) PERCENTAGE AND TOTAL NUMBER OF STUDENTS WITH
DEBT WHO RECEIVED A FEDERAL PELL GRANT; AND

**(VI) DEBT AMOUNT THAT ACCRUED DURING THAT FISCAL YEAR
AND THAT ACCRUED BEFORE THAT FISCAL YEAR;**

(3) STATUS AND COLLECTION OF INSTITUTIONAL DEBT, INCLUDING:

**(I) PERCENTAGE AND TOTAL AMOUNT OF INSTITUTIONAL
CREDIT STANDING AND PAST DUE;**

(II) NUMBER AND TOTAL AMOUNT OF INSTITUTIONAL DEBTS PAYMENT PLANS, INCLUDING THE PERCENTAGE THAT ARE IN GOOD STANDING AND IN ARREARS;

**(III) NUMBER AND TOTAL AMOUNT OF INSTITUTIONAL DEBTS
LOANS OWED TO THE INSTITUTION, INCLUDING THE PERCENTAGE
DUE STANDING AND PAST DUE;**

**(IV) NUMBER OF ENROLLED STUDENTS AND FORMER STUDENTS
ENTRANT PAYMENTS TO THE INSTITUTION DURING THAT FISCAL YEAR
AMOUNT PAID;**

(v) PERCENTAGE AND TOTAL AMOUNT OF INSTITUTIONAL OFF DURING THAT FISCAL YEAR;

**(VI) NUMBER OF STUDENT ACCOUNTS REPORTED TO A CREDIT
ENCY DURING THAT FISCAL YEAR;**

(vii) PERCENTAGE AND NUMBER OF STUDENT ACCOUNTS THIRD PARTY FOR DEBT COLLECTION OR SALE DURING THAT INCLUDING DEBT COLLECTION AGENCIES, DEBT COLLECTORS, AND END THE TOTAL AMOUNT COLLECTED;

**(VIII) PERCENTAGE AND NUMBER OF STUDENT ACCOUNTS
COLLECTED; AND**

4 (4) ADMINISTRATIVE HOLD ACTIONS BY THE INSTITUTION,
5 INCLUDING:

6 (I) NUMBER OF ENROLLED STUDENTS OR FORMER STUDENTS
7 WITH AN ADMINISTRATIVE HOLD DUE TO INSTITUTIONAL DEBT; AND

20 (I) TUITION PAYMENT PLANS;

21 (II) STUDENT LOANS OWED TO THE INSTITUTION;

22 (III) ADMINISTRATIVE HOLDS;

23 (IV) DEBT COLLECTION; AND

24 (v) REPORTS TO CREDIT REPORTING AGENCIES; AND

25 (8) ANY OTHER INFORMATION THE COMMISSION DETERMINES IS
26 RELEVANT TO EVALUATING INSTITUTIONAL DEBTS.

27 (D) NOTHING IN THIS SECTION MAY BE CONSTRUED TO REQUIRE AN
28 INSTITUTION OF POSTSECONDARY EDUCATION TO REPORT PERSONAL IDENTIFYING
29 INFORMATION OF AN ENROLLED STUDENT OR A FORMER STUDENT.

(E) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE COMMISSION MAY ASSESS A CIVIL PENALTY AGAINST AN INSTITUTION OF POSTSECONDARY EDUCATION IF THE INSTITUTION FAILS TO SUBMIT A REPORT REQUIRED UNDER SUBSECTION (B) OF THIS SECTION OR KNOWINGLY INCLUDES INACCURATE INFORMATION IN A REPORT AS DETERMINED BY THE COMMISSION.

6 (2) (I) BEFORE ASSESSING A PENALTY, THE COMMISSION SHALL
7 SEND THE INSTITUTION OF POSTSECONDARY EDUCATION A NOTICE OF THE
8 CHARGES AGAINST THE INSTITUTION AND GIVE THE INSTITUTION AN OPPORTUNITY
9 TO REQUEST A HEARING WITHIN 20 DAYS AFTER RECEIPT OF THE NOTICE.

10 (II) A NOTICE OF CHARGES UNDER SUBPARAGRAPH (I) OF THIS
11 PARAGRAPH SHALL:

1. DESCRIBE THE DEFICIENCIES IN THE REPORT; AND

17 (I) THE COMMISSION SHALL PROMPTLY HOLD A HEARING NOT
18 LATER THAN 60 DAYS AFTER RECEIPT OF THE REQUEST FOR A HEARING; AND

27 (F) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS
28 SECTION.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2026.