

MARYLAND HIGHER EDUCATION COMMISSION

MEETING BOOKLET

Time: 1:00 PM – 4:00 PM
November 15, 2017

Place: Maryland Higher Education Commission
6 N. Liberty St, 7th Floor Board Room
Baltimore, MD 21201

Maryland Higher Education Commission

Anwer Hasan, Chairman

Sandra L. Jimenez, Vice-Chair

Vivian S. Boyd

John Holaday

Vera R. Jackson

Russell V. Kelley

Bryson Barksdale, Student Commissioner

Ian MacFarlane

Donna M. Mitchell

Joel Packer

Rizwan A. Siddiqi

John W. Yaeger

James D. Fielder, Jr., Ph.D.
Secretary

Lawrence J. Hogan, Jr.
Governor

Boyd K. Rutherford
Lt. Governor



Larry Hogan
Governor

Boyd K. Rutherford
Lt. Governor

Anwer Hasan
Chairperson

James D. Fielder, Jr., Ph. D.
Secretary

Maryland Higher Education Commission Meeting Agenda

TIME: 1:00 p.m. - 4:00 p.m.
Wednesday,
November 15, 2017

PLACE: Maryland Higher Education Commission
6 N. Liberty Street, 7th FL Board Room
Baltimore, MD 21201

	Page	Action Item
Call to Order		
Chairman's and Secretary's Remarks		
Regina Lightfoot Award		
Faculty Advisory Council		
Commission Committee Reports		
2017-2021 State Plan		
Office of Student Financial Assistance – Donna Thomas		
• MLARP Foster Care Recipient Program – Proposed Regulations	1	*
Office of the Attorney General – Christine Wellons		
• Update re: <i>Coalition for Equity and Excellence in Maryland Higher Education, et al. v. MHEC, et al.</i>		
Adjournment		



Larry Hogan
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Chairperson

James D. Fielder, Jr., Ph. D.
Secretary

MEMORANDUM

DATE: November 15, 2017

TO: Maryland Higher Education Commissioners

FROM: Donna Thomas, Director

SUBJECT: Proposed Approval of COMAR Program Regulations—
Maryland Loan Assistance Repayment Program for Foster Care Recipients

The purpose of this memorandum is to request approval to publish for comment proposed regulations for the Maryland Loan Assistance Repayment Program for Foster Care Recipients (MLARP Foster Care Recipients).

The purpose of the Maryland Loan Assistance Repayment Program for Foster Care Recipients is to provide State assistance in the repayment of educational loans owed by a foster care recipient employed by the State or a county or municipality of the State.

If approved for publication by the Commission, these regulations will be submitted to the Administrative, Executive and Legislative Review (AELR) Committee for review for at least fifteen (15) days before they are submitted to the Maryland Register for publication. The regulations will undergo a thirty day comment period and will return to the Commission for final adoption.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve for publication the attached proposed regulations for the Maryland Loan Assistance Repayment Program for Foster Care Recipients, and authorize MHEC's attorneys to approve non-substantive revisions as necessary to conform the proposed regulations to the stylistic and formatting requirements of AELR and of the Division of State Documents.

Title 13B
MARYLAND HIGHER EDUCATION COMMISSION

Subtitle 08 FINANCIAL AID

Chapter 17 Maryland Loan Assistance Repayment Program for Foster Care Recipients

Authority: Education Article, §§11-105(u) and 18-204(c) and Subtitle 3 of Title 18, Annotated Code of Maryland

.01 PURPOSE.

A. The purpose of the Maryland Loan Assistance Repayment Program for Foster Care Recipients is to provide State assistance in the repayment of educational loans owed by a foster care recipient employed by the State or a county or municipality of the State.

.02 DEFINITIONS.

A. "MLARP Foster Care" means Maryland Loan Assistance Repayment Program for Foster Care Recipients

B. "Foster Care Recipient" means an individual who was placed in an out-of-home placement by a state's or unit of a state government's department of social services for 3 years or more

C. "OSFA" means the Office of Student Financial Assistance within the Commission.

D. "Higher education loan" means any loan for undergraduate or graduate study that is obtained for tuition, educational expenses, or living expenses from:

(1) An institution of higher education, government, or commercial source; or

(2) An organization, an institution, an association, a society, or a corporation that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code of 1986

.03 ELIGIBILITY.

A. To be eligible for assistance under MLARP Foster Care, an applicant shall:

(1) have received an undergraduate or graduate degree from a college or university located in Maryland;

(2) be employed at least part-time (20+ hours per week) by the State or a county or municipality of the State;

(3) not be in default on any higher education loan;

(4) have a higher education; and

(5) have been placed in an out-of-home placement by the State or local department of social services for 3 years or more.

.04 APPLICATION PROCEDURES.

A. To be considered for the MLARP Foster Care, an applicant shall provide to OSFA:

(1). A completed application, in the form prescribed by OSFA;

(2). A copy of the applicant's Maryland tax return for the most recent available year or, if not filed with the state, a copy of the applicant's most recent Federal return or Letter 1077 from IRS confirming non-filing status;

(3). Proof of graduation from a college or university in Maryland;

(4). Verification of being in foster care in the State for at least three (3) years;

(5). A statement from an eligible employer confirming the nature of the job, length of employment, and at least part-time employment status; and

(6). Documentation of current repayment data on all educational loans. An applicant for assistance in the repayment of a commercial loan shall demonstrate to OSFA that the commercial

loan was used for tuition, educational expenses, or living expenses for undergraduate or graduate study.

B. Applications shall be received between October 1 and December 15 of each year. An application postmarked later than December 15 shall not be considered.

C. Each student shall agree to provide any information or documentation requested by OSFA for the purpose of administering this program and, if requested, shall sign an authorization for the release of information to OSFA for the purpose of administering this program. The student's failure or refusal to provide requested information or a signed authorization may result in a determination of ineligibility, the cancellation of an award, and the denial of a request for the deferment or waiver of a service obligation.

.05. DETERMINATION OF AWARD AMOUNT.

A. An award amount shall be determined by the Secretary based upon a recipient's verified overall reported educational debt at the time of application.

B. Award funds are distributed in annual amounts, for up to three (3) years, provided that the recipient remains eligible and continues to submit required annual employment, lender, and tax documentation.

.06 AWARD PROCEDURES.

A. Applicants shall be ranked and awarded according to the submission date of their completed application.

B. Applicants who are not selected shall be placed on a waitlist pending the availability of funding.

C. Applicants not selected in an award year must reapply for consideration in a subsequent award year, and will be ranked according to the submission date of their completed application.

D. OSFA has the authority to verify information concerning applicants and recipients for the purpose of administering this program.

.07 AWARD CALCULATION. A. Awards shall be determined by an applicant's overall reported debt at the time of application; B. Award amounts shall be equal to the lesser of 10% of the applicant's total educational loan debt or \$5,000 for each year the individual qualifies.

.08 RECIPIENT OBLIGATIONS.

A. A recipient shall furnish OSFA with acceptance of the award and sign a promissory note and employment obligation agreement with OSFA.

B. The promissory note and service obligation agreement shall include:

- (1). The obligations of the recipient;
- (2). The total and annual amounts of the award;
- (3). Penalties for breach of contract;
- (4). Circumstances under which the obligation may be cancelled, suspended, or waived; and
- (5). Any other terms the Secretary considers necessary.

C. A recipient shall:

- (1). Verify eligible employment initially, after six months, and at the end of each year in the program;
- (2). Verify the current status of all educational loans each year in the program;
- (3). Verify being in foster care for at least three (3) years at the time of the initial application only;
- (3). Submit a copy of their Maryland tax returns for any year during which an award is received and Federal return if requested; and

(4). Notify OSFA and their lending institutions of any change in employment status.

.09 VERIFICATION.

A. OSFA shall require annual verification that the recipient is fulfilling the recipient's obligation under the service obligation agreement.

B. Prior to issuing checks for subsequent years of service, OSFA shall receive confirmation from the eligible employer that the recipient, in accordance with the service obligation agreement, remains employed.

.10 PAYMENT.

A. Recipients of the MLARP Foster Care shall receive an annual loan repayment under the following conditions:

(1) OSFA shall verify the recipient's employment and lender information;

(2) OSFA shall issue an annual check co-payable to the recipient and the lender; and

(3) The recipient shall endorse the check and forward it to the lender;

B. If a recipient fails to notify OSFA that the recipient receives other loan repayment assistance their award shall be canceled.

.11 EMPLOYMENT OBLIGATION.

A. If a recipient works at least 20 hours per week, the employment obligation shall be fulfilled at a rate of one-year for each year that the award was received.

B. Those recipients not completing the required employment obligation shall be responsible for repaying the award in full or in part, proportionally to that part of the year for which employment was not completed.

.12 BREACH OF PROMISSORY NOTE AND EMPLOYMENT OBLIGATION AGREEMENT.

A. Breach.

A recipient shall be deemed to be in breach of the promissory note and employment obligation agreement with the Office if, among other reasons specified in the note and agreement, the recipient does not maintain eligible employment prior to fulfilling the employment obligation.

.13 REPAYMENT

A. If a recipient fails to carry out the obligations required under this program, the recipient shall repay the State the amount of the award provided plus interest.

B. Repayment may be prorated if the recipient partially fulfills the obligation, as determined by the OSFA.

C. Interest on the funds advanced shall accrue at an interest rate equal to the interest rate established by the United States Department of Education for the Federal Stafford Loan on the first day of July of each year.

D. Interest shall begin accruing as of the date the funds were provided to the student.

.14 DEFERMENT OF REPAYMENT.

A. A recipient may request that repayment required under regulation .13 be deferred if the recipient is:

(1) Unable to maintain employment within their current field for a period not to exceed 12 months because the recipient must care for a spouse or child who is disabled;

(2) Assigned military duty outside of the State, not to exceed 3 years without filing an appeal under E of this regulation; or

(3) Married to a spouse assigned military duty outside of the State, not to exceed 3 years without filing an appeal under E of this regulation.

B. A recipient's deferment request shall include satisfactory supporting documentation. Such documentation shall consist of the following, as applicable:

(1) A sworn affidavit by a qualified physician that the recipient is unable to maintain employment within their current field because the recipient must care for a spouse or child who is disabled; or

(2) A copy of military orders.

C. The Office of Student Financial Assistance (OSFA) shall review all documentation and determine if the deferment conditions have been met and, if so, determine the deferment period.

D. A recipient need not make repayments and interest does not accrue during the period of an approved deferment.

E. The OSFA shall, on a case-by-case basis, review appeals from individuals assigned military duty outside the State, or married to a spouse assigned military duty outside the State, that exceeds the 3-year deferral limit. Appeals shall be in writing and include a copy of the military orders.

.15 CANCELATION, WAIVER, SUSPENSION, AND DEFERMENT OF SERVICE OBLIGATION.

A. Any employment or payment obligation incurred by a recipient is canceled upon the recipient's death, upon provision to OSFA of a death certificate or other evidence of death that is conclusive under State law.

B. The Office may waive or suspend for up to 1 year a recipient's employment or payment obligation if, in the determination of the Director of the Office, compliance by the recipient with the terms and conditions of their employment obligation agreement is impossible or would involve extreme hardship.

C. The Office may consider deferment of the recipient's obligation in the following circumstances:

(1) Military service for a period not to exceed 3 years;

(2) Extended illness verified by a physician;

(3) Extenuating family circumstances to be decided on a case-by-case basis at the sole discretion of the Director of the Office; and

(4) Maternity/paternity leave not to exceed 6 months.



MHEC
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Maryland Higher Education Commission 2017 Meeting Dates

The Maryland Higher Education Commission (MHEC) is Maryland's higher education coordinating board responsible for the management of statewide financial aid programs and the establishment of statewide policies for public and private colleges and career schools to support students' postsecondary pursuits.

Meeting Dates and Locations

January 25, 2017 Cancelled	July 27, 2017 9:00 am to 4:00 pm Rescheduled June Meeting
February 13, 2017 *Please note date change*	September 27, 2017 9:30 am to 3:30 pm
March 22, 2017	October 25, 2017
April 26, 2017	November 15, 2017 *Please note date change*
May 24, 2017 Cancelled	December 13, 2017 *Please note date change*

All Commission Meetings will be held on the 4th Wednesday of Each Month from 1:00pm to 4:00pm at the Maryland Higher Education Commission in the 7th Floor Board Room located at 6 N. Liberty Street, Baltimore, MD 21201 unless otherwise noted.

Dates and Times Subject to Change

<http://www.mhec.state.md.us/higherEd/about/Meetings/mtgsched.asp>



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January 24, 2018	June 27, 2018
February 28, 2018	September 26, 2018 9:30am to 3:30pm
March 28, 2018	October 24, 2018
April 25, 2018	November 14, 2018 *Please note date change*
May 23, 2018	December 12, 2018 *Please note date change*

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