

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 971
 Ways and Means

(Delegate Ebersole, *et al.*)
 Education, Health, and Environmental Affairs

James W. Hubbard Inclusive Higher Education Grant Program

This bill establishes the James W. Hubbard Inclusive Higher Education Grant Program. The program awards competitive grants to institutions of higher education to develop and implement programs that provide inclusive higher education opportunities for students with intellectual and developmental disabilities (IDD), subject to specified conditions. The program is administered by the Maryland Higher Education Commission (MHEC) in consultation with the Developmental Disabilities Administration (DDA) in the Department of Health and Mental Hygiene, the Maryland Department of Disabilities (MDOD), and the Maryland State Department of Education (MSDE).

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: General fund expenditures increase by \$250,000 annually beginning in FY 2018 for grants to institutions of higher education to support inclusive higher education programs, as discussed below. Higher education revenues and expenditures increase to the extent that grants are awarded to public four-year institutions of higher education or Baltimore City Community College (BCCC). MHEC can administer the program with existing resources, and DDA, MDOD, and MSDE can consult with MHEC as needed with existing resources. The Governor’s proposed FY 2018 budget includes \$250,000 for DDA for purposes similar to the bill, although the funding is not contingent upon the bill.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Higher Ed Rev.	-	-	-	-	-
GF Expenditure	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Higher Ed Exp.	-	-	-	-	-
Net Effect	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local community college revenues and expenditures increase if one or more community colleges receive funding for an inclusive higher education program, as discussed below.

Small Business Effect: None.

Analysis

Bill Summary: “Inclusive higher education” means access to a program of higher education for students with IDD that allows for, to the greatest extent possible, the same rights, privileges, experiences, benefits, and outcomes that result from a college experience as their peer students without disabilities. It includes academic access and inclusive instruction, career development, campus engagement, self-determination, participation in paid work experiences, on- or off-campus living (when available to other students), and inclusive social activities.

To carry out the purpose of the program, MHEC must:

- develop and send to each institution of higher education in the State a description of the program, including materials describing the purpose and goals of the program, an application, compliance requirements, and available funding;
- develop application requirements and review and approve applications; and
- award grants to institutions of higher education on a competitive basis.

To qualify for a grant under the program, an institution of higher education must develop a program of inclusive higher education that:

- meets the requirements of a comprehensive transition program under the federal Higher Education Opportunity Act so that students enrolled in the program are eligible for federal financial aid;
- offers the necessary supports to students with IDD to allow these students, to the greatest extent possible, to have the same rights, privileges, experiences, benefits, and outcomes as their peer students without disabilities;
- ensures that students with IDD (1) have access to a wide array of academic courses that are attended by students without disabilities; (2) have access and support for participation in campus life, including social activities and organizations, institution

facilities, and technology; and (3) are able to access and use campus resources available to students without disabilities;

- provides students with IDD with the supports and experiences necessary to seek and sustain competitive employment;
- develops and promotes the self-determination skills of students with IDD;
- offers peer mentoring;
- coordinates with MSDE, including the Division of Rehabilitation Services (DORS), and other stakeholders in the development of the program;
- adopts admissions standards that do not require a student with IDD to participate in a curriculum-based, achievement college entrance exam that is administered nationwide; and
- includes the development of a meaningful credential for students with IDD to earn on successful completion of the program.

Beginning January 1, 2019, and every six months thereafter, an institution of higher education awarded a grant under the program must submit a report to MHEC that includes:

- a plan for the sustainability of the program, including enrollment projections;
- any needs for training, technical assistance, and other capacity necessary to provide for continuation of the program; and
- lessons learned by the institution and identification of best practices with the goal of promoting the development of a statewide model program of inclusive higher education for use by other institutions of higher education in the State.

By June 30, 2019, and annually thereafter, MHEC, after consultation with DDA, MDOD, and MSDE, must submit a report to the General Assembly on the effectiveness and success of the program.

Current Law/Background: There is no State program that offers funding to institutions of higher education to develop and implement programs like those under the bill. The bill is similar to legislation recently passed in Colorado. A pilot program at the University of Maryland, Baltimore County (UMBC) established in 2012 for individuals with IDD stopped accepting new applicants in 2015.

Colorado Inclusive Higher Education Program

In June 2016, Colorado established a five-year pilot program to provide funding for three institutions of higher education to create inclusive higher education programs for individuals with intellectual and/or developmental disabilities. Colorado's legislation mandates funding of \$250,000 annually for the first two of the five years. Additional funding of the same amount is contemplated, but not mandated, by the legislation. In the first year, the funding is allocated for three pilot programs, two at four-year institutions and one at a community college.

University of Maryland, Baltimore County SUCCESS Program

UMBC created the Students United for Campus-Community Engagement for Post-Secondary Success (SUCCESS) Program in 2012. According to a UMBC press release at the time, students were chosen on the basis of applications that included resumes, transcripts, reference letters, an essay, and in-person interviews. It was the State's first, and only, four-year postsecondary education program for participants with IDD. The program accepted 8 to 10 students each year in 2012, 2013, and 2014. However, beginning in fall 2015, the program was closed to new applicants. The first class graduated in 2016, the second class will graduate in 2017, and the third and final class will graduate in 2018.

The program is funded as a pilot program, with the students' tuition paid by DDA (about 80%) and DORS (about 20%). The students' tuition is used to fund the costs of the program. The program also received additional start-up funding of \$64,000 in fiscal 2013 and \$44,000 in fiscal 2014, mostly from private donations.

Task Force for Expanding Credit and Noncredit Courses for Students with Intellectual and Developmental Disabilities

Chapter 392 of 2013 established the Task Force to Study the Impact of Expanding Credit and Noncredit Courses for Students with Intellectual and Developmental Disabilities. The task force was originally required to submit a report by January 1, 2014, but the date was extended by Chapter 436 of 2014 to January 1, 2016.

Broadly, the task force was charged with:

- studying the impact of credit and expanding the availability of credit and noncredit course offerings for students with IDD at public institutions of higher education in the State, including costs, distance-learning options, pathways to meaningful credentials or gainful employment as defined in regulations adopted under Title IV of the federal Higher Education Act, barriers, and logistics; and

- making recommendations regarding the expansion of credit and noncredit course offerings for students with IDD at public institutions of higher education in the State.

One of several recommendations made by the task force in its report was that model programs should be developed by institutions of higher education in the State for individuals with IDD that include state-of-the-art best practices. State funds should support these efforts through a competitive request for proposals process, and the results should be sustainable. The funding recommendation was \$1.0 million for planning and funding for the first-year programs of two institutions. The task force [report](#) can be found on the Department of Legislative Services' website.

Division of Rehabilitation Services

DORS in MSDE provides vocational rehabilitation services and determines eligibility for federal disability benefits. The Governor's proposed fiscal 2018 budget for DORS includes \$1.0 million in general funds as enhancement funding to reduce the waiting list for services by 600 individuals. MSDE reports that the waiting list for case services averaged 3,629 individuals from March through September 2016. One of the services provided by DORS is grants to individuals with disabilities to attend higher education institutions. MSDE advises that, in fiscal 2016, \$2.3 million was provided to 580 individuals to assist with higher education expenses, or about \$4,000 per individual, on average.

Higher Education Opportunity Act

The federal Higher Education Opportunity Act established criteria for becoming a designated comprehensive transition and postsecondary program for students with IDD. There are currently 27 designated programs.

State Fiscal Effect: The bill requires MHEC, in consultation with DDA, MDOD, and MSDE, to provide competitive grants to institutions of higher education to support inclusive higher education programs. Eligible institutions include public and private four-year institutions and community colleges, including BCCC.

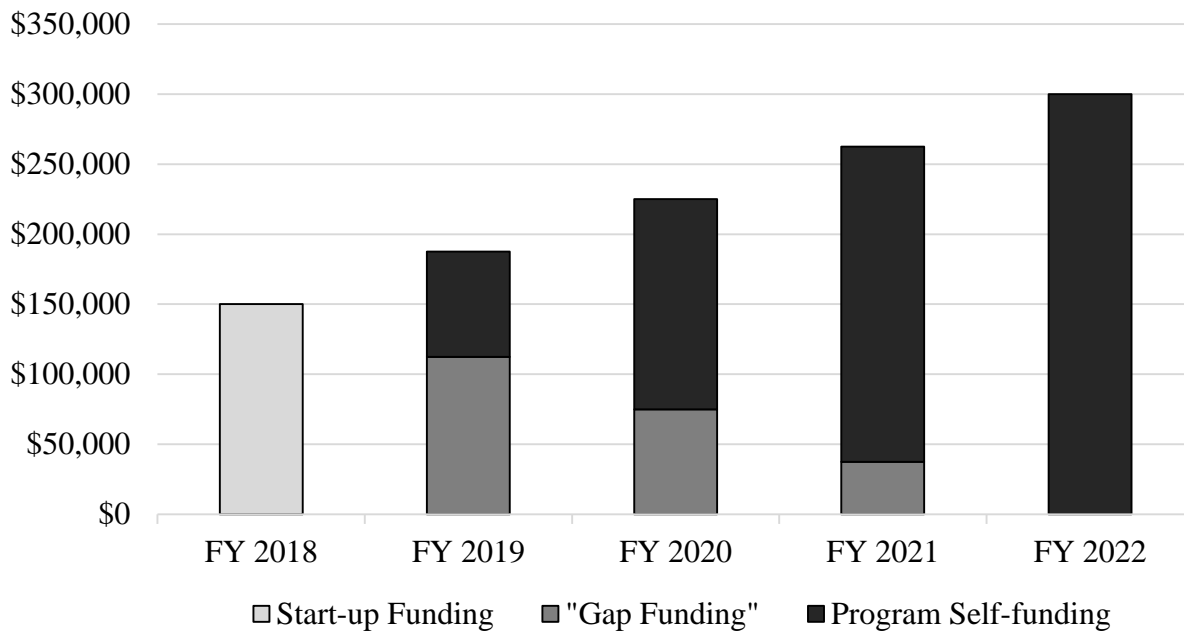
MHEC advises that it can administer the program with existing resources. DDA, MDOD, and MSDE can work with MHEC as needed with existing staff.

Therefore, general fund expenditures increase by \$250,000 annually beginning in fiscal 2018 for MHEC to provide grants to institutions of higher education to support inclusive higher education programs. This is the amount of funding necessary to initially support two programs beginning in fiscal 2018 and to support additional programs

beginning as early as fiscal 2020, once the original programs move toward becoming self-sustaining.

If the programs are designed in a similar fashion to SUCCESS, then the grants provide start-up funding in fiscal 2018 (for program design) and provide “gap funding” in fiscal 2019 through 2021, after which the programs should be self-sustaining with four classes of students paying tuition each year. The general concept is shown below in **Exhibit 1**. According to both the administrators of the SUCCESS program and DDA staff, programs of this type are most effective at about 30 to 35 total students. At existing in-state tuition rates, a fully subscribed program provides about \$250,000 to \$300,000 in available funding after accounting for overhead expenses. If a program is designed to allow for student on-campus housing, overall expenditures and revenues for the program further increase correspondingly.

Exhibit 1
Example Program Funding
Fiscal 2018-2022



Note: Assumes total program costs grow gradually until the program is fully subscribed in fiscal 2022.

Source: Department of Legislative Services

Higher education revenues and expenditures increase to the extent that grants are awarded to public four-year institutions of higher education or BCCC. The grants, in combination with tuition, support the programs. As noted above, a program could be funded at about \$250,000 to \$300,000 annually from a combination of grant funding and tuition until such time as a program is self-sustaining.

MSDE advises that the bill potentially increases demand for services that the department provides to individuals with IDD if those individuals enroll in an inclusive higher education program and subsequently seek support for higher education expenses from the department. If this occurs, overall MSDE expenditures are not affected, but MSDE's waiting list for services may increase relative to what it otherwise would have been.

Local Fiscal Effect: Local community college revenues and expenditures increase if one or more community colleges receive funding for an inclusive higher education program. The programs would be funded in much the same way as discussed above for public four-year institutions and BCCC. However, tuition at community colleges is substantially less than at four-year institutions, and for some individuals with IDD is entirely waived as required under current law, which may cause sustainability issues.

Additional Information

Prior Introductions: None.

Cross File: SB 872 (Senator Zucker, *et al.*) - Education, Health, and Environmental Affairs.

Information Source(s): Maryland Higher Education Commission; Maryland State Department of Education; University System of Maryland; University of Maryland, Baltimore County; Morgan State University; St. Mary's College of Maryland; Maryland Department of Disabilities; Department of Health and Mental Hygiene; Colorado State Legislature; Department of Legislative Services

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