

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 1195 (Chairman, Ways and Means Committee)
(Departmental - Higher Education Commission)

Ways and Means

Higher Education - Educational Excellence Awards - Economic Development Grants

This departmental bill amends various provisions of the Educational Excellence Award Program and the Economic Development Student Assistance Grant Program.

Fiscal Summary

State Effect: None. The changes generally relate to scholarship eligibility and allocation. State funding levels would not be affected.

Local Effect: None.

Small Business Effect: The Maryland Higher Education Commission has determined that this bill will have minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Fiscal Analysis

Bill Summary: The bill provides that, except for an Economic Development Student Assistance Grant, a Distinguished Scholar Award, and a Maryland Science and Technology Scholarship Award, the recipient of an Educational Excellence Award may not hold any other State scholarship. Under current law the only additional award that can be accepted by an Educational Excellence Award recipient is a Distinguished Scholar Award.

The bill also specifies that each recipient of a Guaranteed Access Grant must have attained a grade point average (GPA) of at least 2.5 on a 4.0 scale at the end of the first semester of the

senior year in high school. Under current law a recipient of a Guaranteed Access Grant must have completed high school with a GPA of at least 2.5 on a 4.0 scale.

The bill also:

- raises the minimum annual award amount under the Educational Excellence Program from \$200 to \$400;
- eliminates the requirement that each recipient of an Educational Excellence Award maintain a 2.0 GPA in college; and
- lists an Educational Excellence Award as an exception to the provision that recipients of an Economic Development Student Assistant Grant may not receive any other State scholarship.

Background: The Educational Excellence Award Program is the State's largest scholarship program. It is need-based and has two major components - the Educational Assistance Grant and the Guaranteed Access Grant. Educational Assistance Grants are awarded to low and moderate income students to assist in paying educational costs. Guaranteed Access Grants are awarded to the neediest students to ensure that 100% of educational costs are paid.

Economic Development Student Assistance Grants are awarded to students who pledge to work in fields of geographic or critical shortage in the State upon completion of their studies.

Under the Distinguished Scholar Program, awards are given to students who have the greatest potential for academic success in higher education.

Maryland Science and Technology Scholarships are awarded to students who have demonstrated a certain level of academic success, intend to major in a science and technology field, and pledge to work in the State after completion of their studies.

State Effect: The Maryland Higher Education Commission advises that the bill would benefit the recipients of scholarships and provide for greater administrative efficiency. No additional funding would be required.

Information Source(s): Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 15, 1999

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