

## Article - State Government

10-616.

(N) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A CUSTODIAN SHALL DENY INSPECTION OF ANY RECORD DISCLOSING THE NAME OF A PURCHASER OR QUALIFIED BENEFICIARY OF A ~~PREPAID-TUITION~~ HIGHER EDUCATION INVESTMENT CONTRACT UNDER TITLE 18, SUBTITLE 19 OF THE EDUCATION ARTICLE.

(2) A CUSTODIAN:

(I) SHALL PERMIT INSPECTION BY A PERSON IN INTEREST; AND

(II) MAY RELEASE INFORMATION TO AN ELIGIBLE INSTITUTION DESIGNATED IN A ~~PREPAID-TUITION~~ HIGHER EDUCATION INVESTMENT CONTRACT IN ACCORDANCE WITH REGULATIONS OF THE MARYLAND ~~PREPAID-TUITION~~ HIGHER EDUCATION INVESTMENT PROGRAM BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That, for Fiscal Year 1998, the Governor shall include in the State budget an appropriation for the Maryland ~~Prepaid Tuition Program for the administrative and start-up costs for the Maryland Prepaid Tuition Program.~~ Higher Education Investment Program for the administrative and start-up costs for the Maryland Higher Education Investment Program.

SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the initial public members of the Maryland ~~Prepaid Tuition~~ Higher Education Investment Program Board shall expire as follows:

- (1) one member in 2000;
- (2) one member in 2001;
- (3) one member in 2002; and
- (4) one member in 2003.

SECTION 4. AND BE IT FURTHER ENACTED, That, before establishing the program of ~~prepaid-tuition~~ higher education investment contracts, the Maryland ~~Prepaid Tuition~~ Higher Education Investment Program Board shall solicit an opinion letter from the United States Securities Exchange Commission, concerning the application of federal security laws to the Maryland ~~Prepaid Tuition~~ Higher Education Investment Program.

SECTION 5. ~~AND BE IT FURTHER ENACTED,~~ That any efforts undertaken by the Maryland Higher Education Investment Program Board to market the Maryland Higher Education Investment Program must include full disclosure that the contract entered into under the provisions of this Act does not guarantee that the earnings of the assets invested in the Program will generate the difference between the projected costs of tuition under the contract and the actual costs at the time of enrollment.

SECTION 5-6. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 1997~~ July 1, 1997.

Approved April 29, 1997.