

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulations
Maryland Higher Education Commission
(DLS Control No. 15-343)**

Overview and Legal and Fiscal Impact

The regulations implement the Edward T. and Mary A. Conroy Memorial Scholarship Program and the Jean B. Cryor Memorial Scholarship 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: Edward T. and Mary A. Conroy Memorial Scholarship Program and Jean B. Cryor Memorial Scholarship Program: COMAR 13B.08.13.01-.10

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 Conroy Scholarship Program provides student financial assistance to certain military and public safety personnel, their eligible dependents, and their surviving spouses. The Cryor Scholarship Program provides student financial assistance to eligible dependents and surviving spouses of certain school employees who are killed or disabled in the line of duty.

Summary of Regulations

The regulations implement the Conroy and Cryor Scholarship Programs and are consistent with the requirements contained in § 18-601 of the Education Article, which establish and govern the Conroy and Cryor Scholarship Programs. An individual must meet certain criteria to be eligible to receive a Conroy or Cryor Scholarship, such as being either a State resident at the time of application or at the time a qualifying event occurred. The individual must be accepted for admission or enrolled in an undergraduate, graduate, or professional program at an eligible institution of higher education in the State or be enrolled in certain two-year terminal certificate programs at an eligible institution in the State.

There are three main categories of eligibility for the Conroy Scholarship Program: (1) individuals who meet certain qualifying criteria; (2) their children; and (3) their surviving spouses. For an individual to be eligible, the individual must have been a prisoner of war or missing in action in Vietnam, be a disabled public safety employee, or be a veteran who suffered a service connected disability of 25% or greater and has exhausted or is no longer eligible for federal veterans' educational benefits. The regulations add a definition of "service connected" disability taken directly from 38 U.S.C. § 101(16). For a child to be eligible, the child must be at least 16 years old and the son, daughter, stepson, or stepdaughter of (1) a member of the United States armed forces who is deceased or 100% disabled, was missing in action, or was a prisoner of war; (2) a public safety employee who is killed or 100% disabled in the line of duty; or (3) a victim of the September 11, 2001, terrorist attacks. For a surviving spouse to be eligible, they must not have remarried and must be the spouse of a member of the United States armed forces who suffered a 100% permanent disability, a public safety employee killed or 100% disabled in the line of duty, or a victim of the September 11, 2001, terrorist attacks.

There are two main categories of eligibility for the Cryor Scholarship Program: (1) children who are at least 16 years old and are the son, daughter, stepson, or stepdaughter of a school employee who was killed or 100% disabled through an act of violence in the line of duty and (2) surviving spouses who have not remarried and are the spouse of a school employee who was killed or 100% disabled through an act of violence in the line of duty.

Applicants apply directly to an eligible institution of higher education, which then awards the scholarships. Conroy and Cryor Scholarships may be used for tuition and mandatory fees at any eligible institution. The regulations prohibit awards from exceeding the equivalent annual tuition and mandatory fees of a resident undergraduate student at certain institutions within the University System of Maryland with the highest annual expenses for a full-time resident undergraduate. The regulations also require that an award amount must not be less than the lesser of \$3,000 or the equivalent annual tuition and mandatory fees of a resident of the institution attended by the recipient. A recipient of a Conroy or Cryor Scholarship may continue to receive the scholarship for up to 5 years of full-time study or 8 years of part-time study if the individual is enrolled at least part-time and continues to meet eligibility criteria. No more than 15 scholarships may be awarded annually to a veteran who suffered a service connected disability of 25% or greater. The regulations also limit the amount a child or spouse of a victim of the September 11, 2001, terrorist attacks may receive from this scholarship when combined with other scholarships awarded for this same status.

The Office of Student Financial Assistance reimburses the institutions for scholarships awarded. If sufficient funds are not appropriated in a fiscal year to reimburse institutions for all eligible scholarship recipients, funds from the following year's appropriations will be used first to satisfy unpaid scholarship balances from the prior fiscal year.

Consistent with the statute, the regulations prescribe the application procedures, selection of recipients, and award notification. The regulations also specify the renewal process for awards and the appeal process if awards are denied or cancelled. The regulations require each institution to establish and publicize its appeal process for the scholarship programs. An institution's appeal

process may not allow the institution's decision to be appealed to the Office of Student Financial Assistance.

Legal Issues

The regulations present no legal issues of concern.

Statutory Authority and Legislative Intent

The commission cites §§ 11-105(u), 18-204(c), and 18-601 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 Conroy and Cryor Scholarship Programs.

More relevant statutory authority is § 18-601 of the Education Article, which establish and govern the Conroy and Cryor Scholarship Programs. This section specifies the qualifications of an applicant and authorizes scholarship awards to be used for tuition and mandatory fees at any eligible institution in the State. The section prohibits awards from exceeding the equivalent annual tuition and mandatory fees of a resident undergraduate student at certain institutions within the University System of Maryland with the highest annual expenses for a full-time resident undergraduate but also requires that an award amount not be less than the lesser of \$3,000 or the equivalent annual tuition and mandatory fees of a resident of the institution attended by the recipient.

This section requires each institution to determine the eligibility of individuals who apply for a scholarship and requires the commission to allocate funds to institutions upon verification of eligible recipients attending the institutions. If funds cannot be allocated in the fiscal year in which awards are made, priority must be given to allocating funds for those award in the following fiscal year.

This section limits to 15 the number of Conroy Scholarships that may be awarded annually to a veteran who suffered a service connected disability of 25% or greater and has exhausted or is no longer eligible for federal veterans' educational benefits. This section also limits the amount a child or spouse of a victim of the September 11, 2001, terrorist attacks may receive from this scholarship when combined with other scholarships awarded for this same status.

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 agrees to make the following changes to the regulations:

(1) stating the purpose of the scholarships in a more general way in Regulation.01 as detailed eligibility requirements are already included in Regulation .03; and

(2) making several technical corrections to Regulations .02F, .03C, and .05A(5)(c) through (e).

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) developed by the commission regarding the Edward T. and Mary A. Conroy Memorial Scholarship Program and Jean B. Cryor Memorial Scholarship Program and have no impact on State or local governments. The Department of Legislative Services concurs to the extent that the regulations do not modify current practice/law. Some version of a scholarship for dependents of members of the U.S. Armed Forces or State or local public safety employees who died in the line of duty or suffered a 100% permanent disability appeared in Maryland statutes by at least 1973, with significant modifications over the years; however, no regulations regarding the Edward T. and Mary A. Conroy Memorial Scholarship Program and Jean B. Cryor Memorial Scholarship Program have been promulgated until now.

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. The Department of Legislative Services concurs.

Contact Information

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