Department of Legislative Services

Maryland General Assembly 2005 Session

FISCAL AND POLICY NOTE

House Bill 296 Appropriations (Delegate Smigiel, et al.)

Higher Education - Tuition Exemption - Eagle Scouts and Girl Scout Gold Award Recipients

This bill grants an exemption from tuition and mandatory fees at public institutions of higher education for Eagle Scouts and recipients of the Girl Scout Gold Award. To be eligible, a Scout must meet the in-state residency requirement of the institution.

The bill takes effect July 1, 2005 and only applies to students who enroll in public institutions of higher education after the effective date.

Fiscal Summary

State Effect: Higher education tuition and fee revenues could decrease by an estimated \$1.4 million to \$2.0 million in FY 2006, depending on the number of Eagle Scouts and Girl Scout Gold Award winners who enter four-year institutions of higher education. Future year revenue reductions would reflect increasing numbers of Scouts eligible for waivers and annual increases in tuition and mandatory fees.

Local Effect: Community college tuition and fee revenues would decrease by an estimated \$600,000 to \$900,000 in FY 2006, depending on the number of Eagle Scouts and Girl Scout Gold Award winners who enter community colleges.

Small Business Effect: None.

Analysis

Current Law: The governing boards of public institutions of higher education set tuition policies for the institutions and are not required to grant tuition exemptions to Eagle Scouts and Girl Scout Gold Award winners. Foster care children are the only individuals who are universally awarded tuition exemptions in State law. Governing boards must also have policies for the waiver of tuition for members of the Maryland National Guard and the children of faculty and employees of public institutions of higher education in the State, but the policies are not required to include full tuition waivers.

Background: Eagle Scout is the highest rank a Boy Scout can earn. To achieve the rank, a Boy Scout must fulfill leadership, service, and outdoor skills requirements. More than 1 million Boy Scouts have earned the rank of Eagle Scout since 1911.

The Girl Scout Gold Award is the highest award a Girl Scout can receive and is the equivalent of a Boy Scout earning recognition as an Eagle Scout. In addition to various prerequisites, a Girl Scout must design and complete a Gold Award project that meets a community need in order to earn the award.

A 2003 year-end report from the Boys Scouts of America states that 49,151 Eagle Scout Awards were granted nationwide, but does not provide data on individual states. A 2003 publication from the Girl Scouts of America does not report the number of Gold Award winners, but does indicate that there were approximately 30,500 Girl Scouts in Maryland in 2003. Based on these figures, it is very difficult to know how many Eagle Scouts and Gold Award winners there are in Maryland.

Proposed fall 2005 tuition and mandatory fees at Maryland's four-year institutions of higher education are shown in **Exhibit 1**. Fall 2004 tuition and fees rates at Maryland's community colleges, including the rates for individuals living in the community college service areas and rates for State residents who do not live in the service areas, are shown in **Exhibit 2**.

Exhibit 1 Full-time Resident Undergraduate Tuition and Mandatory Fees Public Four-year Institutions of Higher Education Proposed Fall 2005

Coppin State University	\$4,714
Bowie State University	5,481
University of Maryland University College*	5,520
University of Maryland Eastern Shore	5,808
Morgan State University	6,110
Frostburg State University	6,230
Salisbury University	6,376
University of Baltimore	6,794
Towson University	7,096
University of Maryland, College Park	7,821
University of Maryland Baltimore County	8,520
St. Mary's College**	9,178
Weighted Average	6,840

^{*} Based on 24 credits.

Exhibit 2 Tuition and Mandatory Fees Community Colleges Fall 2004

<u>College</u>	Area <u>Resident</u>	State <u>Resident</u>
Allegany	\$2,734	\$5,194
Anne Arundel	2,660	4,940
Baltimore City	2,260	2,260
Baltimore County	2,926	4,816
Carroll	3,096	4,470
Cecil	2,730	5,430
Chesapeake	2,730	4,170
College of Southern Maryland	3,210	5,520
Frederick	2,820	5,760
Garrett	2,790	5,460
Hagerstown	2,900	4,460
Harford	2,490	4,740
Howard	3,420	5,910
Montgomery	3,564	6,948
Prince George's	3,590	5,660
Wor-Wic	2,096	5,186

^{**} Fall 2005 tuition and mandatory fee rates have not been proposed. Fall 2004 tuition and mandatory fee rates are shown.

State Revenues: Higher education tuition and fee revenues for public four-year institutions would decrease by an estimated \$6,840 per student qualifying for a tuition and fee exemption in fiscal 2006. Although the number of Eagle Scouts and Girl Scout Gold Award winners who would qualify for tuition exemptions under the bill is not known, it is estimated that 200 to 300 new Scouts could qualify and enter four-year public institutions each year. This would result in a revenue reduction of \$1.4 million to \$2.0 million in fiscal 2006. The majority of the revenue loss, \$1.3 million to \$1.9 million, would be sustained by University System of Maryland (USM) institutions. Tuition and fee revenue decreases for Morgan State University and St. Mary's College of Maryland would make up the remainder of the impact on four-year institutions.

The loss of tuition and fee revenues would increase in fiscal 2007, as the fiscal 2006 class of Scouts continues into its second year of school and a second class of Eagle Scouts and Girl Scout Gold Award winners are eligible for tuition and fee exemptions. The number of Scouts eligible for exemptions would continue to increase for at least two more years after fiscal 2007, as each class of entering freshman includes approximately 200 to 300 additional Scouts eligible for exemptions. Assuming 6% annual increases in tuition and mandatory fees, higher education revenues could decrease by an estimated \$6.9 million to \$10.4 million by fiscal 2010.

Local Revenues: Community college tuition and fee revenues would decrease in accordance with the number of Eagle Scouts and Girl Scout Gold Award winners who qualify for tuition and fee waivers at community colleges. Tuition and mandatory fees at community colleges average approximately \$3,000 per pupil. Assuming approximately 200 to 300 Scouts qualify for waivers and enter community colleges in fall 2005, fiscal 2006 tuition and fee revenues at community colleges would decrease by an estimated \$600,000 to \$900,000.

The impact would increase in fiscal 2007, as a new class of eligible Scouts enters the community colleges in fiscal 2007 and exemptions provided to the fiscal 2006 class continue.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Morgan State University, University System of Maryland, Maryland Higher Education Commission, Boy Scouts of America, Girl Scouts of America, Department of Legislative Services

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