

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 691

(Senator Augustine)

Education, Energy, and the Environment

Appropriations

**Higher Education - Charles W. Riley Firefighter and Ambulance and Rescue
Squad Member Scholarship - Alterations**

This bill alters the Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship by (1) authorizing individuals who enroll in *courses* (rather than programs) to receive the award; (2) reducing maximum award amounts; (3) requiring that initial awards be provided to scholarship recipients on a first-come, first-served basis; and (4) specifying that any student financial aid, other than a student loan, must be credited to the recipient's tuition before the calculation of any award amount provided through the scholarship. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: Maryland Higher Education Commission (MHEC) general fund expenditures increase by \$10,000 in FY 2025 for system enhancements. Appropriations for the Riley scholarship are more likely to be expended, as discussed below. Any effect on higher education revenues is assumed to be minimal.

Local Effect: Any effect on community college revenues and expenditures is assumed to be minimal.

Small Business Effect: None.

Analysis

Bill Summary: The bill expands eligibility requirements such that an individual must only be accepted for admission or enrolled in a *course* offered at an eligible institution (instead of enrolled in a regular undergraduate program at a Maryland institution of higher

education or a two-year terminal certificate program in which the course work is eligible for transfer into a baccalaureate program at a Maryland institution of higher education). Accordingly, the bill specifies that service requirements must be completed after completion of *study* at an eligible institution (instead of completion of an eligible program in an eligible institution).

Under the bill, awards may be up to 100% of the equivalent annual tuition and mandatory fees of a resident student at a two-year public institution of higher education with the highest annual expenses for a full-time resident student or 50% of the equivalent annual tuition and fees of a resident undergraduate student at the four-year public institution of higher education within the University System of Maryland (USM), other than the University of Maryland Global Campus (UMGC) and University of Maryland, Baltimore Campus (UMB), with the highest annual expenses for a full-time resident undergraduate.

Current Law: Chapter 503 of 2013 established the Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship and repealed the Charles W. Riley Fire and Emergency Medical Services Tuition Reimbursement Program, effectively converting the tuition reimbursement program to a scholarship program.

To be eligible for a scholarship, an actively engaged firefighter, ambulance, or rescue squad member must be a Maryland resident and must be accepted for admission or enrolled in a regular undergraduate program at a Maryland institution of higher education or a two-year terminal certificate program in which the course work is eligible for transfer into a baccalaureate program at a Maryland institution of higher education. Scholarship recipients must maintain a grade point average of at least 2.5 on a 4.0 scale and may hold the scholarship for up to five years of full-time study or eight years of part-time study.

A scholarship may be up to 100% of the equivalent annual tuition and mandatory fees of a resident undergraduate student at the four-year public institution of higher education within USM, other than UMGC and UMB, with the highest annual expenses for a full-time resident undergraduate. A scholarship may be used for the tuition and mandatory fees at any eligible institution. A firefighter or ambulance or rescue squad member must use the scholarship for courses credited toward a degree in fire service technology, emergency medical technology, fire service management, or public safety administration with a minor or concentration in fire service technology or fire service management.

A recipient of a Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship must work for at least one year as a volunteer or career firefighter or ambulance or rescue squad member in an organized fire department or ambulance or rescue squad in the State after completion of an eligible program in an eligible institution. A scholarship

recipient must repay MHEC the funds received for a scholarship if the recipient does not perform the required service obligation.

State Expenditures:

Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship

The Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship is special funded through a required annual appropriation from a \$7.50 surcharge on certain District Court traffic cases. Since the scholarship was fully transitioned from the tuition reimbursement program in fiscal 2015, \$358,000 has been appropriated to the scholarship annually. The fiscal 2025 budget, as passed by the General Assembly, includes the \$358,000 appropriation funded through that surcharge as well as an additional \$350,000 general fund appropriation, bringing total funding for the scholarship to \$708,000 in fiscal 2025.

Even though additional funding is available in fiscal 2025, the bill does not require more funding to be annually appropriated for the scholarship. For example, in fiscal 2023, just 21 applicants received \$134,809 in awards under the scholarship. Thus, to the extent additional applicants qualify for the Riley scholarship under the bill, the appropriated funds are more likely to be expended. Further, it is assumed that MHEC awards scholarships that total to no more than the annual appropriation.

For fiscal 2025, 50% of the highest resident tuition and fees at a USM institution, excluding UMB and UMGC, is \$7,770. As of fall 2023, 100% of the highest *service area resident* tuition and fees at a community college in the State was \$5,564; however, 100% of the highest *State resident (from outside the service area)* tuition and fees at a two-year community college was \$10,398. In any case, the maximum award amounts established by the bill are lower than the current law amount of 100% of the highest tuition and fees for a resident undergraduate student at a USM institution, except UMGC and UMB, which is \$15,541 for fiscal 2025. Accordingly, to the extent the new scholarship maximum amounts result in smaller average award amounts, funds appropriated for the Riley scholarship are *less* likely to be expended. However, this analysis assumes the effect of any decrease in average award amounts is offset by an increase in the number of additional applicants, which may be significant given the possibility for awards to firefighter and ambulance rescue squad members enrolled in individual courses at community colleges. Further, in fiscal 2023, the average award amount was only \$6,400, such that the lower maximum award amounts may not be a binding constraint for many awards.

Maryland Higher Education Commission Administrative Expenditures

General fund expenditures for MEHC increase by \$10,000 in fiscal 2025 for system enhancements to the Maryland College Aid Processing System to change the maximum award amount and award eligibility criteria.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 899 (Delegate D. Jones, *et al.*) - Appropriations.

Information Source(s): U.S. Department of Labor, Bureau of Labor Statistics; Commission to Advance and Strengthen Firefighting and Emergency Medical Services within Maryland; Maryland Institute for Emergency Medical Services Systems; Maryland Institute for Emergency Medical Services Systems; Baltimore, Frederick, and Montgomery counties; Maryland Association of Counties; City of Havre de Grace; Maryland Municipal League; Maryland Higher Education Commission; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Department of Budget and Management; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

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