

MARYLAND HIGHER EDUCATION COMMISSION

CODE OF MARYLAND REGULATIONS

13B.02.04

Exemption Procedures for Religious Educational Institutions and
Religious Institutions

As amended through
October 17, 2011

This document contains a chapter of the Code of Maryland Regulations and has been prepared by the Maryland Higher Education Commission for the convenience of those persons served by the Commission. The official regulations published by the Division of State Documents, Office of the Secretary of State, are found at <http://www.dsd.state.md.us/comar/>. The official regulations should be consulted and are controlling in the event of any conflict between those regulations and this document.

TITLE 13B

MARYLAND HIGHER EDUCATION COMMISSION

SUBTITLE 02 ACADEMIC REGULATIONS

**Chapter 04 Exemption Procedures for Religious Educational Institutions and
Religious Institutions**

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TITLE 13B

MARYLAND HIGHER EDUCATION COMMISSION

SUBTITLE 02 ACADEMIC REGULATIONS

**Chapter 04 Exemption Procedures for Religious Educational Institutions
and Religious Institutions**

13B.02.04.01

.01 Purpose.

The purpose of this chapter is to establish the procedures by which the Commission determines the status of an institution as a religious educational institution or a religious institution eligible for exemption from the approval authority of the Commission.

13B.02.04.02

.02 Scope of Exemption.

A. If determined to be exempt under this chapter, an institution may operate without a certificate of approval from the Maryland Higher Education Commission under this chapter so long as:

(1) A religious educational institution certifies, in accordance with procedures established by the Commission, that it:

(a) Is founded and operated by a church or other religious institution or organization of churches or religious institutions as an integral part of the religious ministry of that institution or organization;

(b) Offers sectarian instruction only designed for and aimed at persons who hold or seek to learn particular religious faiths or beliefs of religious institutions or religious organizations, and provides only educational programs for religious vocations; and

(c) States on the certificate or diploma the religious nature of the award; or

(2) A church or other religious institution offers a postsecondary instructional program leading to a certificate or diploma, only if the program is designed for and aimed at persons who hold or seek to learn the particular religious faith or beliefs of that church or religious institution and provides only educational programs for religious purposes.

B. An institution that applies for exemption and that, at the time of application, does not hold a certificate of approval from the Commission may not operate, do business, or offer instruction unless and until the Commission grants the institution an exemption under this chapter.

13B.02.04.03

.03 Exemption Procedures.

A. An institution seeking an exemption from the approval authority of the Commission shall submit the following items to the Commission:

(1) An application in the form required by the Commission, and the accompanying documentation required by the Commission;

(2) A financial statement in the form required by the Commission, and the accompanying documentation required by the Commission; and

(3) An application fee in the amount of \$50.

B. An institution seeking an exemption from the approval authority of the Commission shall demonstrate, at a minimum, that:

(1) It holds \$250,000 of assets or more within Maryland; and

(2) Its total liabilities do not exceed its total assets.

C. If the Secretary is satisfied on the basis of the materials submitted that the institution qualifies for exemption from the approval authority of the Commission, the Secretary shall grant the institution an exemption.

13B.02.04.04

.04 Denial of Exemption.

A. Hearing.

(1) An institution denied an exemption under this chapter may request a hearing before the Commission.

(2) The hearing before the Commission shall be conducted in accordance with the Administrative Procedure Act, State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland, and COMAR 13B.04.01.

(3) If the institution requests a hearing, the Commission may refer the hearing to the Office of Administrative Hearings.

(4) After the hearing provided for in §A(3) of this regulation, the Commission may take the following action:

(a) Grant the exemption;

(b) Deny the exemption; or

(c) Remand the case to the Secretary for further action as directed by the Commission.

(5) If the institution does not file a timely request for a hearing, the Secretary's decision becomes the final action of the Commission.

B. Judicial Review.

(1) An institution that is denied an exemption by the Commission after a hearing under §A of this regulation has the right to judicial review provided by State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland.

(2) The decision of the Commission is considered correct and the institution has the burden of proving otherwise.

(3) The Commission shall be a party to the proceeding.

13B.02.04.05

.05 Financial Resources.

Each institution authorized to operate without a certificate of approval shall submit every 2 years to the Maryland Higher Education Commission a financial statement compiled by an independent accountant, indicating that the institution possesses adequate financial resources to support its educational program.