

# SENATE BILL 313

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6lr1344  
CF HB 231

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By: **Senators Klausmeier, Currie, DeGrange, Eckardt, Ferguson, Guzzone, Kagan, Manno, Muse, Nathan-Pulliam, Raskin, Ready, Salling, and Young**

Introduced and read first time: January 26, 2016

Assigned to: Education, Health, and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 2016

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public ~~Institutions of Senior Higher Education Institutions~~ – Financial**  
3 **Aid – Reduction ~~Prohibited~~ Restrictions**

4 FOR the purpose of ~~prohibiting financial aid that is awarded to a student by a public~~  
5 ~~institution of higher education from being reduced by any other form of financial aid~~  
6 ~~awarded to the student beginning in a certain academic year; prohibiting a public~~  
7 ~~institution of higher education from considering certain scholarships when~~  
8 ~~assembling certain financial aid packages; regulating how public senior higher~~  
9 ~~education institutions may adjust funds awarded by the institution when students~~  
10 ~~receive additional financial aid from federal, State, or private sources; authorizing~~  
11 ~~financial aid awarded by a public institution of senior higher education institution~~  
12 ~~to be reduced in a certain order under certain circumstances; prohibiting financial~~  
13 ~~aid awarded by a public senior higher education institution from being reduced~~  
14 ~~under certain circumstances; defining certain terms; and generally relating to~~  
15 ~~financial aid at public institutions of senior higher education institutions.~~

16 BY adding to

17 Article – Education

18 Section 15–119

19 Annotated Code of Maryland

20 (2014 Replacement Volume and 2015 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

22 That the Laws of Maryland read as follows:

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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 Article – Education

2 15-119.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
4 INDICATED.

5 (2) “COST OF ATTENDANCE” ~~MEANS THE COST FOR A STUDENT TO~~  
6 ~~ATTEND AN INSTITUTION OF HIGHER EDUCATION, INCLUDING;~~ HAS THE MEANING  
7 STATED IN 20 USCA § 1087LL.

8 ~~(I) TUITION AND FEES;~~

9 ~~(II) ROOM AND BOARD;~~

10 ~~(III) BOOKS AND SUPPLIES; AND~~

11 ~~(IV) PERSONAL AND TRANSPORTATION EXPENSES.~~

12 (3) “FINANCIAL AID” INCLUDES SCHOLARSHIPS, GRANTS, LOANS,  
13 AND WORK STUDY.

14 (4) “FINANCIAL NEED” HAS THE MEANING STATED IN 20 USCA §  
15 1087KK.

16 ~~(4) (5)~~ “PRIVATE SCHOLARSHIPS” MEANS SCHOLARSHIPS  
17 AWARDED BY COMPANIES, PRIVATE FOUNDATIONS, AND SERVICE GROUPS.

18 (6) “UNMET FINANCIAL NEED” MEANS THE STUDENT’S FINANCIAL  
19 NEED MINUS THE STUDENT’S FINANCIAL AID.

20 (B) ~~(1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION AND EXCEPT~~  
21 ~~AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, BEGINNING IN THE 2016-2017~~  
22 BEGINNING IN THE 2017-2018 ACADEMIC YEAR, IF A STUDENT IS AWARDED  
23 FINANCIAL AID BY THE PUBLIC ~~INSTITUTION OF~~ SENIOR HIGHER EDUCATION  
24 INSTITUTION THAT THE STUDENT ATTENDS OR PLANS TO ATTEND, THE AMOUNT OF  
25 FINANCIAL AID AWARDED BY THE INSTITUTION MAY ~~NOT BE REDUCED BY ANY~~  
26 ~~OTHER FORM OF FINANCIAL AID AWARDED TO THE STUDENT.~~

27 (2) ~~WHEN ASSEMBLING A STUDENT’S INITIAL FINANCIAL AID~~  
28 ~~PACKAGE, A PUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT CONSIDER A~~  
29 ~~STUDENT’S PRIVATE SCHOLARSHIPS.~~

1 ~~(C) IF THE TOTAL AMOUNT OF FINANCIAL AID AWARDED TO A STUDENT~~  
 2 ~~EXCEEDS THE STUDENT'S COST OF ATTENDANCE, TO MAKE THE STUDENT'S TOTAL~~  
 3 ~~AMOUNT OF FINANCIAL AID EQUAL TO THE STUDENT'S COST OF ATTENDANCE, THE~~  
 4 ~~AMOUNT OF FINANCIAL AID AWARDED BY THE PUBLIC INSTITUTION OF HIGHER~~  
 5 ~~EDUCATION MAY BE REDUCED ONLY IF THE AMOUNT A STUDENT RECEIVES IN~~  
 6 ~~FEDERAL FINANCIAL AID OR STATE FINANCIAL AID OFFERED THROUGH THE OFFICE~~  
 7 ~~OF STUDENT FINANCIAL ASSISTANCE IN THE COMMISSION OR THROUGH PRIVATE~~  
 8 ~~SCHOLARSHIPS CAUSES THE AMOUNT OF FINANCIAL AID AVAILABLE TO THE~~  
 9 ~~STUDENT TO EXCEED THE STUDENT'S FINANCIAL NEED.~~

10 (C) A REDUCTION AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION  
 11 SHALL BE REDUCED IN THE FOLLOWING ORDER:

- 12 (1) LOANS;
- 13 (2) WORK STUDY; AND
- 14 (3) GRANTS AND SCHOLARSHIPS.

15 (D) THE AMOUNT OF FINANCIAL AID AWARDED BY THE INSTITUTION MAY  
 16 NOT BE REDUCED IF:

17 (1) A STUDENT HAS AN UNMET FINANCIAL NEED AT THE TIME AN  
 18 INSTITUTION SENDS ITS AWARD NOTICE TO THE STUDENT; AND

19 (2) THE STUDENT RECEIVES ADDITIONAL STATE FINANCIAL AID  
 20 OFFERED THROUGH THE OFFICE OF STUDENT FINANCIAL ASSISTANCE IN THE  
 21 COMMISSION OR THROUGH PRIVATE SCHOLARSHIPS TO FILL ALL OR A PORTION OF  
 22 THE UNMET FINANCIAL NEED.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
 24 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.