

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 249 (Senator Bailey)

Education, Health, and Environmental Affairs

Appropriations

Higher Education - Senatorial Scholarships - Program Accreditation

This emergency bill allows a senatorial scholarship to be used at an out-of-state institution when an academic area is not offered at an accredited program in the State. Specifically, the *program* must be accredited by a national accrediting association approved by the U.S. Department of Education.

Fiscal Summary

State Effect: The Maryland Higher Education Commission (MHEC) can allow a senatorial scholarship to be used at an out-of-state institution under the conditions specified in the bill using existing resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Until June 30, 2019, each senator could award \$138,000 in scholarship funds each year. Beginning on July 1, 2019, that amount grows by the increase in tuition and mandatory fees over the previous year at the University System of Maryland (USM) institution with the highest annual expenses for a full-time resident undergraduate student other than the University of Maryland University College (UMUC, now called the University of Maryland Global Campus) and the University of Maryland, Baltimore Campus (UMB).

To qualify for an award, an individual must be a resident of Maryland and demonstrate a definite financial need. In addition, a senatorial scholarship may be awarded to an individual who is on active duty with the U.S. military and domiciled in the legislative district of the State from which the applicant seeks an award. Each senator must consider an applicant's financial need. An award under the program may not be less than \$400 and may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMUC and UMB. Except under certain circumstances, a scholarship may be held for up to four years of full-time study or eight years of part-time study.

Eligible Institutions

A senatorial scholarship may be used at any undergraduate, graduate, or professional school in the State or at select in-state private career schools that offer two-year certificate programs that can transfer to a baccalaureate degree, including (1) at a degree-granting institution of higher education, if the curriculum is approved by MHEC; (2) at a hospital diploma school for training registered nurses; or (3) to attend as a full-time student a private postsecondary proprietary institution that is accredited by a national accrediting association approved by the U.S. Department of Education.

Each senator may award at most 10% of scholarship funds to applicants planning to attend accredited undergraduate, graduate, or professional institutions outside of the State. Those students must be studying an academic area that is *not available* in the State or be a person with a hearing impairment who will be studying at an institution outside the State that makes special provisions for persons with a hearing impairment. A senatorial scholarship may also be used at an out-of-state institution of higher education if the applicant is an individual who is on active duty with the U.S. military and domiciled in the State.

According to regulations, a senatorial scholarship may be used at an out-of-state institution if the out-of-state institution makes special provisions for a hearing-impaired student if comparable special provisions are not available to that student at a Maryland institution or if the out-of-state institution *offers a program that is not offered at an institution in Maryland* and other specified conditions are met. Current law and regulations do not specify that an in-state program must be accredited by a national accrediting association approved by the U.S. Department of Education.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Higher Education Commission; U.S. Department of Education; Department of Legislative Services

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