
By: **Delegates Kaiser, Barkley, Bozman, Cryor, Goldwater, Gutierrez,
Healey, Heller, Hixson, King, Madaleno, Marriott, Nathan-Pulliam,
Patterson, Ramirez, Ross, and Sossi**

Introduced and read first time: February 11, 2005

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Student Financial Assistance Reform Act of 2005**

3 FOR the purpose of altering the eligibility requirements for the Sharon Christa
4 McAuliffe Memorial Teacher Education Tuition Assistance Program; altering
5 the number of years certain students may receive a grant under the Program;
6 altering the service obligation requirements to enable certain recipients of the
7 Maryland State Nursing Scholarship Program to perform certain service
8 obligations working as a full-time or part-time nurse; establishing the
9 Distinguished Scholar Program for Community College Transfer Students in the
10 Maryland Higher Education Commission; establishing eligibility criteria for
11 scholarships awards and award amounts under the Program; authorizing
12 awards to be used for certain purposes; requiring the Governor to include a
13 certain amount in the annual budget submission for certain programs for
14 certain fiscal years; requiring the Maryland Higher Education Commission to
15 establish a certain workgroup to study the consolidation of certain grant
16 programs; requiring the workgroup to include certain representatives; requiring
17 the Commission to issue a certain report; declaring the intent of the General
18 Assembly; and generally relating to student financial assistance programs
19 administered by the Maryland Higher Education Commission.

20 BY repealing and reenacting, with amendments,

21 Article - Education
22 Section 18-703(c)(1), (f), and (h) and 18-706(c) and (f)
23 Annotated Code of Maryland
24 (2004 Replacement Volume and 2004 Supplement)

25 BY repealing and reenacting, without amendments,

26 Article - Education
27 Section 18-703(b)(1) and (2) and 18-706(b) and (d)
28 Annotated Code of Maryland
29 (2004 Replacement Volume and 2004 Supplement)

1 BY adding to
2 Article - Education
3 Section 18-1106 to be under the amended subtitle "Subtitle 11. Distinguished
4 Scholar Programs"
5 Annotated Code of Maryland
6 (2004 Replacement Volume and 2004 Supplement)

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

9 **Article - Education**

10 18-703.

11 (b) (1) Economic Development Student Assistance Grants to be known as
12 the Sharon Christa McAuliffe Memorial Teacher Education Award may be awarded as
13 teacher education tuition assistance grants.

14 (2) The Office shall award annually to eligible applicants tuition
15 assistance grants for the education of persons to teach in areas of critical or
16 geographic shortage.

17 (c) A recipient of a tuition assistance grant shall:

18 (1) Qualify as follows:

19 (i) Have earned [60] 30 credits of undergraduate collegiate
20 education and be enrolled in or sign a letter of intent to enroll in a program leading to
21 certification to teach in an area of critical or geographic shortage and be selected by
22 the Office on a competitive basis among qualified applicants based on academic
23 criteria, not limited to standardized tests, established by the State Board of
24 Education; or

25 (ii) Have an undergraduate or graduate degree and be enrolled in
26 or sign a letter of intent to enroll in courses leading to certification to teach in an area
27 of critical or geographic shortage and be selected among qualified applicants on a
28 competitive basis based on academic criteria established by the State Board of
29 Education; or

30 (iii) Persons who are already teachers shall:

31 1. Be nominated by the superintendent of schools of the
32 system in which the person teaches or intends to teach; and

33 2. Enroll as a student in courses required for teacher
34 certification in an academic area in which there is a critical or geographic shortage of
35 teachers; and

1 3. Be selected by the Office on a competitive basis among
2 qualified applicants based on criteria established by the State Board of Education;

3 (f) (1) A nondegreed recipient may renew an award for [1 year] 2 YEARS if
4 the recipient:

5 (i) Remains an undergraduate student in an area of critical or
6 geographic shortage; and

7 (ii) Maintains a grade point average of at least 3.0 on a 4.0 scale
8 and advances in academic standing at least 1 year for each year for which an award
9 is renewed.

10 (2) A degreed recipient and a teacher recipient may renew an award for
11 1 year if that recipient maintains a grade point average of at least 3.0 on a 4.0 scale.

12 (h) (1) [Funds] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
13 SUBSECTION, FUNDS for the SHARON CHRISTA MCAULIFFE MEMORIAL Teacher
14 Education Tuition Assistance Program shall be as provided in the annual budget of
15 the Commission by the Governor.

16 (2) FOR FISCAL YEARS 2007 THROUGH 2009, THE GOVERNOR SHALL
17 INCLUDE IN THE ANNUAL BUDGET SUBMISSION FOR THE SHARON CHRISTA
18 MCAULIFFE MEMORIAL TEACHER EDUCATION TUITION ASSISTANCE PROGRAM AN
19 AMOUNT EQUAL TO THE SUM OF:

20 (I) THE APPROPRIATION INCLUDED IN THE BUDGET SUBMISSION
21 FOR FISCAL YEAR 2006; AND

22 (II) \$500,000.

23 18-706.

24 (b) (1) Economic Development Student Assistance Grants may be awarded
25 as scholarships for nursing students in nursing shortage areas.

26 (2) (i) The nursing scholarship awarded under this section shall be in
27 the amount of tuition and fees not to exceed \$3,000 annually for a full-time student or
28 a prorated award according to the number of credit hours taken by a part-time
29 student.

30 (ii) Each award shall be renewable on an annual basis up to a
31 maximum amount of \$12,000, if the recipient:

32 1. Remains a resident of this State;

33 2. Enrolls in an eligible institution;

34 3. Maintains a grade point average of at least 3.0 on a 4.0
35 scale or its equivalent; and

1 4. Makes satisfactory progress toward the nursing degree or
2 diploma according to the standards of the eligible institution attended.

3 (3) (i) For a nursing student enrolled in a nursing program, including
4 mandatory summer academic sessions that are a required part of the approved
5 curriculum, the nursing scholarship awarded under this section shall be in the
6 amount of tuition and fees not to exceed \$4,500 per calendar year.

7 (ii) Each award shall be renewable on an annual basis up to a
8 maximum amount of \$12,000, if the recipient:

9 1. Remains a resident of the State;

10 2. Enrolls in a nursing program at an eligible institution;

11 3. Maintains a grade point average of at least 3.0 on a 4.0
12 scale or its equivalent; and

13 4. Makes satisfactory progress toward the nursing degree or
14 diploma according to the standards of the eligible institution attended.

15 (c) Each recipient of the nursing scholarship awarded under this section shall:

16 (1) Be a nursing student;

17 (2) Have a grade point average of at least 3.0 on a 4.0 scale or its
18 equivalent;

19 (3) Be selected by the Office on a competitive basis from among the
20 qualified applicants based on academic criteria established by the Commission; and

21 (4) Perform the service obligation AS A:

22 (I) FULL-TIME NURSE AT A RATE OF 1 YEAR FOR EACH YEAR THAT
23 THE RECIPIENT RECEIVES A GRANT AWARDED UNDER THIS SUBTITLE; OR

24 (II) PART-TIME NURSE AT A RATE OF 2 YEARS FOR EACH YEAR
25 THAT THE RECIPIENT RECEIVES A GRANT AWARDED UNDER THIS SUBTITLE.

26 (d) (1) Each recipient of a nursing scholarship awarded under this section
27 may be entitled, based on financial need, to an additional grant to meet living costs
28 not to exceed \$3,000 annually for a full-time student or a prorated award according to
29 the number of credit hours taken by a part-time student.

30 (2) Each additional grant shall be renewable on an annual basis up to a
31 maximum amount of \$12,000, if the recipient meets the requirements for continuing
32 the scholarship award under subsection (b)(2)(ii) of this section.

33 (3) The Office shall require a recipient of a nursing scholarship who
34 seeks an additional grant for living costs to provide information to the Office
35 sufficient to assure that the student has a definite financial need.

1 (f) (1) [Funds] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
2 SUBSECTION, FUNDS for the nursing scholarships awarded under this section shall be
3 as provided in the annual budget of the Commission by the Governor.

4 (2) FOR FISCAL YEARS 2007 THROUGH 2009, THE GOVERNOR SHALL
5 INCLUDE IN THE ANNUAL BUDGET SUBMISSION FOR THE MARYLAND STATE
6 NURSING SCHOLARSHIP PROGRAM AN AMOUNT EQUAL TO THE SUM OF:

7 (I) THE APPROPRIATION INCLUDED IN THE BUDGET SUBMISSION
8 FOR FISCAL YEAR 2006; AND

9 (II) \$1,000,000.

10 Subtitle 11. Distinguished Scholar [Program] PROGRAMS.

11 18-1106.

12 (A) THERE IS A DISTINGUISHED SCHOLAR PROGRAM FOR COMMUNITY
13 COLLEGE TRANSFER STUDENTS TO BE AWARDED BY THE OFFICE TO RESIDENTS OF
14 THE STATE IN THE MANNER PROVIDED IN THIS SECTION FOR USE AT 4-YEAR
15 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE.

16 (B) THE OFFICE SHALL ANNUALLY SELECT THE COMMUNITY COLLEGE
17 STUDENTS WHO HAVE THE GREATEST POTENTIAL FOR ACADEMIC SUCCESS IN
18 HIGHER EDUCATION AS DETERMINED BY CRITERIA ESTABLISHED BY THE OFFICE
19 AND OFFER A SCHOLARSHIP TO EACH OF THESE STUDENTS TO BE USED AT ANY
20 MARYLAND 4-YEAR INSTITUTION OF HIGHER EDUCATION OF THE STUDENT'S
21 CHOICE, IF THE STUDENT MEETS THE FOLLOWING QUALIFICATIONS:

22 (1) HAS A COMMUNITY COLLEGE TRANSCRIPT INDICATING AN OVERALL
23 ACADEMIC GRADE POINT AVERAGE OF AT LEAST 3.0 ON A 4.0 SCALE OR ITS
24 EQUIVALENT GRADE POINT AVERAGE;

25 (2) HAS COMPLETED AT LEAST 60 CREDIT HOURS OR AN ASSOCIATE
26 DEGREE PROGRAM AT A COMMUNITY COLLEGE IN THE STATE;

27 (3) QUALIFIES AS A MARYLAND RESIDENT;

28 (4) APPLIES THE SCHOLARSHIP WITHIN 1 YEAR OF COMPLETING THE
29 REQUIRED CREDIT HOURS OR AN ASSOCIATE DEGREE PROGRAM; AND

30 (5) ATTENDS THE 4-YEAR INSTITUTION OF HIGHER EDUCATION AS A
31 FULL-TIME STUDENT.

32 (C) THE OFFICE SHALL AWARD SCHOLARSHIPS UNDER THIS SECTION TO
33 RECIPIENTS WHO HAVE ATTENDED COMMUNITY COLLEGES FROM ACROSS THE
34 STATE.

35 (D) (1) THE SCHOLARSHIP AWARD SHALL BE IN THE AMOUNT OF \$3,000 PER
36 ACADEMIC YEAR.

1 (2) EACH AWARD SHALL BE RENEWABLE FOR A MAXIMUM OF 1 YEAR
2 SUBSEQUENT TO THE ORIGINAL AWARD IF THE RECIPIENT:

3 (I) CONTINUES TO MEET THE QUALIFICATIONS SPECIFIED IN
4 SUBSECTION (B) OF THIS SECTION; AND

5 (II) MAINTAINS A 3.0 GRADE POINT AVERAGE ON AN ACADEMIC
6 YEAR BASIS.

7 (E) AN AWARD GRANTED UNDER THIS SUBTITLE MAY BE USED FOR:

8 (1) TUITION AND MANDATORY FEES;

9 (2) ROOM AND BOARD; AND

10 (3) BOOKS AND SUPPLIES.

11 (F) THIS SCHOLARSHIP AWARD IS IN ADDITION TO ANY OTHER STATE
12 SCHOLARSHIPS THAT ARE AVAILABLE TO THE STUDENT.

13 (G) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET SUBMISSION
14 FOR THE DISTINGUISHED SCHOLAR PROGRAM FOR COMMUNITY COLLEGE TRANSFER
15 STUDENTS:

16 (1) FOR FISCAL YEAR 2007 - \$500,000; AND

17 (2) FOR FISCAL YEARS 2008 AND 2009 - \$1,000,000.

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (1) The Maryland Higher Education Commission shall establish a
20 workgroup to study the consolidation of economic development student assistance
21 grants and work-based shortage grants into a single grant program. The grant
22 program should, to the extent practicable, establish uniform criteria for grant
23 eligibility, award amounts, and service obligation requirements. The program should
24 include a methodology for prioritizing work-based shortage grants on an annual
25 basis.

26 (2) The Commission shall include in the workgroup representatives
27 from:

28 (i) the Department of Legislative Services;

29 (ii) public 4-year institutions of higher education;

30 (iii) the Maryland Independent College and University Association;

31 (iv) community colleges; and

32 (v) the Governor's Workforce Investment Board.

1 (3) The Commission shall report its findings and recommendations to
2 the Governor and, in accordance with § 2-1246 of the State Government Article, to
3 the General Assembly by November 15, 2005.

4 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the
5 General Assembly that the appropriations to the Sharon Christa McAuliffe Memorial
6 Teacher Education Tuition Assistance Program, Maryland State Nursing Scholarship
7 Program, and Distinguished Scholar Program for Community College Transfer
8 Students required under Section 1 of this Act shall be funded through a reduction in
9 the appropriation to the HOPE Scholarship Programs of not less than \$2,000,000 in
10 fiscal year 2007.

11 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2005.