

SEC. 2. *And be it further enacted, That Section 7 of Article 43A of the Annotated Code of Maryland (1965 Replacement Volume), title "Higher Education Loan Program", be and it is hereby repealed and re-enacted, to read as follows:*

7.

*(a) The terms and conditions of any loan made or guaranteed by the corporation shall not require the borrower thereof to commence the repayment of his loan earlier than nine months or later than one year after he ceases to pursue a full-time or part-time course of study at an eligible college; provided, however, that the board may, by rule, provide that such repayment shall not commence during any period (1) during which the borrower is pursuing a full-time course of study at an institution of higher education or at a comparable institution approved by the United States Commissioner of Education; (2) not in excess of three years during which the borrower is a member of the armed forces of the United States; or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act. The board may, by rule, determine whether any such period shall be included in determining the ten-year period or the fifteen-year period provided in subsection (b) hereof.*

*(b) Such a borrower shall not be required to repay in full any such loan over a period of less than five years or more than ten years after commencement of repayment as provided in § 7(a) of this article; provided, however, (1) that the total of the payments by a borrower during any year of repayment with respect to all loans made or guaranteed by the corporation to him shall not be less than three hundred sixty dollars ~~of~~ OR the balance of all such loans, whichever amount is less; and (2) notwithstanding any other provision of this article to the contrary, the period of any loan made or guaranteed by the corporation shall not exceed fifteen years from the execution of the note or written agreement evidencing it.*

*(c) Notwithstanding any other provision of this article to the contrary, any borrower of a loan made or guaranteed by the corporation may accelerate repayment of all or any part of such loan without penalty.*

*(d) Notwithstanding anything to the contrary provided in this section, the THE corporation may make or guarantee a loan under terms and conditions with respect to repayment which are more lenient or more restrictive as to the borrower than provided for by this section if the board determines that such action on its part is justified by special circumstances and would be consistent with the general objectives of the corporation. In the case of medical students, consideration shall be given to the period of formal internship, residency training and fellowship, if any, and to financial need in determining the period of repayment.*

SEC. 3. *And be it further enacted, That this Act shall take effect July 1, 1966.*

Approved April 29, 1966.