

MARYLAND HIGHER EDUCATION COMMISSION

MEETING BOOKLET

Time: 1:00 PM
Wednesday, June 28, 2023

Place: Video Teleconference
(Google Meet)

Maryland Higher Education Commission

Mary Pat Seurkamp, Ph.D., Chair

Charles McDaniels, Jr., Vice Chair

Senchal D. Barrolle, Esq.

Vivian S. Boyd, Ph.D.

Lewis R. Brown, Ed.D.

James E. Coleman

Judge Barbara Kerr Howe

James B. Sellinger, Sr.

Ray Serrano, Ph.D.

Rebecca Taber Staehelin

Craig A. Williams, Ph.D.

Sade Davis, Student Commissioner

Sanjay Rai, Ph.D.
Acting Secretary

Wes Moore
Governor

Aruna Miller
Lt. Governor



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Mary Pat Seurkamp, Ph.D.
Chair

Sanjay Rai, Ph.D.
Acting Secretary

**Maryland Higher Education Commission
Meeting Agenda**

TIME: 1:00 p.m.
Wednesday
June 28, 2023

PLACE: Video Teleconference
(Google Meet)

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The next Commission meeting is on Wednesday, July 26, 2023 @ 1:00 p.m.

Maryland Higher Education Commission
Meeting Minutes

April 26, 2023
1:00 p.m.

The Maryland Higher Education Commission (MHEC) met on Wednesday, April 26, 2023 via video teleconference (Google Meet).

Commission members present:

Mary Pat Seurkamp, Ph.D., Chair	James E. Coleman
Charles McDaniels, Jr., Vice Chair	Judge Barbara Kerr Howe
Senchal D. Barrolle, Esq.	Ray Serrano, Ph.D.
Vivian S. Boyd, Ph.D.	

Commission members not present:

Lewis R. Brown, Ed.D.	Craig A. Williams, Ph.D.
James B. Sellinger, Sr.	Sade Davis, Student Commissioner

Staff members present:

Al Dorsett	Emily A. A. Dow, Ph.D.
Ebony Walters	Jeffrey White
Lee Towers	Trish Gordon McCown
Glenda Abney	Jennifer Fischetti
Deborah Ing	Alexandra Edelstein
Rhonda Wardlaw	Soma Kedia
Shayla Hunter	Rose Robinson
Lyndsay Bates	Frances Turner
Bryson Barksdale	

Call to Order

The meeting was called to order by **Chair Seurkamp** at approximately 1:00 p.m. A meeting quorum was established with seven (7) of the eleven (11) members present.

Chair's Remarks

Chair Seurkamp welcomed everyone and announced the appointment of Dr. Sanjay Rai by the Governor to the position of Acting Secretary of Higher Education. He is the former Senior Vice President for Academic Affairs at Montgomery College. His first day will be May 3rd. Senior staff at MHEC are currently planning the transition. **Chair Seurkamp** then gave an overview of the meeting agenda.

Public Comments

There were no public comments.

Approval of Minutes – Action Item

There was a motion by **Commissioner Serrano** and a second by **Commissioner Coleman** for the approval of the February 22, 2023 open meeting minutes and the February 22, 2023 closed session minutes. The motion was approved unanimously.

Commissioner Committee Updates

Education Policy Committee: There was no update to share.

Outreach, Grants, and Financial Assistance Committee: **Commissioner Coleman** invited Commissioners to participate in a podcast or video promoting the work of MHEC. Those interested should let him know. He would then place them in touch with the Director of Communications about producing a podcast or video.

Finance and Operations Committee: There was no update to share.

Diversity, Equity, and Inclusion Committee: **Vice Chair McDaniels** reported that, at their last meeting in March, the committee was able to provide input into questions for institutions completing their Performance Accountability Report. Their next meeting will be in May.

Department of Finance and Administration – Office of Finance Policy – Final Adoption of Amendments to COMAR 13B.07.02.03 – Community Colleges Student Residency Policy – Action Item

Chair Seurkamp recognized Ms. Soma Kedia, Assistant Attorney General, who presented this item. On August 24, 2022, the Commission approved a proposed regulatory amendment to the computation of State aid to community colleges based on a newly enacted § 15-106.11 of the Education Article, Annotated Code of Maryland, which exempts returned Peace Corps volunteers who are domiciled in the State from paying nonresident tuition at a public institution of higher education in the State and establishes that returned Peace Corps volunteer students shall be included as in-State residents for the computation of State aid to community colleges.

The proposed amendments were published in the Maryland Register on February 24, 2023. The public comment period for the amendments ended on March 27, 2023, and no public comments were received. The regulatory amendments became eligible for final adoption on April 11, 2023.

The proposed amendments to the regulations are ready for the Commission's final adoption. The amendments will become effective 10 days after notice of the final adoption is published in the Maryland Register.

Ms. Kedia recommended that the Commission approves for final adoption the proposed regulatory amendment to the computation of State aid to community colleges. **Commissioner Howe** made a motion for approval and **Commissioner Serrano** seconded the motion. The motion was approved unanimously.

Department of Finance and Administration – Office of Student Financial Assistance – Update on Initial Educational Excellence Awards (EEA) for the 2023-2024 Award Year – Information Item

Chair Seurkamp recognized Mr. Al Dorsett, Director of the Office of Student Financial Assistance, to present this item. Initial awarding for the Educational Excellence Awards (EEA) was recently completed. The final deadline for students to submit required documents is May 15. In total, 43,323 students and \$147,928,575 were awarded.

Department of Finance and Administration – Office of Student Financial Assistance – Approval of Proposed Amendments to COMAR 13B.08.20 – Cybersecurity Public Scholarship Program – Action Item

Chair Seurkamp recognized Mr. Dorsett to present this item. Under § 18-3501 et seq., of the Education Article, Annotated Code of Maryland, the Cybersecurity Public Service Scholarship Program supports students who are pursuing an education in programs that are directly relevant to cybersecurity. The awarding of the Cybersecurity Public Service Scholarship Program is governed by COMAR 13B.08.20.

On September 29, 2022, the Commission approved proposed amendments to the regulations for the Cybersecurity Public Service Scholarship Program for submission to AELR and publication in the Maryland Register. The purpose of the proposed amendments was to: (a) adjust the scholarship regulations to accommodate legislative changes that expanded eligibility to part-time students and altered the eligible employers for the mandatory service obligation; (b) streamline the renewal process and limit the bases for deferment of the service obligation; and (c) make stylistic and basic formatting changes. The proposed amendments were published in the Maryland Register on February 24, 2023.

Though the prior proposed amendments received no public comments and are eligible for final adoption, the Office of Student Financial Assistance recommends withdrawing that proposal and submitting a new proposal including additional amendments to change the definition of full-time and part-time for graduate students and to make an additional adjustment to appropriately accommodate part-time students. These changes to the proposal have been approved for legality by MHEC's Assistant Attorneys General as required by the Maryland Administrative Procedure Act.

Upon approval, proposed regulations and regulatory amendments are submitted to the legislature's Joint Committee on Administrative, Executive, and Legislative Review (AELR), after which they are submitted to the Division of State Documents (DSD) for publication in the Maryland Register. After a public comment period, they may be brought back before the Commission for final adoption.

Mr. Dorsett recommended that the Commission: (1) Authorizes the withdrawal of the proposed regulatory amendments to the Cybersecurity Public Service Scholarship Program approved by the Commission on September 29, 2022; (2) Approves for publication in the Maryland Register the proposed regulatory amendments to the Cybersecurity Public Service Scholarship Program; and (3) Authorizes its Assistant Attorney General to make non-substantive edits to the proposed regulations to conform to the stylistic and formatting requirements of AELR and DSD.

Commissioner Howe made a motion for approval and **Commissioner Boyd** seconded the motion. The motion was unanimously approved.

Department of Finance and Administration – Office of Student Financial Assistance – Final Adoption of New Regulations for COMAR – Veterans of the Afghanistan and Iraq Conflicts Scholarship Program – Action Item

Chair Seurkamp recognized Mr. Dorsett to present this item. On September 29, 2022, the Commission approved new regulations for the Veterans of the Afghanistan and Iraq Conflicts Scholarship Program, which provides financial assistance to military service members, veterans, reservists, and their family members. The purpose of the regulations is to formalize internal guidelines for the program and expand the eligibility of family members for the program by including stepchildren in addition to children and spouses, pursuant to Ch. 23, 2022 Acts of Maryland (HB 734).

The proposed amendments were published in the Maryland Register on February 24, 2023. The public comment period for the amendments ended on March 27, 2023, and no public comments were received. The regulatory amendments became eligible for final adoption on April 11, 2023.

The proposed amendments to the regulations are ready for the Commissioner’s final adoption. The amendments will become effective 10 days after notice of the final adoption is published in the Maryland Register.

Mr. Dorsett recommended that the Commission approves for final adoption the proposed new regulations for the Veterans of the Afghanistan and Iraq Conflicts Scholarship Program.

Commissioner Howe made a motion for approval and **Commissioner McDaniels** seconded the motion. The motion was approved unanimously.

Department of Academic Affairs – Final Adoption of Amendments to COMAR 13B.01.01.17 and 13B.02.06 – Veterans’ Education Protection Act (90/10 Rule) – Action Item

Chair Seurkamp recognized Dr. Emily Dow, Assistant Secretary for Academic Affairs, to present this item. On October 26, 2022, the Commission approved proposed regulatory amendments regarding the Veterans’ Education Protection Act, 2020 Maryland Laws Ch. 546 (SB 294), which is codified at § 11-210 of the Education Article, Annotated Code of Maryland. The purpose of the amendments is to create a process for MHEC to monitor and enforce the compliance of for-profit institutions of higher education and private career schools that are

requirements for these schools. The schools are prohibited from enrolling new Maryland residents if revenue from federal funds, including veterans' education benefits, exceeds 90% of all annual instructional revenue during two of the three preceding fiscal years.

The proposed amendments were published in the Maryland Register on February 24, 2023. The public comment period for the amendments ended on March 27, 2023 and one public comment was received. The comment supports the regulatory amendments. The regulatory amendments became eligible for final adoption on April 11, 2023.

The proposed amendments to the regulations are ready for the Commission's final adoption. The amendments will become effective 10 days after notice of the final adoption is published in the Maryland Register.

Dr. Dow recommended that the Commission approves for final adoption the proposed regulatory amendments regarding the Veterans' Education Protection Act (90/10 Rule). **Commissioner Howe** made a motion for approval and **Commission Boyd** seconded the motion. The motion was approved unanimously.

Department of Academic Affairs – Final Adoption of Amendments to COMAR 13B.03.01 – Certification Standards and Procedures for Emergency Services Instructors – Action Item

Chair Seurkamp recognized Dr. Dow to present this item. On August 24, 2022, the Commission approved proposed regulatory amendments to the regulations governing certification standards for emergency services instructors. The purpose of the amendments is to change these standards to emphasize core knowledge for training of emergency services personnel. These regulations are enforced by the Maryland Instructor Certification Review Board (MICRB) through the Maryland Fire-Rescue Education and Training Commission, an entity within the Maryland Higher Education Commission.

The proposed amendments were published in the Maryland Register on February 24, 2023. The public comment period for the amendments ended on March 27, 2023, and no public comments were received. The regulatory amendments became eligible for final adoption on April 11, 2023.

The proposed amendments to the regulations are ready for the Commission's final adoption. The amendments will become effective 10 days after notice of the final adoption is published in the Maryland Register.

Dr. Dow recommended that the Commission approves for final adoption the proposed regulatory amendments to the certification standards and procedures for emergency services instructors. **Commissioner Howe** made a motion for approval and **Commissioner Serrano** seconded the motion. The motion was approved unanimously.

Review Meeting – Proposal of Stevenson University for a Doctor of Physical Therapy Program

Chair Seurkamp gave an overview of the review meeting process. Dr. Dow will have 30 minutes to explain her decision to recommend for implementation the proposed program from Stevenson University for a new Doctor of Physical Therapy (DPT). The University of Maryland, Baltimore (UMB) and the University of Maryland Eastern Shore (UMES), the objecting institutions, will each also have 30 minutes to explain the rationale for their objections. Lastly, Stevenson University will have 10 minutes to present their proposed program to the Commissioners. All parties may use any remaining time to respond to the others' presentations.

Chair Seurkamp recognized Dr. Dow to give her presentation. Dr. Dow remarked that there is, in fact, duplication amongst the programs. However, there is educational justification for duplication for three reasons:

- 1) There is evidence of market demand for physical therapists, according to statistics from the Maryland Department of Labor and the U. S. Department of Labor. Furthermore, the American Council of Academic Physical Therapy (ACAPT) has retracted their 2021 letter, which had suggested a national pause in the implementation of new DPT programs due to a projected surplus of professionals.
- 2) There is market demand for Maryland students interested in physical therapy education.
- 3) There is a clear distinction between the institutions. Stevenson is a small, private, independent institution located in Baltimore County, UMB is a public institution located in Baltimore City, and UMES is a public institution located on the eastern shore.

Commissioner Serrano asked Dr. Dow how often are the statistics from the state and federal labor departments updated, and what was the change between the time that Stevenson's program was initially denied in 2021 to the present day. Dr. Dow answered that statistics are updated every 2-3 years. Both times, there was a need projected. The difference this time is the retraction of ACAPT's letter. **Commissioner Boyd** asked how the extra demand for clinical placements would affect the existing programs. Dr. Dow replied that they did not find evidence of demonstrable harm to UMB, which is in relative close proximity to Stevenson. **Chair Seurkamp** asked what consideration was given to the additional demand for faculty with the implementation of Stevenson's program. Dr. Dow responded that this factor did not play a role in their decision-making. Other clarifying questions were asked.

Chair Seurkamp recognized Dr. Alison Wrynn, Senior Vice Chancellor for Academic and Student Affairs, University System of Maryland, who emphasized the importance of addressing workforce demand and avoiding unnecessary duplication. Dr. Roger Ward, Provost and Executive Vice President and Dean, Graduate School, University of Maryland, Baltimore, remarked that the proposed program would cause demonstrable and irreparable harm. Stevenson University cannot be successful, if the proposed program is allowed to be implemented, without competing for resources, including faculty and clinical placements. President Bruce Jarrell of the University of Maryland, Baltimore added that the proposed program would increase the competition for students and lower their enrollment, impacting their finances and program quality. Dr. Victoria Marchese, Chair of the Department of Physical Therapy and Rehabilitation Science at UMB, noted that the climate of the field has changed. There is now a large number of existing and developing DPT programs in the country, a decline in the number of applicants, and

a decline in their outcome measures. Additionally, despite the fact that demand is going up, an over-supply of PT students will follow in the near future. There are also the issues related to competition for faculty and clinical placements. Several Commissioners asked clarifying questions.

Chair Seurkamp recognized Dr. Heidi Anderson, President of the University of Maryland Eastern Shore, who urged the Commission to overturn Assistant Secretary Dow's decision. Stevenson's proposed program would do harm to the other two programs and negatively affect students and, eventually, patients. Dr. Michael Rabel, Chair of the Department of Physical Therapy at UMES, claimed that the Assistant Secretary's decision was biased and did not explain all the data. There is currently a decrease in enrollment and matriculation. Furthermore, there will be a future over-supply of physical therapists (not enough jobs). ACAPT's retraction of their 2021 letter was also portrayed inaccurately. It should not be inferred that retracting the letter was due to a change in circumstances. UMES reached out to Stevenson as well about collaborating, but they did not receive a response from them. Dr. Sandeep Gopalan, Vice Provost for Academic Affairs, remarked that Stevenson's program would create a shortage of faculty and a decline in applicants. He also alleged that the Assistant Secretary's decision is a violation of the coalition settlement.

Chair Seurkamp recognized Dr. Dow for responsive comments. Dr. Dow clarified that the coalition case is specific to public institutions. (Stevenson University is a private, independent institution.) She also reiterated that there is educational justification for duplication. First, there is market demand for physical therapists in Maryland over the next 10 years. Second, there is demand for physical therapist education. Third, Stevenson is different from UMB and UMES in that it is a small, private liberal arts college. Lastly, Dr. Dow explained that when the ACAPT letter was retracted, they could no longer factor it into their decision-making. A clarifying question was asked.

Chair Seurkamp recognized UMB for responsive comments. Dr. Marchese remarked that if Stevenson's program is implemented, they will not cap their class size. They will expand their program. In fact, they are planning to create a hybrid option for students.

Chair Seurkamp recognized UMES for responsive comments. Dr. Anderson urged the Commission to overturn the Assistant Secretary's decision. Dr. Rabel reiterated that the pool of applicants was declining, and there could possibly be more physical therapists produced in the near future than jobs available.

Chair Seurkamp recognized Stevenson University's President Elliot Hirshman who urged the Commission to affirm the Assistant Secretary's decision. The vacancy rate of physical therapists dramatically increased during the pandemic. Moreover, Maryland students are demanding the program. Stevenson will be limiting their class size to 25 students. Dr. Susan Gorman, Executive Vice President and Provost, emphasized the growing demand for and decreased supply of physical therapists. Dr. Meredith Durmowicz, Vice Provost, reported that Stevenson's data shows that demand is robust. The demand by Maryland students is unmet. Ms. Antionette Marbray, Vice President of Legal Affairs, contended that the two objecting institutions have not shown how Stevenson's program would cause demonstrable harm to their programs. In terms of

clinical placements, they have received assurance from clinical sites that other schools and students would not be negatively affected. Lastly, Dr. Hirshman thanked the Commissioners for the opportunity to present.

Commissioner Serrano made a motion to enter into a closed session to render a decision. **Commissioner Coleman** seconded the motion. **Chair Seurkamp** took the roll:

McDaniels – Yes

Barrolle – Yes

Boyd – Yes

Coleman – Yes

Howe – Yes

Seurkamp – Yes

Serrano – Yes

Adjournment

The meeting adjourned at approximately 3:20 p.m.

Attachment to the Open Session Minutes of the Commission's April 26, 2023 Meeting

CLOSED SESSION: Pursuant to §§ 3-301(a) and 3-305(b)(7) of the General Provisions Article, Annotated Code of Maryland, and upon motion of Commissioner Serrano, seconded by Commissioner Coleman, and with unanimous agreement of the Commissioners present, the Maryland Higher Education Commission met in closed session on Wednesday, April 26, 2023, virtually, by video, using Google Meet, for the purpose of reviewing an academic program proposal pursuant to Title 11 of the Education Article, Annotated Code of Maryland and to receive legal advice from counsel regarding academic program review. The following Commission members were not present for the vote: James Sellinger, Craig Williams, Sade Davis, and Lewis Brown.

The Executive Session commenced at approximately 3:25 p.m. In attendance at closed session were Commissioners Mary Pat Seurkamp, Vivian Boyd, James Coleman, Senchal Barrolle, Ray Serrano, Barbara Kerr Howe, and Charles McDaniels; and Assistant Attorney General Soma Kedia. The topic of discussion at the closed session was the Assistant Secretary's decision to recommend the proposed Stevenson University Doctor of Physical Therapy Program under COMAR 13B.02.03.28. The Commission also received legal advice on the criteria for program review in COMAR 13B.02.03. The action taken during the closed session was to overturn the Assistant Secretary's decision to recommend the proposed degree program. The Closed Session ended at approximately 4:05 p.m.



Wes Moore
Governor

Aruna Miller
Lt. Governor

Mary Pat Seurkamp, Ph.D.
Chair

Sanjay Rai, Ph.D.
Acting Secretary

MEMORANDUM

DATE: June 28, 2023

TO: Maryland Higher Education Commissioners

FROM: Mary Logan, Program Manager, Student Loan Debt Relief Tax Credit Program

SUBJECT: Approval of Proposed Amendments to COMAR 13B.08.17 – Student Loan Debt Relief Tax Credit Program

Under § 10-740 of the Tax-General Article, Annotated Code of Maryland, the Student Loan Debt Relief Tax Credit provides individuals with funds to repay student loan debt through the filing of their Maryland State Tax Return. The Maryland Higher Education Commission is responsible for certifying eligibility for the tax credit. The certification process is governed by COMAR 13B.08.17 and is administered by the Commission's Office of Finance Policy.

During the 2023 session, the Legislature passed amendments to the statute governing the program, enacted as Chapter 738 of the 2023 Acts of Maryland (HB 680). The legislation, which will be in effect as of July 1, 2023, (a) doubles the available funds for the program from \$9,000,000 to \$18,000,000; (b) adds new priority eligibility categories for State employees and individuals who graduated from institutions of higher education where at least 40% of the attendees are eligible to receive federal Pell Grants; (c) expands the Commission's responsibilities for outreach and marketing of the tax credit; (d) requires the Office of Student Financial Aid to include tax credit information in their award letters; and (e) creates an annual reporting requirement for the Commission.

Enclosed for your review and approval are regulatory amendments that reflect the new eligibility categories and make certain language changes for the purposes of clarification. These amendments have been approved for legality by MHEC's Assistant Attorney General as required by the Maryland Administrative Procedure Act.

Upon your approval, proposed regulations and regulatory amendments are submitted to the legislature's Joint Committee on Administrative, Executive, and Legislative Review (AELR), after which they are submitted to the Division of State Documents (DSD) for publication in the Maryland Register. After a public comment period, they may be brought back before the Commission for final adoption.

RECOMMENDATION: It is recommended that the Commission:

(1) Approves for publication in the Maryland Register the enclosed proposed

amendments for the Student Loan Debt Relief Tax Credit regulations; and

(2) Authorizes its Assistant Attorney General to make non-substantive edits to the proposed regulations to conform to the stylistic and formatting requirements of AELR and DSD.

Title 13B MARYLAND HIGHER EDUCATION COMMISSION

Subtitle 08 FINANCIAL AID

Chapter 17 Student Loan Debt Relief Tax Credit

Authority: Education Article, §11-105(u); Tax-General Article, §10-740;
Annotated Code of Maryland

.01 Purpose.

The purpose of the Student Loan Debt Relief Tax Credit is to assist students who have incurred a certain amount of undergraduate loan debt, graduate loan debt, or both, by providing a tax credit on their Maryland State income tax pursuant to Tax-General Article, §10-740, Annotated Code of Maryland.

.02 Definitions.

A. In this chapter, the following terms have the meaning indicated.

B. "Commission" means the Maryland Higher Education Commission.

C. "Comptroller" means the Comptroller of Maryland.

D. "Debt burden" means the amount a qualified taxpayer is currently obligated to pay for a student loan debt.

~~E. "Income" means the adjusted gross income reported by a qualified taxpayer on their federal tax return in the tax year immediately preceding the year the taxpayer applies for the Student Loan Debt Relief Tax Credit.~~

Commented [SK1]: Deletion of unnecessary definition.

FE. Lender.

(1) "Lender" means an entity, institution, or government that lends funds to a student, or on behalf of a student, to pay for charges for tuition or fees.

(2) "Lender" includes:

(a) A bank, mutual savings bank, savings and loan association, or credit union that is subject to examination and supervision in its capacity as a lender by an agency of the United States or of the state in which its principal place of operation is located;

(b) A pension fund that is subject to examination and supervision by an agency of the United States or a state;

(c) An insurance company that is subject to examination and supervision by an agency of the United States or a state;

(d) In any state, a single agency of the state or a single private nonprofit agency designated by the state to lend funds to a student or manage student loan debt;

(e) For purposes of purchasing and holding loans made by other lenders, a student loan marketing association or an agency of any state or the federal government functioning as a secondary market; and

(f) The United States Department of Education, federal Department of Veterans Affairs, federal Department of Defense, and any other federal agency.

GF. “Secretary” means the Maryland Secretary of Higher Education.

HG. “Student loan debt” means an individual’s obligation to repay a lender for monies borrowed by the individual to pursue an undergraduate or graduate education at an institution of higher education that is accredited by an accrediting body recognized by the United States Department of Education.

HH. “Student Loan Debt Relief Tax Credit” means the tax credit authorized under Tax-General Article, §10-740, Annotated Code of Maryland.

II. “Qualified taxpayer” means an individual who has:

(1) Incurred at least \$20,000 in student loan debt; and

(2) At least \$5,000 in outstanding student loan debt ~~when submitting an~~ **as of the submission date of an** application under Regulation .04 of this chapter.

Commented [SK2]: Language changed for clarification.

~~**K.** “Undergraduate or graduate education” means credit-bearing coursework towards an associate’s degree, a bachelor’s degree, or a degree or certificate above the bachelor’s level, including but not limited to a master’s degree and a doctorate degree.~~

Commented [SK3]: Deletion of unnecessary definition.

.03 Tax Credit.

A. Subject to the provisions of Tax-General Article, §10-740, Annotated Code of Maryland, and the provisions of this chapter, a qualified taxpayer may claim a credit against the State income tax for the taxable year in which the Commission certifies a tax credit under this chapter.

B. The Commission shall certify a tax credit to a qualified taxpayer as provided in this Chapter.

C. A qualified taxpayer that receives a certification of a tax credit from the Commission shall be responsible for timely and appropriately incorporating the Commission’s certification into the taxpayer’s tax filings with the Comptroller’s office. A qualified taxpayer shall attach a copy of the Commission’s certification of the approved credit amount to the taxpayer’s income tax return.

D. The total amount of a Student Loan Debt Relief Tax Credit claimed under a qualified taxpayer's income tax return and approved by the Comptroller pursuant to §F of this regulation shall be recaptured if the qualified taxpayer does not use an approved credit for the repayment of the qualified taxpayer's student loan debt within ~~2-3~~ years from the close of the taxable year in which the credit is awarded. The qualified taxpayer who claimed the approved tax credit shall pay the total amount of the credit claimed as taxes payable to the State of Maryland for the taxable year in which the event requiring recapture of the credit occurs.

Commented [SK4]: Required change from 2023 legislation.

E. If a Student Loan Debt Relief Tax Credit claimed under a qualified taxpayer's income tax return and approved by the Comptroller pursuant to §F of this regulation in any taxable year exceeds the total tax otherwise payable by the qualified taxpayer for that taxable year, the qualified taxpayer may claim a refund in the amount of the excess.

F. The Comptroller shall make the final determination on a qualified taxpayer's eligibility for a Student Loan Debt Relief Tax Credit pursuant to Tax-General Article, Annotated Code of Maryland.

.04 Applying to the Commission for Certification of a Tax Credit.

A. A qualified taxpayer requesting that the Commission certify a tax credit shall apply to the Commission as provided in this regulation.

B. A qualified taxpayer shall submit a signed application, on a form prepared by the Commission in accordance with §C of this regulation, for a Student Loan Debt Relief Tax Credit by September 15 of the tax year in which the taxpayer seeks to apply a Student Loan Debt Relief Tax Credit to the taxpayer's income tax return.

C. The Student Loan Debt Relief Tax Credit application shall require a qualified taxpayer to submit, in a form prescribed by the Secretary, information required by the Secretary to determine the taxpayer's eligibility for certification, including but not limited to:

(1) The qualified taxpayer's full legal name, date of birth, ~~gender~~, residency address, email address, phone number, and social security number;

Commented [SK5]: Gender and race will be added to the application due to a new reporting requirement from 2023 legislation. However, applicants will not be required to provide the information if that is their preference.

(2) The name of the institution or institutions attended, ~~date~~ the qualified taxpayer's degree or degrees were awarded, and dates of attendance attributable to the qualified taxpayer's student loan debt;

Commented [SK6]: Will be collecting graduation date pursuant to new eligibility priority in 2023 legislation.

(3) A statement attesting that the qualified taxpayer has:

(a) Incurred at least \$20,000 in student loan debt; and

(b) At least \$5,000 in outstanding student loan debt at the time the application is submitted;

(4) For each student loan debt that contributes to the amount of student loan debt attested to pursuant to §C(3) of this regulation the:

(a) Name, address, and phone number of the entity that provided the student loan debt;

(b) Account numbers associated with the student loan debt;

(c) Full names of all persons legally responsible for repaying the student loan debt;

(d) Original amount of the student loan debt ~~disbursed to the qualified taxpayer; and~~

~~(e) Total amount of debt that the qualified taxpayer has incurred under the student loan debt; and~~

Commented [SK7]: Language changed for clarification.

(fc) Total amount of the student loan debt currently outstanding at the time the Student Loan Debt Relief Tax Credit application is submitted;

(5) Information that the Secretary deems necessary in order to allow the Commission to determine the qualified taxpayer's debt burden;

(6) Information that the Secretary deems necessary in order to allow the Commission to determine the qualified taxpayer's ~~adjusted gross~~ income;

Commented [SK8]: Language added for clarification.

(7) A signed statement by the qualified taxpayer under penalty of perjury attesting that the information submitted in the application is true and correct to the knowledge and belief of the qualified taxpayer;

(8) A signed statement by the qualified taxpayer authorizing a lender or educational institution to release personal academic or financial information as may be requested by the Commission in processing the qualified taxpayer's application; and

(9) A signed statement of assurance by the qualified taxpayer that the individual shall use any credit approved by the Commission and accepted by the Comptroller for the repayment of the individual's student loan debt as soon as practicable and not later than ~~2-3~~ years after the taxable year in which the credit is claimed.

Commented [SK9]: Required change from 2023 legislation.

D. By December 15 of the year in which a qualified taxpayer has submitted an application under §B of this regulation, the Commission shall certify to the individual the amount of any tax credit approved by the Commission as provided in Regulation .05 of this chapter.

.05 Commission Action on an Application.

A. Upon the filing of a timely and complete application for the Student Loan Debt Relief Tax Credit by a qualified taxpayer, the Commission shall review the application and certify to the individual the amount of any tax credit approved by the Commission.

B. The Commission's certification under §A of this regulation shall be issued by December 15 of the year in which the qualified taxpayer submitted an application.

C. The amount of the tax credit approved by the Commission:

- (1) May not exceed \$5,000; and
- (2) May be \$0.00.

D. The Commission shall prioritize tax credit recipients and amounts credited to each recipient in the following order:

~~(1) Qualified taxpayers who are State employees and graduated from institutions of higher education in the State where at least 40% of the attendees are eligible to receive federal Pell Grants;~~

~~(2) Qualified taxpayers who are State employees and are not described under § D(1) of this regulation;~~

~~(3) Qualified taxpayers who are not State employees and graduated from institutions of higher education in the State where at least 40% of the attendees are eligible to receive federal Pell Grants;~~

~~(4) All other qualified taxpayers, who may be prioritized based on one or more of the following categories:~~

- ~~(a) Those who did not receive a tax credit in a prior year;~~
- ~~(b) Those who graduated from an institution of higher education located in the State;~~
- ~~(c) Those who were eligible for in-State tuition; and~~

~~(1) Qualified taxpayers who did not receive a tax credit in the prior year and who were eligible for in-State tuition;~~

~~(2) Qualified taxpayers who did not receive a tax credit in the prior year and who graduated from an institution of higher education located in the State;~~

~~(3) Qualified taxpayers who did receive a tax credit in the prior year and who were eligible for in-State tuition;~~

~~(4) Qualified taxpayers who did receive a tax credit in the prior year and who graduated from an institution of higher education located in the State; and~~

~~(5d) Qualified taxpayers~~ Those who have higher debt-burden-to-income ratios.

~~E. In certifying amounts to qualified taxpayers, the Commission shall consider allocations that maximize the number of qualified taxpayers that receive a certification.~~

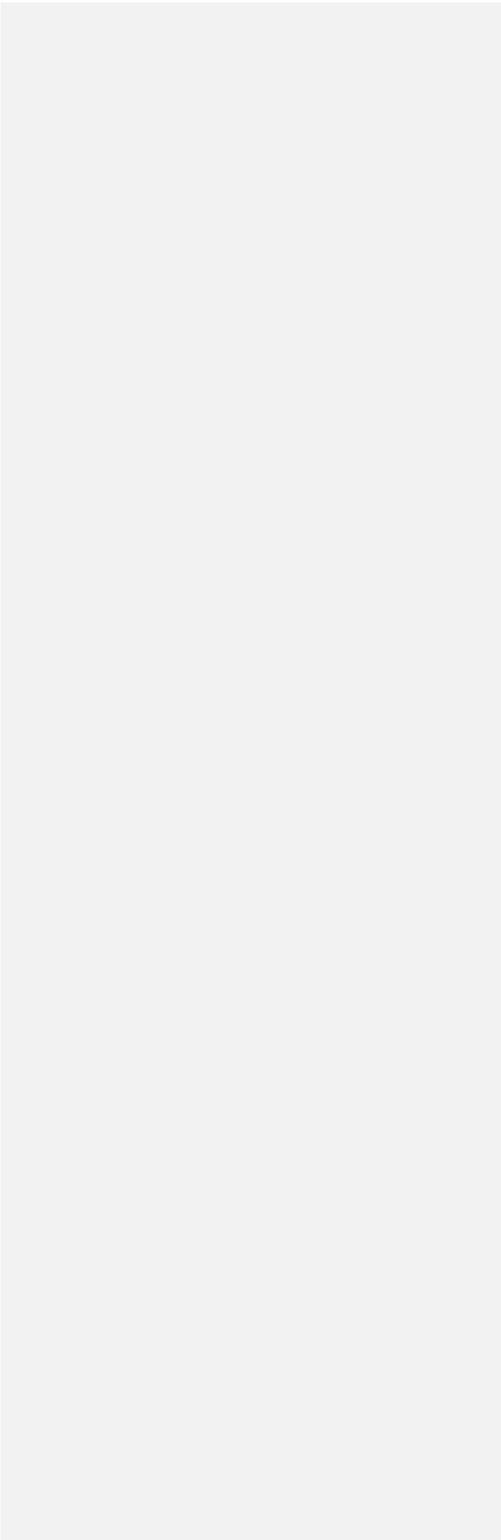
~~FE.~~ For any taxable year, the Commission may not certify tax credits in an amount more than the maximum permitted under Tax-General Article, §10-740, Annotated Code of Maryland.

Commented [SK10]: New priority eligibility categories from 2023 legislation.

Commented [SK11]: Language changed for clarification and to align with statute.

.06 Delegation to Secretary.

The Commission delegates to the Secretary the responsibility and authority to act on its behalf in administering the Student Loan Debt Relief Tax Credit program, including the authority to certify or deny a Student Loan Debt Relief Tax Credit application.





Wes Moore
Governor

Aruna Miller
Lt. Governor

Mary Pat Seurkamp, Ph.D.
Chair

Sanjay Rai, Ph.D.
Acting Secretary

Maryland Higher Education Commission 2023 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 17, 2023 *Please note date change.*	July 26, 2023 (if needed)
February 22, 2023	August 23, 2023 (if needed)
March 22, 2023	September 27, 2023 10:00am to 4:00pm
April 26, 2023	October 25, 2023
May 24, 2023	November 15, 2023 *Please note date change.*
June 28, 2023	December 13, 2023 *Please note date change.*

All Commission meetings will be held on the 4th Wednesday of each month from 1:00pm to 4:00pm, with certain exceptions. Meetings in 2023 will be conducted via video teleconference (Google Meet), unless otherwise noted.

Dates and times are subject to change.

<http://www.mhec.maryland.gov/About/Pages/Meetings.aspx>