

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 302

AN ACT concerning

Maryland Higher Education Loan Corporation – Dissolution

FOR the purpose of requiring the dissolution of the Maryland Higher Education Loan Corporation by a certain date; requiring the Board of the Corporation, in consultation with the Maryland Higher Education Commission, to ~~enter into certain negotiations with certain entities~~ make a certain recommendation to the United States Secretary of Education; requiring the Office of Legislative Audits to perform a certain audit; providing for the severability of this Act; and generally relating to the powers and authority of the Maryland Higher Education Loan Corporation.

BY repealing and reenacting, with amendments,

Article – Education

Section 18-1003 and 18-1014

Annotated Code of Maryland

(1992 Replacement Volume and 1993 Supplement)

Preamble

WHEREAS, The Maryland Higher Education Loan Corporation has, since its inception in 1963, faithfully fulfilled its mission to improve the higher educational opportunities of persons who are residents of this State; and

WHEREAS, The Board and staff of the Corporation have fulfilled their fiduciary duty to the State and to the students of the State with diligence and distinction; and

WHEREAS, Notwithstanding the best efforts of the Corporation and other guaranty agencies, there has been fraud and abuse in the Title IV federally guaranteed loan programs by certain institutions; and

WHEREAS, In response to this fraud and abuse, the Congress of the United States and the United States Department of Education have established and are implementing changes to the Title IV loan programs that will affect the operation of the Corporation; and

WHEREAS, These changes warrant the orderly dissolution of the Corporation; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Education

18-1003.