

SENATE BILL 628

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6lr3326
CF HB 877

By: Senator Kramer

Introduced and read first time: February 5, 2026

Assigned to: Education, Energy, and the Environment

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
24 IN CAMPUS HOUSING, USING FACILITIES, OR OTHERWISE LIMITING THE STUDENT’S

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ACCESS TO THE INSTITUTION'S FACILITIES OR RESOURCES.

2 (3) "CHARGE OFF" MEANS AN ACCOUNTING MECHANISM BY WHICH
3 AN INSTITUTION OF POSTSECONDARY EDUCATION INDICATES IT NO LONGER
4 EXPECTS TO COLLECT AN INSTITUTIONAL DEBT, REGARDLESS OF WHETHER THE
5 INSTITUTION:6 (I) REMOVES THE DEBT FROM ITS RECORDS;
7 (II) PURSUES THE STUDENT OWING THE DEBT;
8 (III) ACCEPTS PAYMENT FOR THE DEBT; OR
9 (IV) SELLS THE DEBT.10 (4) "DEMOGRAPHIC CATEGORIES" MEANS THE FOLLOWING GROUPS
11 AND POPULATIONS:12 (I) RACE;
13 (II) ETHNICITY;
14 (III) AGE;
15 (IV) GENDER;
16 (V) IN-STATE OR OUT-OF-STATE RESIDENCY;
17 (VI) ENROLLMENT STATUS; AND
18 (VII) DEGREE, CERTIFICATE, OR CREDENTIAL CONFERRED OR
19 PURSUED.20 (5) (I) "INSTITUTIONAL DEBT" MEANS AN EXTENSION OF CREDIT,
21 A DEBT, OR AN OBLIGATION OWED OR INCURRED BY A STUDENT, IN THE STUDENT'S
22 CAPACITY AS A STUDENT, TO AN INSTITUTION OF POSTSECONDARY EDUCATION.23 (II) "INSTITUTIONAL DEBT" INCLUDES CREDIT, DEBT, OR
24 OBLIGATION FOR:25 1. TUITION CHARGES;
26 2. ROOM AND BOARD CHARGES; AND

1 3. FINES AND FEES.

2 (6) “NONJUDICIAL COLLECTION” MEANS COLLECTION OF
3 INSTITUTIONAL DEBT OWED BY A STUDENT TO A STATE AGENCY BY THE CENTRAL
4 COLLECTION UNIT IN THE DEPARTMENT OF BUDGET AND MANAGEMENT.5 (7) “TUITION PAYMENT PLAN” MEANS AN AGREEMENT UNDER WHICH
6 AN INSTITUTION OF POSTSECONDARY EDUCATION ALLOWS A STUDENT TO ENROLL
7 FOR AN ACADEMIC TERM AND DEFER PAYMENT OF PARTIAL OR FULL COSTS
8 ASSOCIATED WITH THAT TERM.9 (8) “VOLUNTARY PAYMENT” MEANS A PAYMENT MADE BY A STUDENT
10 TO AN INSTITUTION OF POSTSECONDARY EDUCATION TO PAY AN INSTITUTIONAL
11 DEBT, IN WHOLE OR IN PART, THAT WAS NOT MADE IN ACCORDANCE WITH A COURT
12 JUDGMENT OR A NONJUDICIAL COLLECTION.13 (B) (1) ON OR BEFORE OCTOBER 1, 2027, AND EACH OCTOBER 1
14 THEREAFTER, AN INSTITUTION OF POSTSECONDARY EDUCATION SHALL SUBMIT TO
15 THE COMMISSION A REPORT ON INSTITUTIONAL DEBT IN ACCORDANCE WITH
16 SUBSECTION (C) OF THIS SECTION.17 (2) ON OR BEFORE DECEMBER 1, 2027, AND EACH DECEMBER 1
18 THEREAFTER, THE COMMISSION SHALL, IN ACCORDANCE WITH § 2-1257 OF THE
19 STATE GOVERNMENT ARTICLE, SUBMIT A REPORT TO THE GENERAL ASSEMBLY
20 SUMMARIZING THE REPORTS SUBMITTED TO THE COMMISSION BY INSTITUTIONS OF
21 POSTSECONDARY EDUCATION UNDER THIS SECTION.22 (C) THE REPORT REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION
23 SHALL INCLUDE THE FOLLOWING INFORMATION AS REFLECTED ON THE LAST DAY
24 OF THE PREVIOUS FISCAL YEAR:25 (1) TOTAL STUDENT ENROLLMENT, DISAGGREGATED BY
26 DEMOGRAPHIC CATEGORIES;27 (2) TOTAL DOLLAR AMOUNT OF INSTITUTIONAL DEBT,
28 DISAGGREGATED BY:

29 (I) DEMOGRAPHIC CATEGORIES;

30 (II) NUMBER OF ENROLLED AND FORMER STUDENTS WHO OWE
31 INSTITUTIONAL DEBT;

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

(IV) TYPE OF CHARGES FOR WHICH INSTITUTIONAL DEBT WAS

INCURRED;

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

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

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

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

11 (II) NUMBER AND TOTAL AMOUNT OF INSTITUTIONAL DEBTS
12 UNDER TUITION PAYMENT PLANS, INCLUDING THE PERCENTAGE THAT ARE IN GOOD
13 STANDING OR PAST DUE;

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

17 (IV) NUMBER OF ENROLLED STUDENTS AND FORMER STUDENTS
18 WHO MADE VOLUNTARY PAYMENTS TO THE INSTITUTION DURING THAT FISCAL YEAR
19 AND THE TOTAL AMOUNT PAID;

20 (v) PERCENTAGE AND TOTAL AMOUNT OF INSTITUTIONAL
21 DEBT CHARGED OFF DURING THAT FISCAL YEAR;

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

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

28 (VIII) PERCENTAGE AND NUMBER OF STUDENT ACCOUNTS
29 SUBJECT TO LITIGATION BY THE INSTITUTION DURING THAT FISCAL YEAR AND THE
30 TOTAL AMOUNT 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

27 (D) NOTHING IN THIS SECTION MAY BE CONSTRUED TO REQUIRE AN

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.

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.