



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

House Bill 19
Higher Education – Maryland Public Service Loan Forgiveness Program -
Establishment
House Appropriations Committee
Hearing Date: March 10, 2026
Position: Favorable with Amendments

Maryland Legal Services Corporation (“MLSC”) respectfully submits this written testimony in support of House Bill 19 with amendments. House Bill 19 establishes a Maryland Public Service Loan Forgiveness Program to help repay student loan debt for individuals working in public service positions with the State. MLSC strongly supports the goal of addressing the significant student loan burden faced by individuals who choose careers dedicated to serving the public. However, MLSC respectfully urges the Committee to amend the legislation to include employees of nonprofit organizations that provide critical public services to Maryland residents.

MLSC’s mission is to ensure low-income Marylanders have access to stable, efficient, and effective civil legal assistance through the distribution of state funds to nonprofit legal services organizations across Maryland. The Maryland General Assembly created MLSC in 1982 to administer the state’s Interest on Lawyer Trust Accounts (IOLTA) program. Since that time, MLSC-funded organizations have assisted millions of Marylanders with civil legal needs including housing stability, family law, access to public benefits, consumer protection, and protection from domestic violence. MLSC does not provide direct legal services; rather, it serves as a grant-making and oversight entity responsible for fiscal accountability and compliance.

Nonprofit organizations across Maryland provide essential services that are integral to the State’s public service infrastructure. Employees of nonprofit legal services organizations, social service providers, and other public-interest nonprofits frequently earn salaries that are comparable to—or lower than—many government positions while performing critical work that directly serves Maryland residents. These nonprofit employees are an essential part of the broader public service workforce.

The federal Public Service Loan Forgiveness program recognizes this reality by including both government employees and employees of qualifying nonprofit organizations as eligible participants. Aligning Maryland’s program with this widely recognized federal framework would ensure that the State’s approach reflects the full scope of public service and supports the nonprofit workforce that partners with government to meet critical community needs.

For these reasons, Maryland Legal Services Corporation supports House Bill 19 and respectfully urges the Committee to adopt amendments expanding eligibility for the Maryland Public Service Loan Forgiveness Program to include employees of qualifying nonprofit organizations.

If we can provide any additional information, please do not hesitate to contact Michelle Siri, Executive Director, at msiri@mlsc.org or 443-961-5596.