

(1) Makes or undertakes the obligation to make advance payments of ~~undergraduate or graduate tuition~~ QUALIFIED HIGHER EDUCATION EXPENSES as provided under a [higher education investment] PREPAID contract; and

(2) Except as provided in § 18-1909(b) of this subtitle, is a resident of Maryland or of the District of Columbia at the time that the purchaser enters into a [higher education investment] PREPAID contract.

[(g)](J) "Qualified beneficiary" means an individual who:

(1) Is eligible to apply advance ~~tuition~~ payments OF QUALIFIED HIGHER EDUCATION EXPENSES to undergraduate or graduate ~~tuition~~ QUALIFIED HIGHER EDUCATION EXPENSES at an eligible institution of higher education under the provisions of this subtitle; and

(2) Except as provided in § 18-1909(b) of this subtitle, is a resident of the State or of the District of Columbia at the time that the purchaser enters into a [higher education investment] PREPAID contract.

(K) "QUALIFIED HIGHER EDUCATION EXPENSES" HAS THE MEANING STATED IN § 529(E) OF THE INTERNAL REVENUE CODE.

(L) "QUALIFIED STATE TUITION PROGRAM" HAS THE MEANING STATED IN § 529 OF THE INTERNAL REVENUE CODE.

[(h)](M) "Tuition" means the charges imposed by an eligible institution of higher education for enrollment at the institution and includes registration and all fees required as a condition of enrollment.

18-1903.

(a) There is a Maryland [Higher Education Investment Program] PREPAID COLLEGE TRUST.

(b) The purpose of the Program is to provide:

(1) A means for payment of the cost of tuition in advance of enrollment at an eligible institution of higher education; and

(2) An assurance to a beneficiary who enrolls at an eligible institution of higher education that the Board shall make every effort to invest the advance payments so that the [higher education investment] PREPAID contract will cover the average in-state tuition costs at public institutions of higher education in the State at the time that the benefits are exercised.

(c) The funds of the Program consist of:

(1) Payments received from [higher education investment] PREPAID contracts made under the provisions of this subtitle;

(2) Bequests, endowments, or funds from any other available private source;