

HOUSE BILL 824

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~~EMERGENCY BILL~~

9lr2550

By: **Delegates Jones, B. Barnes, Gaines, McIntosh, and Mosby**

Introduced and read first time: February 8, 2019

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2019

CHAPTER _____

1 AN ACT concerning

2 **Financial Aid – Guaranteed Access Grants – Verification and Administration by**
3 **Institutions of Higher Education**

4 FOR the purpose of authorizing certain institutions of higher education to verify certain
5 eligibility for, and on verification administer, Guaranteed Access Grants under the
6 Delegate Howard P. Rawlings Program of Educational Excellence Awards under
7 certain circumstances; requiring certain recipients to demonstrate a definite
8 financial need to certain institutions, rather than only to the Office of Student
9 Financial Assistance in the Maryland Higher Education Commission, under certain
10 circumstances; prohibiting certain institutions from considering certain amounts of
11 money as income under certain circumstances; requiring certain institutions to
12 verify certain qualifications, evaluate certain income eligibility, maintain certain
13 records, and provide the Commission with a certain audit as part of the verification
14 and administration process; authorizing a certain verification to be used at certain
15 institutions, subject to a certain adjustment under certain circumstances; ~~making~~
16 ~~this Act an emergency measure~~; requiring the Financial Aid Advisory Council in the
17 Commission to study a certain process and report certain recommendations to the
18 Commission and to participating institutions on or before a certain date; providing
19 for the termination of certain provisions of this Act; providing for a delayed effective
20 date for certain provisions of this Act; and generally relating to the verification and
21 administration of Guaranteed Access Grants by institutions of higher education.

22 BY repealing and reenacting, without amendments,

23 Article – Education

24 Section 18–301(a) and (b)(1) and 18–303(b) and (c)

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 Annotated Code of Maryland
2 (2018 Replacement Volume and 2018 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article – Education
5 Section 18–303(a) and (d)
6 Annotated Code of Maryland
7 (2018 Replacement Volume and 2018 Supplement)

8 BY adding to
9 Article – Education
10 Section 18–303.3
11 Annotated Code of Maryland
12 (2018 Replacement Volume and 2018 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Education**

16 18–301.

17 (a) There is a Delegate Howard P. Rawlings Program of Educational Excellence
18 Awards in this State that are awarded under this subtitle.

19 (b) The Program shall consist of the following types of awards:

20 (1) Guaranteed Access Grants that are awarded to the neediest students
21 to ensure that 100 percent of educational costs, as defined by regulations adopted by the
22 Commission, are paid; and

23 18–303.

24 (a) Subject to subsection (e) of this section, each recipient of a Delegate Howard
25 P. Rawlings Educational Excellence Award shall:

26 (1) Be accepted for admission in the regular undergraduate program at an
27 eligible institution or be enrolled in a 2–year associate degree program in which the course
28 work is acceptable for transfer credit for an accredited baccalaureate program in an eligible
29 institution;

30 (2) Except as provided in § 18–303.2 of this subtitle, be a resident of this
31 State;

32 (3) Demonstrate **A DEFINITE FINANCIAL NEED** to:

1 **(I) FOR AN EDUCATIONAL ASSISTANCE GRANT**, the Office [a
2 definite financial need]; **OR**

3 **(II) FOR A GUARANTEED ACCESS GRANT, THE OFFICE OR AN**
4 **INSTITUTION OF HIGHER EDUCATION THAT COMPLIES WITH § 18-303.3 OF THIS**
5 **SUBTITLE**; and

6 (4) Accept any other conditions attached to the award.

7 (b) Except as provided in subsection (c) of this section, each recipient of a
8 Guaranteed Access Grant shall:

9 (1) Have attained a grade point average of at least 2.5 on a 4.0 scale or its
10 equivalent at the end of the first semester of the senior year in high school and have
11 completed high school or, failing to do so, on the recommendation of the recipient's high
12 school principal, provide evidence satisfactory to the Office of extenuating circumstances;

13 (2) Begin college within 1 year of completing high school or, failing to do
14 so, provide evidence satisfactory to the Office of extenuating circumstances;

15 (3) Be under the age of 22 years at the time of receiving the first award;

16 (4) Have successfully completed a college preparatory program in high
17 school;

18 (5) Enroll in college as a full-time student;

19 (6) Subject to subsection (d) of this section, have an annual family income
20 below a poverty index determined by the Commission; and

21 (7) Satisfy any additional criteria the Commission may establish.

22 (c) (1) Subject to paragraph (2) of this subsection, an individual who has
23 successfully obtained a high school diploma by examination under § 11-808 of the Labor
24 and Employment Article is exempt from the requirements of subsection (b) of this section.

25 (2) An individual described under paragraph (1) of this subsection is
26 eligible for a Guaranteed Access Grant if the individual:

27 (i) Has scored a passing score of at least 165 per module on the
28 diploma by examination;

29 (ii) Begins college within 1 year of achieving the score described
30 under item (i) of this paragraph or, failing to do so, provides evidence satisfactory to the
31 Office of extenuating circumstances;

1 (iii) Is under the age of 26 years at the time of receiving the first
2 award;

3 (iv) Enrolls in college as a full-time student; and

4 (v) Subject to subsection (d) of this section, has an annual family
5 income below a poverty index determined by the Commission.

6 (d) To determine the annual family income eligibility of an applicant for a
7 Guaranteed Access Grant, the Office **OR AN INSTITUTION OF HIGHER EDUCATION THAT**
8 **COMPLIES WITH § 18-303.3 OF THIS SUBTITLE** may not consider an amount received by
9 the applicant as an earned income credit under § 32 of the Internal Revenue Code.

10 **18-303.3.**

11 (A) **A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE, OR A**
12 **PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION THAT IS ELIGIBLE FOR**
13 **STATE AID UNDER § 17-103 OF THIS ARTICLE, MAY VERIFY THE ELIGIBILITY OF AN**
14 **APPLICANT FOR, AND ON VERIFICATION OF THE ELIGIBILITY ADMINISTER, A**
15 **GUARANTEED ACCESS GRANT IN ACCORDANCE WITH THIS SECTION.**

16 (B) **AN INSTITUTION MAY VERIFY:**

17 (1) **THE ELIGIBILITY OF AN APPLICANT WHO:**

18 (i) **IS IDENTIFIED BY THE OFFICE AS POTENTIALLY ELIGIBLE**
19 **FOR A GUARANTEED ACCESS GRANT UNDER § 18-303 OF THIS SUBTITLE; AND**

20 (ii) **APPLIES FOR ADMISSION TO THE INSTITUTION; OR**

21 (2) **THE RENEWAL ELIGIBILITY OF A STUDENT WHO:**

22 (i) **RECEIVED A GUARANTEED ACCESS GRANT UNDER §**
23 **18-303 OF THIS SUBTITLE IN THE PRIOR AWARD YEAR; AND**

24 (ii) **IS AN ADMITTED STUDENT AT THE INSTITUTION IN THE**
25 **CURRENT AWARD YEAR.**

26 (C) **AN INSTITUTION SHALL:**

27 (1) **VERIFY THAT AN APPLICANT QUALIFIES FOR A GUARANTEED**
28 **ACCESS GRANT UNDER THE REQUIREMENTS OF § 18-303 OF THIS SUBTITLE;**

1 **(2) EVALUATE THE APPLICANT'S INCOME ELIGIBILITY CRITERIA**
2 **USING FEDERAL V1 STANDARD VERIFICATION AND IN ACCORDANCE WITH THE**
3 **INCOME ELIGIBILITY CRITERIA ESTABLISHED BY THE OFFICE;**

4 **(3) MAINTAIN RECORDS USED BY THE INSTITUTION TO DETERMINE**
5 **THE ELIGIBILITY OF APPLICANTS FOR A PERIOD OF 5 YEARS AFTER THE END DATE**
6 **OF THE AWARD YEAR ASSOCIATED WITH THE STUDENT'S LAST AWARD; AND**

7 **(4) PROVIDE THE COMMISSION WITH AN AUDIT, IN ACCORDANCE**
8 **WITH RULES ADOPTED BY THE COMMISSION, TO SHOW THAT AWARDS VERIFIED AND**
9 **ADMINISTERED UNDER THIS SECTION HAVE BEEN MADE PROPERLY.**

10 **(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**
11 **VERIFICATION OBTAINED BY AN APPLICANT UNDER SUBSECTION (B) OF THIS**
12 **SECTION MAY BE USED AT ANY ELIGIBLE INSTITUTION DESCRIBED UNDER § 18-305**
13 **OF THIS SUBTITLE.**

14 **(2) THE AMOUNT OF THE GUARANTEED ACCESS GRANT AWARDED TO**
15 **AN APPLICANT MAY BE ADJUSTED IN ACCORDANCE WITH THE COST OF ATTENDANCE**
16 **AT THE INSTITUTION AT WHICH THE APPLICANT USES THE AWARD.**

17 SECTION 2. AND BE IT FURTHER ENACTED, ~~That this Act is an emergency~~
18 ~~measure, is necessary for the immediate preservation of the public health or safety, has~~
19 ~~been passed by a ye and nay vote supported by three fifths of all the members elected to~~
20 ~~each of the two Houses of the General Assembly, and shall take effect from the date it is~~
21 ~~enacted.~~ That, on or before December 31, 2019, the Financial Assistance Advisory Council
22 in the Maryland Higher Education Commission shall study the financial aid verification
23 process described in Section 1 of this Act and shall make recommendations to the
24 Commission and to participating institutions on the implementation of this Act. The
25 Council shall consider issues relating to the dissemination of information to applicants,
26 limiting inconsistencies and duplication of efforts in the application process, and the
27 prioritization of awards.

28 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
29 effect July 1, 2019. It shall remain effective for a period of 2 years and, at the end of June
30 30, 2021, Section 2 of this Act, with no further action required by the General Assembly,
31 shall be abrogated and of no further force and effect.

32 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
33 3 of this Act, this Act shall take effect July 1, 2020.