

(iii) The contract is canceled by the purchaser.

(2) The time that a qualified beneficiary spends in active duty as a member of the United States armed forces shall be added to the time period allowed to exercise the benefits under a higher education investment contract before a termination under paragraph (1) of this subsection.

18-1914.

(a) Nothing in this subtitle or in any higher education investment contract may be construed as a promise or guarantee by the Board of admission to, continued enrollment at, or graduation from an institution of higher education [in the State].

(b) The actual tuition rate charged to a qualified beneficiary shall be determined at the time of enrollment in accordance with the residency policy adopted by the governing board of the institution of higher education at which the qualified beneficiary enrolls.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed retroactively and shall be applied to and interpreted to affect all higher education contracts purchased prior to the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1999.

Approved May 27, 1999.

CHAPTER 552

(Senate Bill 343)

AN ACT concerning

Creation of a State Debt - Baltimore City - Baltimore Clayworks, Inc.

FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$600,000~~ \$500,000, the proceeds to be used as a grant to the Board of Directors of Baltimore Clayworks, Inc. for certain development or improvement purposes; providing for disbursement of the loan proceeds, subject to a requirement that the grantee provide and expend a matching fund; requiring the grantee to grant and convey a certain easement to the Maryland Historical Trust; and providing generally for the issuance and sale of bonds evidencing the loan.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Baltimore City - Baltimore Clayworks, Inc. Loan of 1999 in a total principal amount equal to the lesser of (i) ~~\$600,000~~ \$500,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,