

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 625 (Delegates Rosenberg and Luedtke)
 Ways and Means

Janet L. Hoffman Loan Assistance Repayment Program - Local Police - Eligibility

This bill expands *eligibility* for the Janet L. Hoffman Loan Assistance Repayment Program (LARP) to include a member of a local police force who completed a degree program at a community college in the State. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: General fund expenditures increase by \$15,000 in FY 2019 for one-time contractual costs associated with updating the Maryland Higher Education Commission’s (MHEC) scholarship system. Expanding *eligibility* for the Janet L. Hoffman LARP does not require additional spending.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	15,000	0	0	0	0
Net Effect	(\$15,000)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background:

Loan Assistance Repayment Program

LARP provides loan repayment assistance in exchange for certain service commitments to help ensure that underserved areas of the State have sufficient numbers of primary care physicians, physician assistants, dentists, lawyers, and other professionals serving underserved areas of the State or low-income families. The program is subdivided into the Janet L. Hoffman LARP, the Maryland Dent-Care LARP, and the Maryland LARP for Physicians and Physician Assistants. Individuals must have received a graduate, professional, or undergraduate degree from a college or university in the State or a school of law or have received a resident teacher certificate from the Maryland State Department of Education after completing an approved alternative teaching preparation program. They must also be employed full time in State or local government or in a nonprofit organization that assists low-income, underserved residents or underserved areas in the State.

Janet L. Hoffman Loan Assistance Repayment Program

Eligible employment fields include lawyers, degree- or diploma-holding registered nurses, licensed clinical therapists, physical and occupational therapists, social workers, speech pathologists, and teachers. Chapter 496 of 2012 established the Nancy Grasmick Teacher Award within Janet L. Hoffman LARP for Maryland public school teachers who have taught in Maryland for at least two years in (1) science, technology, engineering, or math subjects or (2) a school in which at least 75% of the students are enrolled in the free and reduced-price meal program. A teacher must also have received the highest performance evaluation rating for the most recent year available.

The Governor's proposed fiscal 2019 budget contains \$1.5 million for Janet L. Hoffman LARP, including \$199,089 in special funds from out-of-state attorney fees. In fiscal 2017, a total of 151 Janet L. Hoffman LARP awards were made, and the average award amount was \$5,961. Sixty applicants were placed on the waiting list.

For the Janet L. Hoffman LARP, awards are determined by an applicant's overall reported educational debt at the time of application, and they lock in to an award level that contains set award amounts. Award funds are distributed annually over a three-year period as long as the recipient remains eligible and continues to submit the required annual employment, lender, and tax documentation by the deadline.

Local Police Officers

Nationwide an increasing number of local police departments require applicants to complete at least one or two years of college coursework or have an associate's degree. According to the U.S. Census Bureau there were approximately 17,600 local police officers in Maryland in 2016.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Association of Counties; Maryland Higher Education Commission; Baltimore City Community College; U.S. Census Bureau; Department of Legislative Services

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