

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

House Bill 279

(Delegate Kaiser, *et al.*)

Ways and Means

Education, Health, and Environmental Affairs

Higher Education - Workforce Shortage Student Assistance Grants

This bill provides that students must earn at least 12 undergraduate credit hours or 9 graduate credit hours per year to qualify for Workforce Shortage Student Assistance grants. Grant recipients who do not meet the minimum credit hour requirements must repay the grants. The bill also authorizes the Maryland Higher Education Commission (MHEC) to make awards to qualifying students during summer sessions.

The bill takes effect June 1, 2007.

Fiscal Summary

State Effect: The alterations to eligibility for Workforce Shortage Student Assistance grants would not materially affect expenditures for the program.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The Workforce Shortage Student Assistance Grant Program provides financial aid to students who agree to work in Maryland in designated critical shortage fields upon completion of their studies. Guidelines set by the Maryland Higher Education Commission (MHEC) require part-time students to take between 6 and 11 credit hours per semester to be eligible for the grants. Full-time students (12 or more credit hours per semester) are also eligible to receive the grants. Although funding for

summer terms is provided to some nursing students for whom summer sessions are mandatory, MHEC generally only awards grants for students taking courses in the fall and spring. Funding for Workforce Shortage Student Assistance grants is as provided in the annual State budget.

Background: The Student Financial Assistance Reform Act of 2005 (Chapter 429) required MHEC to establish a workgroup to study the consolidation of work-based shortage grants into a single grant program. The workgroup submitted a report in December 2005 that recommended a structure and process for consolidating many of the programs. Chapter 367 of 2006 then implemented the workgroup's recommendations, consolidating seven workforce shortage financial assistance programs into the Workforce Shortage Student Assistance Grant Program. The fiscal 2008 State budget includes \$4.0 million for the program, the same amount that was appropriated the previous year for the seven separate grant programs.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 16, 2007
ncs/rhh Revised - House Third Reader - March 27, 2007
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