

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulation  
Maryland Higher Education Commission  
(DLS Control No. 14-024)**

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## **Overview and Legal and Fiscal Impact**

This regulation updates graduation requirements and competency-based education for students attending institutions of higher education in the State.

The regulation presents no legal issue of concern.

There is no fiscal impact on State or local agencies since the regulation is only authorizing in nature. However, to the extent that higher education institutions award more competency-based credits than the current cap in regulation allows, higher education revenues from tuition and fees and, for community colleges enrollment-based State aid, may decrease. It is assumed that the institutions will charge students a fee to accept competency-based credits, so any revenue decrease will be mitigated somewhat.

## **Regulation of COMAR Affected**

### **Maryland Higher Education Commission:**

Academic Regulations: Minimum Requirements for In-State Degree-Granting  
Institutions: COMAR 13B.02.02.16

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## **Legal Analysis**

### **Background**

Under current regulations, students at in-state institutions of higher education are required to earn at least 30 credit hours by direct instruction for the conferral of an associate degree and to earn at least 60 hours by direct instruction for the conferral of a bachelor's degree. Additionally, the regulations provide that an institution (1) may not award more than one-half of the number of credit hours required for graduation for prior learning experience; (2) may award credit hours for prior learning or experience based upon successful completion of an acceptable standardized examination; (3) may award no more than 30 credit hours of the minimum 120 credit hours required for a bachelor's degree (or a proportional amount of a greater number of hours) nor award more than 15 credit hours of the minimum 60 hours required for an associate degree (or a proportional amount of a greater number of credit hours) for prior learning based on specified examinations or portfolio assessments; and (4) must have on file copies of whatever examinations, test results, portfolios, and portfolio assessment reviews used for the assessment of

prior learning; must have the faculty of the institution conduct the assessment; and must maintain the assessments in the student's academic file.

## **Summary of Regulation**

The regulation updates the credit for competency-based education that an institution of higher education may award by requiring the institution to award credit hours to a student based on (1) successful completion of an acceptable standardized examination (such as the College Level Examination Program); (2) an examination developed by the institution; (3) a portfolio assessment; or (4) another assessment method approved by the Secretary of Higher Education to demonstrate competencies.

The regulation requires an institution that awards credit for competency-based education to follow nationally accepted standards for the notation of such credit on a student's transcript. Additionally, an institution that awards credit for competency-based education must (1) submit to the Secretary a written policy that articulates standards for the assessment and awarding of credit hours to students; (2) develop and approve the policy through appropriate governance channels at the institution; (3) submit the policy to the Secretary for review; and (4) update the policy as appropriate and resubmit when changes are made. On receipt, the Secretary must review the institution's policy, approve the policy if the Secretary determines that the policy is complete and effective for assessing students' competencies, and maintain the written policy on file at the Maryland Higher Education Commission.

The regulation also requires that (1) faculty of the institution in the appropriate discipline conduct each assessment; and (2) an institution maintain for specified periods copies of all examinations, tests, portfolios, portfolio assessment reviews, and other methods approved by the Secretary to assess learning for the award of credit hours for competency-based education.

Finally, the regulation requires that where graduates of an institution earn more than half of the credit hours toward their degree or certificate program through competency-based education, the institution must submit an annual report to the Secretary by October 1 each year to cover the prior academic year detailing (1) the number of degrees and certificates awarded in this manner; (2) the number of credits for competency-based education granted per degree or certificate awarded; and (3) the methods used for assessing and awarding credit for competency-based education.

## **Legal Issue**

The regulation presents no legal issues of concern.

## **Statutory Authority and Legislative Intent**

The commission cites §§ 11-105(u) and 11-201 of the Education Article as authority for the regulation. Section 11-105(u) grants the commission broad authority to adopt any rule or regulation necessary to carry out its powers and duties. Section 11-201 requires the commission

to establish minimum requirements for issuing certificates, diplomas, and degrees by institutions of postsecondary education.

This authority is correct and complete. The regulation complies with the legislative intent of the law.

## **Fiscal Analysis**

There is no fiscal impact on State or local agencies since the regulation is only authorizing in nature. However, to the extent that higher education institutions award more competency-based credits than the current cap in regulation allows, higher education revenues from tuition and fees and, for community colleges enrollment-based State aid, may decrease. It is assumed that the institutions will charge students a fee to accept competency-based credits, so any revenue decrease will be mitigated somewhat.

### **Agency Estimate of Projected Fiscal Impact**

The commission advises that the regulation has no impact on State or local governments.

### **Impact on Budget**

There is no impact on the State operating or capital budget.

### **Agency Estimate of Projected Small Business Impact**

The commission advises that the regulation has minimal or no economic impact on small businesses in the State.

## **Contact Information**

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