

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1235
Ways and Means

(Delegate Heller)

Education, Health, and Environmental Affairs

Higher Education - Scholarships - Speech Language Pathologists and
Audiologists

This bill expands eligibility for the Sharon Christa McAuliffe Memorial Teacher Education Award program by authorizing the State Board of Education to designate audiology and speech-language pathology as areas of critical shortage. In addition, the service obligation associated with an award may be fulfilled by providing audiology and speech-language pathology services in a public school for one year for each year that the scholarship is received.

Fiscal Summary

State Effect: Expanding eligibility for scholarships does not require additional spending. However, in order to continue awarding a similar number of McAuliffe scholarships to teacher education students and provide scholarships to qualifying audiology and speech-language pathology students, general fund expenditures would increase by an estimated \$86,800 in FY 2006. Future year expenditure increases, which escalate to an estimated \$109,200 in FY 2010, would reflect increased award amounts and a stable number of additional McAuliffe scholarships awarded each year. Revenues would not be affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Sharon Christa McAuliffe Memorial Teacher Education Award program is for students in teacher education programs. The State Board of Education identifies areas of geographic and critical teacher shortages, and a recipient of a McAuliffe award must agree to teach in Maryland in an area of geographic or critical shortage upon completion of the required studies. A recipient must perform this service obligation for one year for each year that the scholarship is received.

Background: Chapter 194 of 2003 established a Task Force to Study the Availability of Audiology and Speech-language Services. The task force released its findings and recommendations on December 31, 2003. One of the task force recommendations is to examine the feasibility of a scholarship program to be accessed by audiologists and speech-language pathologists in return for a five-year commitment to work in local school systems in Maryland.

The proposed fiscal 2006 State budget includes \$574,027 for the Sharon Christa McAuliffe Memorial Teacher Education Award program, a decrease of approximately \$10,800 from fiscal 2005. In the current academic year, the Maryland Higher Education Commission (MHEC) advises that approximately 70 individuals are receiving awards under the program, and 18 eligible applicants have been placed on the waiting list for scholarships.

State Expenditures: Funding for the McAuliffe scholarship program is as provided in the State budget. Merely expanding eligibility for the program does not require additional expenditures.

However, if McAuliffe scholarships were awarded to 10 audiology and speech-pathology students while maintaining the current award amounts and the current number of teacher education students receiving awards, general fund expenditures would increase by an estimated \$86,840 in fiscal 2006. This estimate is based on the following information and assumptions.

- Approximately 70 teacher education students are receiving awards in the current academic year. A reasonable expansion of the program would add funding for 10 additional scholarships per year.
- The fiscal 2005 average award amount for the program is \$8,200. The award amount is tied to tuition and fees and is therefore expected to increase by approximately 5.9% per year. In fiscal 2006, the average award amount is estimated at \$8,684.

Future year expenditure increases would reflect continued 5.9% annual increases in the average award amount and a stable number of audiology and speech-pathology students receiving awards.

MHEC advises that the 18 applicants on the waiting list for McAuliffe scholarships would receive awards before MHEC would expand eligibility for the program to audiology and speech-language pathology students. The fiscal 2006 cost to eliminate the waiting list is estimated at \$156,312. If eligibility for Sharon Christa McAuliffe Memorial Teacher Education Awards is expanded without additional funding, some of the teacher education students who would receive the awards could be replaced by audiology and speech-language pathology students and the waiting list for the program could grow longer.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Higher Education Commission, Department of Legislative Services

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