

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulations  
Maryland Higher Education Commission  
(DLS Control No. 15-141)**

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**Overview and Legal and Fiscal Impact**

These regulations implement the Jack F. Tolbert Memorial Student Grant Program.

The regulations present no legal issues of concern.

There is no fiscal impact on State or local agencies.

**Regulations of COMAR Affected**

**Maryland Higher Education Commission:**

FINANCIAL AID: Jack F. Tolbert Memorial Student Grant Program:  
COMAR 13B.08.06.01-.10

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**Legal Analysis**

**Background**

In order to increase transparency with its scholarship and financial aid programs, the Office of Student Financial Assistance in the Maryland Higher Education Commission has initiated an ongoing process to convert all financial aid program guidelines into regulations by the end of 2015. The Tolbert Grant Program provides financial assistance to full-time students attending an approved private career school in Maryland.

**Summary of Regulations**

The regulations implement the Tolbert Grant Program and are consistent with the requirements contained in Title 18, Subtitle 12 of the Education Article, which establish and govern the Tolbert Grant Program. A private career school must meet certain criteria to be eligible to participate in the Tolbert Grant Program, such as approval by the commission to operate as a private career school in Maryland for at least two years, no outstanding Notice of Deficiencies, and a signed participation agreement. A student must meet specified criteria to be eligible to participate in the Tolbert Grant Program, such as being a State resident who is enrolled in an approved program at a private career school and demonstration of financial need.

The regulations set forth the process for private career schools to be notified of the number of grant awards that may be awarded to students at that school during the fiscal year. The regulations require that each eligible school be allocated a minimum of six grant awards for

each fiscal year. Any remaining grant awards are allocated proportionately based on student enrollment in eligible programs at eligible schools.

To apply for the Tolbert Grant Program, a student must submit an application to the private career school the student attends along with a Student Aid Report from a processed Free Application for Federal Student Aid. An eligible recipient of the grant shall receive \$500 per year to be used only for tuition. A recipient may continue to receive a grant award for two years if the recipient continues to meet all of the eligibility requirements contained in the regulations.

The regulations set forth the process private career schools must use to qualify and select students to receive a grant award. The regulations also prescribe the process through which the commission disburses funds for grant awards to private career schools and reallocates funds when a school fails to use at least 66% of its allocated awards by March 15 of each year.

The regulations also require that the financial books, records, and documents of the private career schools pertaining to this program be open to inspection and be retained for five years after the close of the fiscal year in which an award was made.

### **Legal Issue**

The regulations present no legal issues of concern.

### **Statutory Authority and Legislative Intent**

The commission cites §§ 11-105(u) and 18-204(c) of the Education Article as legal authority for the regulations. Section 11-105(u) gives the commission authority to adopt any rule or regulation necessary to carry out its powers and duties. Section 18-204(c) states that the Office of Student Financial Assistance may adopt any rule or regulation necessary to carry out its powers and duties, one of which is to administer student financial assistance programs such as the Tolbert Grant Program.

More relevant statutory authority are §§ 18-1201 through 18-1207 of the Education Article, which establish and govern the Tolbert Grant Program. The program is established in § 18-1201, the office is required to administer the program in § 18-1202, and the eligibility requirements for recipients are set forth in § 18-1203. The authorized uses of a grant award, duration of the grant award, and the requirement for the Governor to appropriate at least \$200,000 each fiscal year to the program are set forth in §§ 18-1205, 18-1206, and 18-1207, respectively.

With the addition of §§ 18-1201 through 18-1207, this authority is correct and complete. The regulations comply with the legislative intent of the law.

### **Technical Corrections and Special Notes**

In response to suggestions from the Department of Legislative Services, staff for the commission agreed to make the following changes to the regulations:

- adding §§ 18-1201 through 18-1207 of the Education Article as legal authority for the regulations;

- adding the requirements for private career schools contained in § 18-1205(a)(2), (4), and (5) to Regulation .02B;
- removing subsection (4) from Regulation .03 to conform to § 18-1203 of the Education Article;
- adding a caveat to Regulation .05B that awards are provided subject to the availability of funds; and
- making several technical corrections to Regulations .03, .05C(2), .06, and .09.

## **Fiscal Analysis**

There is no fiscal impact on State or local agencies.

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

The commission advises that the regulations codify existing guidelines and practices (both written and unwritten) that were developed by the commission regarding the Jack F. Tolbert Memorial Student Grant Program and have no fiscal impact. The Department of Legislative Services concurs to the extent that the regulations do not modify current practice. The scholarship was established by Chapter 640 of 1979 and has been modified several times; however, no regulations regarding the scholarship have been promulgated. According to statute, not less than \$200,000 must be appropriated for the scholarship annually; the proposed regulations do not change this.

### **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 regulations have minimal or no economic impact on small businesses in the State.

## **Contact Information**

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