

WES MOORE  
*Governor*

ARUNA MILLER  
*Lieutenant Governor*



YAAKOV "JAKE" WEISSMANN  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

**TITLE: HB19 Higher Education - Maryland Public Service Loan Forgiveness Program - Establishment**

**DATE: March 10th, 2026**

**COMMITTEE: Appropriations**

**POSITION: Letter of Information**

**SUMMARY OF BILL:** The bill establishes the Maryland Public Service Loan Forgiveness Program for state employees working in any branch of government. To qualify, an employee must have earned a degree from an accredited Maryland college or university and worked for the state for at least 10 cumulative years. Eligible employees can receive 100% of their remaining student loan debt paid off, with priority given to graduates of University System of Maryland schools or institutions where at least 40% of students receive Pell Grants. The program would be administered by the Office of Student Financial Assistance and is set to take effect on October 1, 2026.

**EXPLANATION:** The bill notes that awards are subject to the availability of funds, meaning the program's reach will depend on what the legislature appropriates each year. Maryland already operates a student debt relief mechanism through the Student Loan Debt Relief Tax Credit administered by MHEC. Given forecasted out-year deficits and significant uncertainty about the federal budget and policy changes, it would be challenging for the State to manage this increase in spending. This challenge is compounded by major, unforeseen changes in federal policy and other ongoing budgetary pressures. The Department of Budget and Management (DBM) now forecasts significant shortfalls beginning in Fiscal Year 2027 and escalating into Fiscal Year 2028.

**For additional information, contact Dana Phillips at**