

(c) "Higher education loan" means any loan for undergraduate or graduate study that is obtained for tuition, educational expenses or living expenses from:

(1) [(a)] A college or university, government, or commercial source; OR

(2) AN ORGANIZATION, INSTITUTION, ASSOCIATION, SOCIETY, OR CORPORATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C) (3) OR (4) OF THE INTERNAL REVENUE CODE OF 1986.

18-1602.

(a) There is a program of loan assistance repayment in the State.

(b) The State Scholarship Administration shall assist in the repayment of the amount of any higher education loan owed by an individual who:

(1) Receives a graduate, professional, or undergraduate degree from:

(i) A college or university in the State of Maryland; or

(ii) A school of medicine;

(2) Obtains eligible employment;

(3) Receives an income that is less than the maximum eligible total income levels established by the Administration, including any additional sources of income; and

(4) Satisfies any other criteria established by the Administration.

(c) An applicant for assistance in the repayment of a commercial loan shall demonstrate to the Administration that the commercial loan was used for tuition, educational expenses, or living expenses for graduate or undergraduate study.

(D) ASSISTANCE IN THE REPAYMENT OF A LOAN FROM AN ENTITY SET FORTH IN § 18-1601 (C) (2) OF THIS SUBTITLE SHALL REQUIRE THE APPROVAL OF THE ADMINISTRATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1990.

Approved May 29, 1990.

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CHAPTER 602

(House Bill 800)

AN ACT concerning