

Department of Legislative Services  
Maryland General Assembly  
2021 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 460  
Appropriations

(Delegate Solomon)

Education, Health, and Environmental Affairs

---

Transfer With Success Act

---

This bill requires the Maryland Higher Education Commission (MHEC) to require a receiving public institution of higher education that denies the transfer of a credit or course to an enrolled student to notify the sending public institution and the enrolled student, as specified, including the rationale for the denial. The transfer coordinator or institutional designee of the sending institution must conduct a review, in conjunction with the receiving institution's designee, within a time period MHEC determines to be appropriate. Each public institution of higher education must submit an annual report to MHEC listing any denials of transfer of a credit or a course and the reasons for the denials. **The bill takes effect July 1, 2021.**

---

Fiscal Summary

**State Effect:** *Based on one set of assumptions*, public four-year higher education revenues and expenditures are not materially affected. *Based on further assumptions*, Baltimore City Community College (BCCC) revenues and expenditures are not materially affected. However, higher education operations are affected, as explained below. To the extent BCCC is required to make changes to courses, BCCC expenditures increase, potentially significantly.

**Local Effect:** *Based on one set of assumptions*, local community college revenues and expenditures are not materially affected. However, local community college operations are affected, as explained below. To the extent local community colleges are required to make changes to courses, local community college expenditures increase, potentially significantly.

**Small Business Effect:** None.

---

## Analysis

### Current Law:

#### *Statute – Transfer Requirements*

MHEC must establish procedures for the transfer of students between public segments of postsecondary education. MHEC must recommend cooperative programs among segments of postsecondary education to assure appropriate flexibility in the higher education system. In conjunction with the governing boards of institutions, MHEC must establish standards for articulation agreements.

MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide transfer agreement whereby at least 60 credits of general education, elective, and major courses that a student earns at any community college in the State toward an associate of arts or associate of science degree must be transferable to any public four-year higher education institution in the State for credit toward a bachelor's degree.

In addition, MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide reverse transfer agreement whereby at least 30 credits that a student earns at any public four-year institution in the State toward a bachelor's degree are transferable to any community college in the State for credit toward an associate's degree.

#### *Regulations – Transfer of Courses and Credits*

The Code of Maryland Regulations establishes detailed transfer requirements that specify which types of credits and courses must transfer. In general, credit earned at any public institution in the State is transferable to any other public institution if (1) the credit is from a college or university parallel course or program; (2) grades in the block of courses transferred averaged 2.0 or higher; and (3) acceptance of the credit is consistent with the policies of the receiving institution governing native students following the same program. In addition, community college courses taken as part of a recommended transfer program degree must be applicable to related programs at the receiving public institution granting the degree if successfully completed in accordance with the receiving institution's policies governing native students in the same program.

In general, a completed general education program must transfer (as lower-division credits) without further review or approval by the receiving institution and without the need for a course-by-course match. The assignment of credit through a nationally recognized standardized exam such as the Advanced Placement (known as AP) exam must be

determined according to the same standards that apply to native students in the receiving institution and consistent with the State minimum requirements. Other nontraditional credit, such as technical courses from career programs, must be evaluated on a course-by-course basis according to the same standards that apply to native students.

#### *Regulations – Student Transfer Responsibilities*

According to regulations, a student is held accountable for the loss of credits that (1) result from changes in the student's selection of the major program of study; (2) were earned for remedial course work; or (3) exceed the total course credits accepted in transfer. A student is also responsible for meeting all requirements of the academic program of the receiving institution.

#### *Regulations – General Education Courses Transfer Mediation Committee*

According to regulations, sending and receiving institutions that disagree on the transferability of *general education courses* must submit their disagreements to the Secretary of Higher Education, who must appoint a Transfer Mediation Committee to adjudicate the disagreement. Members appointed to the committee must be representative of the public four-year colleges and universities and the community colleges. The committee must address general education issues at the course or curricular level, not individual student cases. As appropriate, the committee must consult with faculty on curricular issues. The findings of the committee are considered binding on both parties.

#### *Regulations – Denial of Credit*

According to regulations, the receiving institution must inform the student of the denial in writing no later than the middle of the student's first semester at the institution, and must additionally inform the student of their right to appeal the decision. If the student exercises their right to appeal, the institution must respond within 10 working days, and their decision must be conveyed to the student in writing and be consistent with the applicable regulations. If the appeal is denied, the student may, within 10 working days, request that the transfer coordinator of their sending institution intercede on their behalf. Representatives of both institutions must affirm, modify, or reverse the initial decision within 15 working days of the request. This decision is final and must be conveyed to the student in writing.

#### *Regulations – Transfer Coordinator*

A public institution of higher education must designate a transfer coordinator, who serves as a resource person to transfer students at either the sending or receiving campus. The

transfer coordinator is responsible for overseeing the application of the policies and procedures and interpreting transfer policies to the individual student and to the institution.

### *Student Transfer Advisory Committee*

The Student Transfer Advisory Committee (STAC) was codified in statute by Chapter 327 of 2012 for a 10-year period; thus, it terminates June 30, 2022. According to regulations, MHEC must establish a permanent STAC. STAC is expected to review and analyze (1) matriculation and student support services, including admission and advising practices and (2) any other student transfer-related issues referred to it by MHEC. STAC is required to report by December 1 in odd-numbered years.

**State Fiscal Effect:** *Based on one set of assumptions*, higher education expenditures and revenues are not materially affected. Specifically, the following assumptions were used in making this determination.

- The bill only applies to transfers between community colleges and public four-year institutions in the State. Public four-year institutions are the receiving institutions and public two-year institutions are the sending institutions, as current law refers to transfer between the public segments of higher education.
- Notification by the receiving institution for denial of transfer to an enrolled student can be done with existing resources within the normal communication with the student.
- Notification by the receiving institution for denial of transfer to the sending institution and a review must be done only once for each course and not for each student who has taken the course.
- It is sufficient, in most cases, for the coordinator at the receiving institution to send an email with a list of courses denied transfer with the rationale for denial to the coordinator at the sending institution.
- The rationale for denial can be as simple as stating that the course fits into a set nontransferable category. For example, denial categories could include technical/vocational, unacceptable grade, remedial course, personal skills course, and does not meet gateway requirements.
- For cases that require a more extensive review to discover the reason for denial of transfer, it is assumed that MHEC will allow the reviews to occur in a time period that allows for the use of existing resources at both the sending and receiving institutions.

To the extent that these assumptions are not realized, public four-year higher education expenditures increase, potentially significantly for computer programming costs and personnel.

MHEC can coordinate the reporting requirements and any changes to regulations using existing resources. However, to provide any broader guidance to institutions and students regarding transfer issues would require additional staff.

*Based on further assumptions, BCCC expenditures and revenues are not materially affected. The following assumptions were used in making this determination.*

- All of the assumptions listed above for public four-year institutions are followed.
- Only one internal review per course is required.
- Reviews can simply find that the reason for the denial given by the receiving institution is correct.
- Changes to the courses denied for transfer are not required.

To the extent that these assumptions are not realized, BCCC higher education expenditures increase, potentially significantly, for computer programming costs and personnel.

**Local Fiscal Effect:** *Based on the assumptions explained above, local community college revenues and expenditures are not materially affected. However, to the extent local community colleges are required to make changes to courses, local community college expenditures increase, potentially significantly. Any such costs cannot be reliably estimated.*

---

### **Additional Information**

**Prior Introductions:** HB 1082 of 2020, a similar bill as amended, passed the House and was referred to the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

**Designated Cross File:** SB 886 (Senator Elfleth) - Education, Health, and Environmental Affairs.

**Information Source(s):** Maryland Higher Education Commission; Baltimore City Community College; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Department of Legislative Services

**Fiscal Note History:** First Reader - February 2, 2021  
rh/rhh Third Reader - March 29, 2021

---

Analysis by: Caroline L. Boice

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