

SENATE BILL 834

Q3, F2, F5

71r2732

By: **Senator Rosapepe**

Introduced and read first time: February 19, 2007

Assigned to: Rules

Re-referred to: Budget and Taxation, February 22, 2007

Re-referred to: Education, Health, and Environmental Affairs, March 1, 2007

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2007

CHAPTER _____

1 AN ACT concerning

2 **Education - ~~Educational Excellence Awards~~ Guaranteed Access Grants -**
3 **Eligibility Determination**

4 FOR the purpose of prohibiting the Office of Student Financial Assistance from taking
5 into consideration an applicant's receipt of certain tax credits for purposes of
6 determining eligibility for ~~an Educational Excellence Award~~ a Guaranteed
7 Access Grant; and generally relating to determining an applicant's eligibility for
8 ~~an Educational Excellence Award~~ a Guaranteed Access Grant.

9 BY repealing and reenacting, without amendments,
10 Article - Education
11 Section 18-301
12 Annotated Code of Maryland
13 (2006 Replacement Volume)

14 BY repealing and reenacting, with amendments,
15 Article - Education
16 Section ~~18-307~~ 18-303
17 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2006 Replacement Volume)

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

4 **Article - Education**

5 18-301.

6 (a) There is a Program of Educational Excellence Awards in this State that
7 are awarded under this subtitle.

8 (b) The Program shall consist of the following types of awards:

9 (1) Guaranteed Access Grants that are awarded to the neediest
10 students to ensure that 100 percent of educational costs, as defined by regulations
11 adopted by the Commission, are paid; and

12 (2) Educational Assistance Grants that are awarded to low and
13 moderate income students to assist in paying educational costs, as defined by
14 regulations adopted by the Commission.

15 ~~18-307.~~

16 ~~(a) (1) Except as provided in subsection (d) of this section, the Office shall~~
17 ~~compile and certify lists for the entire State that rank applicants by financial need.~~

18 ~~(2) TO DETERMINE THE FINANCIAL NEED OF AN APPLICANT, THE~~
19 ~~OFFICE MAY NOT CONSIDER AN AMOUNT RECEIVED BY THE APPLICANT AS AN~~
20 ~~EARNED INCOME CREDIT UNDER § 32 OF THE INTERNAL REVENUE CODE.~~

21 ~~(b) All funds for annual initial grants shall be awarded from the statewide~~
22 ~~list on the basis of greatest financial need.~~

23 ~~(c) On or before May 1 of each year, the Office shall send each Senator and~~
24 ~~each Delegate a list of individuals in each legislative district to whom Educational~~
25 ~~Excellence Awards are awarded.~~

26 ~~(d) (1) (i) If State funds are available for this purpose, institutions of~~
27 ~~higher education in the State may provide Educational Excellence Awards to students~~
28 ~~who otherwise meet the requirements for receiving an Educational Excellence Award~~
29 ~~but who apply after the March 1 deadline or have other extenuating circumstances.~~

1 (ii) ~~Each year the Commission shall transfer at least \$2 million~~
2 ~~of the funds available under § 18-107(b) of this title for the purposes of this~~
3 ~~subsection.~~

4 (2) ~~The Commission shall:~~

5 (i) ~~Establish guidelines for the awarding of Educational~~
6 ~~Excellence Awards by the institutions of higher education to the students; and~~

7 (ii) ~~Adopt regulations necessary for the implementation of this~~
8 ~~subsection.~~

9 (3) (i) ~~The Commission shall allocate available funds to~~
10 ~~institutions of higher education based on the proportion of State residents enrolled at~~
11 ~~each institution who receive federal Pell Grants.~~

12 (ii) ~~An institution of higher education that receives funds under~~
13 ~~this paragraph shall provide the Commission with an annual audit describing the~~
14 ~~disposition of the funds.~~

15 18-303.

16 (a) Subject to subsection [(c)] (D) of this section, each recipient of an
17 Educational Excellence Award shall:

18 (1) Be accepted for admission in the regular undergraduate program
19 at an eligible institution or be enrolled in a 2-year associate degree program in which
20 the course work is acceptable for transfer credit for an accredited baccalaureate
21 program in an eligible institution;

22 (2) Be a resident of this State;

23 (3) Demonstrate to the Office a definite financial need; and

24 (4) Accept any other conditions attached to the award.

25 (b) Each recipient of a Guaranteed Access Grant shall:

26 (1) Have attained a grade point average of at least 2.5 on a 4.0 scale or
27 its equivalent at the end of the first semester of the senior year in high school and
28 have completed high school or, failing to do so, on the recommendation of the

1 recipient's high school principal, provide evidence satisfactory to the Office of
2 extenuating circumstances;

3 (2) Begin college within 1 year of completing high school or, failing to
4 do so, provide evidence satisfactory to the Office of extenuating circumstances;

5 (3) Be under the age of 22 years at the time of receiving the first
6 award;

7 (4) Have successfully completed a college preparatory program in high
8 school;

9 (5) Enroll in college as a full-time student;

10 (6) [Have] SUBJECT TO SUBSECTION (C) OF THIS SECTION, HAVE
11 an annual family income below a poverty index determined by the Commission; and

12 (7) Satisfy any additional criteria the Commission may establish.

13 (c) **TO DETERMINE THE ANNUAL FAMILY INCOME ELIGIBILITY OF AN**
14 **APPLICANT FOR A GUARANTEED ACCESS GRANT, THE OFFICE MAY NOT**
15 **CONSIDER AN AMOUNT RECEIVED BY THE APPLICANT AS AN EARNED INCOME**
16 **CREDIT UNDER § 32 OF THE INTERNAL REVENUE CODE.**

17 [(c)] (d) A student in grade 9 or grade 10 who applies and qualifies for a
18 Guaranteed Access Grant on the basis of financial need as established by the
19 Commission shall prequalify for a Guaranteed Access Grant to be used at the time of
20 enrollment in an institution of higher education by agreeing in writing, as a secondary
21 and undergraduate student, to:

22 (1) Satisfy the attendance policy of the applicable school;

23 (2) Refrain from substance abuse;

24 (3) Provide information required by the Commission or the State
25 Board of Education;

26 (4) Complete and file on a timely basis applications for federal student
27 aid for each year that the student plans to enroll in postsecondary education;

1 (5) Participate in the College Readiness Outreach Program
2 established in § 18-303.1 of this subtitle until the student graduates from high school
3 and matriculates at an institution of higher education; and

4 (6) Satisfy any other program requirements set by the Office, the
5 Commission, the State Board of Education, or the State Department of Education.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 July 1, 2007.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.