

HOUSE BILL 811

F2

4lr1440

By: **Delegates Wolek, Anderton, Charkoudian, Forbes, Ghrist, Harris, Smith, Solomon, Spiegel, and Vogel**

Introduced and read first time: January 31, 2024

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education – Financial Well-Being Pilot Program – Establishment**

3 FOR the purpose of establishing the Financial Well-Being Pilot Program to provide
4 comprehensive financial guidance, support, and coaching to help students who may
5 benefit from financial coaching services; and generally relating to the establishment
6 of the Financial Well-Being Pilot Program.

7 BY adding to

8 Article – Education

9 Section 11–1901 through 11–1905 to be under the new subtitle “Subtitle 19.
10 Financial Well-Being Pilot Program”

11 Annotated Code of Maryland

12 (2022 Replacement Volume and 2023 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Education**

16 **SUBTITLE 19. FINANCIAL WELL-BEING PILOT PROGRAM.**

17 **11–1901.**

18 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
19 **INDICATED.**

20 **(B) “GOVERNING ENTITY” MEANS:**

21 **(1) THE PRESIDENT OF THE UNIVERSITY OF MARYLAND, COLLEGE**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



PARK CAMPUS; OR

(2) THE PRESIDENT OF MORGAN STATE UNIVERSITY.

(C) “PARTICIPATING INSTITUTION OF HIGHER EDUCATION” MEANS THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS AND MORGAN STATE UNIVERSITY.

(D) “PILOT PROGRAM” MEANS THE FINANCIAL WELL-BEING PILOT PROGRAM.

(E) “STUDENTS WHO MAY BENEFIT FROM FINANCIAL COACHING SERVICES” MEANS STUDENTS WHO:

(1) ARE DEALING WITH SIGNIFICANT PERSONAL FINANCIAL BURDENS OR COMPLEX STUDENT LOAN DEBTS;

(2) ARE EXPERIENCING HIGH LEVELS OF ANXIETY DUE TO PERSONAL FINANCIAL BURDENS; OR

(3) LACK FINANCIAL LITERACY KNOWLEDGE OR SKILLS.

11-1902.

(A) THERE IS A FINANCIAL WELL-BEING PILOT PROGRAM AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS AND MORGAN STATE UNIVERSITY.

(B) THE PURPOSE OF THE PILOT PROGRAM IS TO PROVIDE COMPREHENSIVE FINANCIAL GUIDANCE, SUPPORT, AND COACHING TO HELP STUDENTS WHO MAY BENEFIT FROM FINANCIAL COACHING SERVICES.

(C) THE PILOT PROGRAM SHALL BE ADMINISTERED AT EACH PARTICIPATING INSTITUTION OF HIGHER EDUCATION JOINTLY BY THE COMMISSION AND THE GOVERNING ENTITY OF THE PARTICIPATING INSTITUTION.

11-1903.

(A) ON OR BEFORE AUGUST 1, 2024, EACH PARTICIPATING INSTITUTION OF HIGHER EDUCATION SHALL HIRE ONE FULL-TIME FINANCIAL WELL-BEING COACH TO PROVIDE PERSONALIZED FINANCIAL COACHING SERVICES TO STUDENTS WHO MAY BENEFIT FROM FINANCIAL COACHING SERVICES.

(B) EACH PARTICIPATING INSTITUTION OF HIGHER EDUCATION SHALL
CREATE A SYSTEM THAT ALLOWS THE INSTITUTION OF HIGHER EDUCATION TO
IDENTIFY ENROLLED AND ADMITTED STUDENTS WHO MAY BENEFIT FROM
FINANCIAL COACHING SERVICES.

11-1904.

(A) A FINANCIAL WELL-BEING COACH SHALL:

(1) (I) ASSIST STUDENTS IN UNDERSTANDING THE STUDENTS'
PERSONAL FINANCIAL NEEDS AND RESOURCES;

(II) ASSIST STUDENTS IN THE PROCESS OF MAKING INFORMED
PERSONAL FINANCIAL DECISIONS;

(III) SHARE RELEVANT FINANCIAL LITERACY RESOURCES WITH
STUDENTS; AND

(IV) ASSIST STUDENTS IN MANAGING PERSONAL FINANCIAL
OBLIGATIONS DURING COLLEGE AND AFTER GRADUATION;

(2) WHILE PROVIDING THE SUPPORT SERVICES LISTED IN ITEM (1)
OF THIS SUBSECTION, FOCUS ON:

(I) THE BEHAVIORAL AND EMOTIONAL ASPECTS OF PERSONAL
FINANCES; AND

(II) HOW A STUDENT CAN SUCCESSFULLY ACHIEVE PERSONAL
FINANCIAL GOALS AND ESTABLISH HEALTHY FINANCIAL HABITS;

(3) CARRY A CASELOAD THAT IS COMPARABLE TO THE CASELOAD OF
AN ACADEMIC ADVISOR AT THE PARTICIPATING INSTITUTION OF HIGHER
EDUCATION;

(4) SURVEY EACH STUDENT BEFORE THE STUDENT BEGINS
FINANCIAL COACHING SERVICES AND AFTER THE STUDENT COMPLETES FINANCIAL
COACHING SERVICES AND EVALUATE THE EFFECTIVENESS OF THE FINANCIAL
COACHING SERVICES; AND

(5) AT THE END OF THE PILOT PROGRAM, CREATE A DOCUMENT
WITH BEST PRACTICES, PROCESSES, AND GUIDANCE THAT OTHER INSTITUTIONS OF
HIGHER EDUCATION CAN USE TO CREATE A FINANCIAL WELL-BEING COACHING
PROGRAM.

(B) (1) A FINANCIAL WELL-BEING COACH MAY PROVIDE FINANCIAL COACHING SERVICES TO STUDENTS IN THE FOLLOWING SETTINGS:

(I) GROUP COACHING SESSIONS;

(II) INDIVIDUAL COACHING SESSIONS; AND

(III) DURING THE FINANCIAL WELL-BEING COACH'S DROP-IN ADVISORY HOURS.

(2) WHEN SCHEDULING INDIVIDUAL COACHING SESSIONS, A FINANCIAL WELL-BEING COACH SHALL PRIORITIZE STUDENTS WHO:

(I) MOST LIKELY WILL HAVE A DEBT TO POTENTIAL FUTURE INCOME RATIO THAT WILL LEAD TO A MONTHLY LOAN PAYMENT GREATER THAN 10% OF THE STUDENT'S PROJECTED FUTURE INCOME;

(II) HAVE AN ANNUAL HOUSEHOLD INCOME THAT IS AT OR BELOW 185% OF THE FEDERAL POVERTY LEVEL AS DETERMINED ANNUALLY BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES; OR

(III) LACK FINANCIAL SKILLS AND FINANCIAL LITERACY EDUCATION.

11-1905.

(A) (1) ON OR BEFORE JUNE 1, 2025, EACH PARTICIPATING INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT AN INTERIM REPORT TO THE COMMISSION ON THE STATUS AND EFFECTIVENESS OF THE PILOT PROGRAM.

(2) ON OR BEFORE JUNE 1, 2026, EACH PARTICIPATING INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT A FINAL REPORT TO THE COMMISSION ON THE STATUS AND EFFECTIVENESS OF THE PILOT PROGRAM.

(B) ON OR BEFORE JULY 1, 2025, THE COMMISSION SHALL SUBMIT AN INTERIM REPORT TO EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE OPERATION OF THE PILOT PROGRAM.

(C) ON OR BEFORE JULY 1, 2026, THE COMMISSION SHALL SUBMIT A FINAL REPORT TO EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT

1 **ARTICLE, THE GENERAL ASSEMBLY ON THE OPERATION AND RESULTS OF THE**
2 **PILOT PROGRAM.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2024. It shall remain effective for a period of 3 years and 1 month and, at the end of July
5 31, 2027, this Act, with no further action required by the General Assembly, shall be
6 abrogated and of no further force and effect.