

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 401           (Delegate Heller)  
Appropriations

Budget and Taxation

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**Education - In-State Residency Requirement - Waiver**

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This bill requires a public senior higher education institution and a board of trustees of a community college to waive the in-State residency requirement for a public school teacher who lives in the State and has been employed as a full-time public school teacher by a local board of education for less than one year if: (1) the course or program is required by the State or the local board to maintain the teacher's present position; or (2) the course or program maintains or improves skills required by the local board. A teacher is responsible for the difference between in-State and out-of-State tuition if the teacher resigns or is terminated and remains enrolled in the course or program. The bill also provides that a community college student who enrolls as an in-State student under the bill's provisions is included as an in-State student for the computation of State aid to community colleges.

The bill is effective July 1, 2001.

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**Fiscal Summary**

**State Effect:** Minimal reduction in higher education revenues for public senior higher education institutions. No effect on expenditures.

**Local Effect:** Minimal reduction in community college revenues. Minimal reduction in local school expenditures.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Public senior higher education institutions require that a student reside in the State for one year to receive in-State tuition.

**State Revenues:** The University System of Maryland advises that the bill would only change the residency status of a relatively small number of students. Only newly hired teachers who begin teaching in Maryland and begin taking graduate courses before officially establishing State residency would be affected. It is assumed that any impact would be minimal.

**Local Revenues:** The Maryland Association of Community Colleges advises that the bill would only change the residency status of a relatively small number of community college students. A minimal reduction in community college revenues would not materially affect local or State funding for the colleges.

**Local Expenditures:** Local expenditures for tuition would decrease if public school teachers for whom tuition is paid by the local board of education could establish Maryland residency immediately rather than waiting one year. Many local boards reimburse a portion of the tuition paid by a teacher who is taking courses towards an advanced degree.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** University System of Maryland; Maryland Association of Community Colleges; Maryland Higher Education Commission; Carroll, Harford, Prince George's, and Queen Anne's counties; Department of Legislative Services

**Fiscal Note History:** First Reader – February 25, 2001  
jm/cer Revised – House Third Reader – March 28, 2001

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