

HOUSE BILL 877

F2
HB 920/25 – APP

6lr3030
CF SB 628

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

Introduced and read first time: February 4, 2026

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 2, 2026

CHAPTER _____

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 periodically beginning on or before a certain date; ~~authorizing the Commission to~~
6 ~~assess a civil penalty against an institution for failure to submit a report or~~
7 ~~knowingly including inaccurate information in a report; establishing certain notice~~
8 ~~and hearing procedures that the Commission must follow before assessing a civil~~
9 ~~penalty against an institution~~ requiring the Commission to develop and publish a
10 certain data dictionary on or before a certain date; and generally relating to
11 institutional debt reporting by institutions of postsecondary education.

12 BY adding to

13 Article – Education

14 Section 11–212

15 Annotated Code of Maryland

16 (2022 Replacement Volume and 2025 Supplement)

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

18 That the Laws of Maryland read as follows:

19 **Article – Education**

20 **11–212.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (A) ~~(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
2 ~~INDICATED.~~

3 ~~(2) "ADMINISTRATIVE HOLD" MEANS ANY HOLD OR LIMITATION ON A~~
4 ~~STUDENT'S ACCOUNT AT AN INSTITUTION OF POSTSECONDARY EDUCATION THAT~~
5 ~~PREVENTS THE STUDENT FROM ENROLLING IN COURSES, OBTAINING OR RESIDING~~
6 ~~IN CAMPUS HOUSING, USING FACILITIES, OR OTHERWISE LIMITING THE STUDENT'S~~
7 ~~ACCESS TO THE INSTITUTION'S FACILITIES OR RESOURCES.~~

8 ~~(3) "CHARGE OFF" MEANS AN ACCOUNTING MECHANISM BY WHICH~~
9 ~~AN INSTITUTION OF POSTSECONDARY EDUCATION INDICATES IT NO LONGER~~
10 ~~EXPECTS TO COLLECT AN INSTITUTIONAL DEBT, REGARDLESS OF WHETHER THE~~
11 ~~INSTITUTION:~~

12 ~~(I) REMOVES THE DEBT FROM ITS RECORDS;~~

13 ~~(II) PURSUES THE STUDENT OWING THE DEBT;~~

14 ~~(III) ACCEPTS PAYMENT FOR THE DEBT; OR~~

15 ~~(IV) SELLS THE DEBT.~~

16 ~~(4) "DEMOGRAPHIC CATEGORIES" MEANS THE FOLLOWING GROUPS~~
17 ~~AND POPULATIONS:~~

18 ~~(I) RACE;~~

19 ~~(II) ETHNICITY;~~

20 ~~(III) AGE;~~

21 ~~(IV) GENDER;~~

22 ~~(V) IN STATE OR OUT OF STATE RESIDENCY;~~

23 ~~(VI) ENROLLMENT STATUS; AND~~

24 ~~(VII) DEGREE, CERTIFICATE, OR CREDENTIAL CONFERRED OR~~
25 ~~PURSUED.~~

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

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

~~1. TUITION CHARGES;~~

~~2. ROOM AND BOARD CHARGES; AND~~

~~3. FINES AND FEES.~~

~~(6) "NONJUDICIAL COLLECTION" MEANS COLLECTION OF INSTITUTIONAL DEBT OWED BY A STUDENT TO A STATE AGENCY BY THE CENTRAL COLLECTION UNIT IN THE DEPARTMENT OF BUDGET AND MANAGEMENT.~~

~~(7) "TUITION PAYMENT PLAN" MEANS AN AGREEMENT UNDER WHICH AN INSTITUTION OF POSTSECONDARY EDUCATION ALLOWS A STUDENT TO ENROLL FOR AN ACADEMIC TERM AND DEFER PAYMENT OF PARTIAL OR FULL COSTS ASSOCIATED WITH THAT TERM.~~

~~(8) "VOLUNTARY PAYMENT" MEANS A PAYMENT MADE BY A STUDENT TO AN INSTITUTION OF POSTSECONDARY EDUCATION TO PAY AN INSTITUTIONAL DEBT, IN WHOLE OR IN PART, THAT WAS NOT MADE IN ACCORDANCE WITH A COURT JUDGMENT OR A NONJUDICIAL COLLECTION.~~

~~(B) (1) ON OR BEFORE ~~OCTOBER~~ AUGUST 1, 2027, AND ~~EACH OCTOBER~~ EVERY 2 YEARS THEREAFTER, AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL SUBMIT TO THE COMMISSION A REPORT ON INSTITUTIONAL DEBT IN ACCORDANCE WITH SUBSECTION ~~(C)~~ (B) OF THIS SECTION AND THE STANDARDS ESTABLISHED BY THE DATA DICTIONARY UNDER SUBSECTION (D) OF THIS SECTION.~~

~~(2) ON OR BEFORE DECEMBER 1, 2027, AND ~~EACH DECEMBER~~ EVERY 2 YEARS THEREAFTER, THE COMMISSION SHALL, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, SUBMIT A REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE REPORTS SUBMITTED TO THE COMMISSION BY INSTITUTIONS OF POSTSECONDARY EDUCATION UNDER THIS SECTION.~~

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

1 **(1) TOTAL STUDENT ENROLLMENT, DISAGGREGATED BY**
2 **DEMOGRAPHIC CATEGORIES;**

3 **(2) TOTAL DOLLAR AMOUNT OF INSTITUTIONAL DEBT,**
4 **DISAGGREGATED BY:**

5 **(I) DEMOGRAPHIC CATEGORIES;**

6 **(II) NUMBER OF ENROLLED AND FORMER STUDENTS WHO OWE**
7 **INSTITUTIONAL DEBT;**

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

9 **(IV) TYPE OF CHARGES FOR WHICH INSTITUTIONAL DEBT WAS**
10 **INCURRED;**

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

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

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

16 **(I) PERCENTAGE AND TOTAL AMOUNT OF INSTITUTIONAL**
17 **DEBT HELD IN GOOD STANDING AND PAST DUE;**

18 **(II) NUMBER AND TOTAL AMOUNT OF INSTITUTIONAL DEBTS**
19 **UNDER TUITION PAYMENT PLANS, INCLUDING THE PERCENTAGE THAT ARE IN GOOD**
20 **STANDING OR PAST DUE;**

21 **(III) NUMBER AND TOTAL AMOUNT OF INSTITUTIONAL DEBTS**
22 **UNDER STUDENT LOANS OWED TO THE INSTITUTION, INCLUDING THE PERCENTAGE**
23 **THAT ARE IN GOOD STANDING AND PAST DUE;**

24 **(IV) NUMBER OF ENROLLED STUDENTS AND FORMER STUDENTS**
25 **WHO MADE VOLUNTARY PAYMENTS TO THE INSTITUTION DURING THAT FISCAL YEAR**
26 **AND THE TOTAL AMOUNT PAID;**

27 **(V) PERCENTAGE AND TOTAL AMOUNT OF INSTITUTIONAL**
28 **DEBT CHARGED OFF DURING THAT FISCAL YEAR;**

1 (VI) NUMBER OF STUDENT ACCOUNTS REPORTED TO A CREDIT
2 REPORTING AGENCY DURING THAT FISCAL YEAR;

3 (VII) PERCENTAGE AND NUMBER OF STUDENT ACCOUNTS
4 REFERRED TO A THIRD PARTY FOR DEBT COLLECTION OR SALE DURING THAT
5 FISCAL YEAR, INCLUDING DEBT COLLECTION AGENCIES, DEBT COLLECTORS, AND
6 DEBT BUYERS, AND THE TOTAL AMOUNT COLLECTED;

7 (VIII) PERCENTAGE AND NUMBER OF STUDENT ACCOUNTS
8 SUBJECT TO LITIGATION BY THE INSTITUTION DURING THAT FISCAL YEAR AND THE
9 TOTAL AMOUNT COLLECTED; AND

10 (IX) FOR PUBLIC INSTITUTIONS ONLY, PERCENTAGE AND
11 NUMBER OF STUDENT ACCOUNTS REFERRED TO NONJUDICIAL COLLECTION DURING
12 THAT FISCAL YEAR AND THE TOTAL AMOUNT COLLECTED;

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

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

17 (II) NUMBER OF ENROLLED STUDENTS OR FORMER STUDENTS
18 WHO HAVE COMPLETED ALL REQUIRED COURSES BUT ON WHOM A DEGREE HAS NOT
19 BEEN CONFERRED DUE TO INSTITUTIONAL DEBT;

20 (5) A LIST OF PERSONS USED BY THE INSTITUTION FOR
21 INSTITUTIONAL DEBT-RELATED ACTIVITIES, INCLUDING ORIGINATING LOANS,
22 ESTABLISHING AND FACILITATING INSTALLMENT PLANS OR DEBT PAYMENT, AND
23 INITIATING LAWSUITS;

24 (6) A COPY OF ANY MODEL INSTRUMENT USED BY THE INSTITUTION
25 TO ESTABLISH AN INSTITUTIONAL DEBT, INCLUDING A PROMISSORY NOTE, AN
26 ENROLLMENT AGREEMENT, A TUITION PAYMENT PLAN, OR A CONTRACT;

27 (7) A SUMMARY OF AND CITATION TO THE INSTITUTION'S POLICIES
28 RELATING TO AN ENROLLED STUDENT'S FINANCIAL OBLIGATIONS, INCLUDING:

29 (I) TUITION PAYMENT PLANS;

30 (II) STUDENT LOANS OWED TO THE INSTITUTION;

31 (III) ADMINISTRATIVE HOLDS;

1 (IV) DEBT COLLECTION; AND

2 (V) REPORTS TO CREDIT REPORTING AGENCIES; AND

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

5 ~~(D)~~ (C) NOTHING IN THIS SECTION MAY BE CONSTRUED TO REQUIRE AN
6 INSTITUTION OF POSTSECONDARY EDUCATION TO REPORT PERSONAL IDENTIFYING
7 INFORMATION OF AN ENROLLED STUDENT OR A FORMER STUDENT.

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

14 ~~(2) (I) BEFORE ASSESSING A PENALTY, THE COMMISSION SHALL~~
15 ~~SEND THE INSTITUTION OF POSTSECONDARY EDUCATION A NOTICE OF THE~~
16 ~~CHARGES AGAINST THE INSTITUTION AND GIVE THE INSTITUTION AN OPPORTUNITY~~
17 ~~TO REQUEST A HEARING WITHIN 20 DAYS AFTER RECEIPT OF THE NOTICE.~~

18 ~~(II) A NOTICE OF CHARGES UNDER SUBPARAGRAPH (I) OF THIS~~
19 ~~PARAGRAPH SHALL:~~

20 ~~1. DESCRIBE THE DEFICIENCIES IN THE REPORT; AND~~

21 ~~2. DIRECT THE INSTITUTION TO CORRECT THE~~
22 ~~DEFICIENCIES WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE.~~

23 ~~(3) IF THE INSTITUTION OF POSTSECONDARY EDUCATION REQUESTS~~
24 ~~A HEARING WITHIN THE 20 DAY PERIOD:~~

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

27 ~~(II) THE INSTITUTION SHALL HAVE THE OPPORTUNITY TO BE~~
28 ~~HEARD PUBLICLY BEFORE THE COMMISSION IN THE INSTITUTION'S OWN DEFENSE,~~
29 ~~IN PERSON, AND BY COUNSEL.~~

1 ~~(4) IF THE COMMISSION DETERMINES THAT AN INSTITUTION OF~~
 2 ~~POSTSECONDARY EDUCATION FAILS TO SUBMIT A REPORT REQUIRED UNDER~~
 3 ~~SUBSECTION (B) OF THIS SECTION OR KNOWINGLY INCLUDES INACCURATE~~
 4 ~~INFORMATION IN A REPORT, THE COMMISSION MAY IMPOSE A CIVIL PENALTY NOT~~
 5 ~~EXCEEDING \$10,000 FOR EACH VIOLATION~~ THE COMMISSION SHALL DEVELOP AND
 6 PUBLISH A DATA DICTIONARY THAT DEFINES THE TERMS, DATA ELEMENTS,
 7 CLASSIFICATIONS, AND REPORTING CATEGORIES REQUIRED UNDER THIS SECTION.

8 ~~(F)~~ (E) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT
 9 THIS SECTION.

10 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before July 1, 2027, the
 11 Maryland Higher Education Commission shall develop and publish the data dictionary
 12 required under § 11-212(d) of the Education Article, as enacted by Section 1 of this Act.

13 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 14 July 1, 2026.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.