

Department of Legislative Services  
Maryland General Assembly  
2013 Session

FISCAL AND POLICY NOTE

House Bill 862  
Appropriations

(Delegate W. Miller, *et al.*)

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Higher Education - In-State Tuition - Reduction for Educators

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This bill establishes that specified educators and their immediate family members are eligible to pay a rate that is \$1,000 less than the annual resident tuition rate at a public institution of higher education in the State, if the individual resides in the State. Each public institution of higher education must adopt appropriate policies to implement the bill.

The bill takes effect July 1, 2013.

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Fiscal Summary

**State Effect:** Higher education tuition revenues at public four-year institutions of higher education and Baltimore City Community College (BCCC) decrease by \$1,000 per year per individual who qualifies for the tuition reduction. The total decrease in higher education tuition revenues cannot be reliably calculated; however, due to the large number of individuals who will qualify and are likely to take advantage of the tuition reduction, the total decrease will be significant. *For illustrative purposes*, if only 2% of eligible educators or one of their immediate family members received the full \$1,000 tuition reduction at a State institution each year, tuition revenues would decrease by approximately \$1.5 million annually beginning in FY 2014.

**Local Effect:** Local community college tuition revenues decrease by \$1,000 per year per individual who qualifies for the tuition reduction beginning in FY 2014. The total decrease in tuition revenues for community colleges cannot be reliably calculated; however, due to the large number of individuals who will qualify and are likely to take advantage of the tuition reduction, the total decrease will be significant. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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## **Analysis**

**Bill Summary:** Specifically, the bill grants a \$1,000 tuition reduction to the annual tuition rate to the following individuals: a certificated teacher; a principal; an assistant principal; a paraprofessional school employee; or an immediate family member of a certificated teacher, a principal, an assistant principal, or a paraprofessional school employee.

**Background:** In October 2011 in Maryland, there were approximately 57,600 public school teachers, 3,500 public school principals and assistant principals, and 12,700 paraprofessional public school employees. Moreover, some of these types of educators at the approximately 1,400 nonpublic schools in the State may also be eligible under the bill. These educators also have an unknown number of immediate family members who would likewise be eligible for a tuition reduction under the bill.

The Code of Maryland Regulations stipulates that all professional certified educators must pursue professional development, have individualized professional development plans throughout their careers, and complete at least six hours of course credits (and for some certificates at least 36 hours of approved content or courses) during each five-year certification renewal cycle. The credit must be earned or taught at an institution of higher education or through approved continuing professional development experiences. Thus, educators are very likely to continually take courses at an institution of higher education (although they are unlikely to attend full time and be paying the full annual resident tuition rate).

The annual in-state undergraduate tuition and mandatory fees, with the \$1,000 tuition reduction, are shown in **Exhibit 1**.

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**Exhibit 1**  
**In-state Undergraduate Tuition and Mandatory Fees and with \$1,000 Reduction**  
**Proposed Fall 2013 Rates**

	<u>In-state</u>	<u>With \$1,000 Reduction</u>
USM Institutions		
Coppin State	\$5,882	\$4,882
UM Eastern Shore	6,998	5,998
Bowie State University	6,954	5,954
Salisbury University	8,128	7,128
Frostburg State University	7,728	6,728
Towson University	8,324	7,324
University of Baltimore	7,220	6,220
UM College Park	9,153	8,153
UM Baltimore County	9,771	8,771
UM University College	6,207	5,207
Other Public Four-year Institutions		
Morgan State University	7,152	6,152
St. Mary's College of Maryland	15,354	14,354

Key: USM = University System of Maryland; UM = University of Maryland

Notes: Tuition and fee rates are based on full-time enrollment for the 2013-2014 academic year. Rates are pending final approval.

Source: Morgan State University; St. Mary's College of Maryland; University System of Maryland;

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**Exhibit 2** shows the annual in-county tuition and fees at community colleges for full-time students and with the \$1,000 tuition reduction. It should be noted that, while the bill adjusts *annual* tuition rates for full-time students, many educators take continuing education courses on a *part-time* basis and are charged based on the number of credit hours they take. It is assumed that the \$1,000 reduction to the annual tuition rate would be prorated on a per-credit hour basis to implement the bill.

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**Exhibit 2**  
**In-county Tuition and Fees at Community Colleges and with a \$1,000 Reduction**  
**Fall 2012**

<u>College</u>	<u>In-county</u>	<u>With \$1,000 Reduction</u>
Allegany	\$3,504	\$2,504
Anne Arundel	3,620	2,620
Baltimore City	3,000	2,000
Baltimore County	3,922	2,922
Carroll	3,912	2,912
Cecil	3,090	2,090
Chesapeake	3,925	2,925
College of Southern MD	3,930	2,930
Frederick	3,450	2,450
Garrett	3,560	2,560
Hagerstown	2,925	1,925
Harford	4,343	3,343
Howard	4,452	3,452
Montgomery	4,200	3,200
Prince George's	4,096	3,096
Wor-Wic	3,026	2,026

Note: Tuition and fee rates are based on full-time enrollment (*i.e.*, 30 credit hours) for the 2012-2013 academic year.

Source: Maryland Association of Community Colleges

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore City Community College, Maryland State Department of Education, Maryland Higher Education Commission, Morgan State University, University System of Maryland, Maryland Association of Community Colleges, Department of Legislative Services

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Analysis by: Caroline L. Boice

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510