

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

House Bill 300 (The Speaker, *et al.*) (Administration)
 Ways and Means Education, Health, and Environmental Affairs

Higher Education - Edward T. Conroy Memorial Scholarship Program - Eligibility

This Administration bill expands the eligibility of the Edward T. Conroy Memorial Scholarship Program to allow the child or surviving spouse of a victim of the September 11, 2001 terrorist attacks to receive an award under the program. The child of a victim must be at least 16 years old to receive an award. The combined value of scholarship awards received during a single year by a child or spouse of a victim through the Conroy Scholarship program and any other scholarship programs targeting the children and spouses of victims may not total more than the equivalent annual tuition and mandatory fees at the University of Maryland, College Park.

The bill is effective July 1, 2002.

Fiscal Summary

State Effect: General fund expenditures would increase by an estimated \$76,000 annually beginning in FY 2003 due to an increased number of scholarships awarded under the Edward T. Conroy Memorial Scholarship Program.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	76,000	76,000	76,000	76,000	76,000
Net Effect	(\$76,000)	(\$76,000)	(\$76,000)	(\$76,000)	(\$76,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: A small business impact statement was not provided by the Administration in time for inclusion in this fiscal note. A revised note will be issued when the Administration's assessment becomes available.

Analysis

Current Law: Scholarships from the Edward T. Conroy Memorial Scholarship Program may be awarded to: (1) the child of a Maryland veteran who was declared to be a prisoner of war (POW) or who died or was disabled as a result of military service; (2) a Maryland POW; (3) the child or surviving spouse of a State or local public safety employee killed in the line of duty; (4) a disabled public safety employee; or (5) a veteran with a service-related disability who has exhausted federal veterans' educational benefits. A scholarship recipient must be accepted for admission to or enrolled in a regular undergraduate, graduate, or professional program at a Maryland institution of higher education or be enrolled in a two-year terminal certificate program. A scholarship recipient must also be a Maryland resident. A scholarship recipient may receive an award for up to five years of full-time study or eight years of part-time study. An annual award may not exceed the cost of tuition and fees for a resident undergraduate at the University of Maryland, College Park. The Maryland Higher Education Commission (MHEC) may accept private donations for the Edward T. Conroy Memorial Scholarship Fund to be used for program scholarships.

Background: According to www.september11victims.com, there were approximately 3,021 victims of the September 11 terrorist attacks, including 49 Maryland residents. Only five states -- New York, New Jersey, Massachusetts, Virginia, and Connecticut -- lost more citizens in the attacks than Maryland.

In November 2001, the Governor established by executive order the Maryland Survivors Scholarship Fund to help raise private money to provide scholarships to the children of Maryland residents who died in the terrorist attacks. Fund donations will first go to those students currently enrolled in Maryland colleges or universities. The remaining fund donations will be used to buy four-year prepaid trusts through the Maryland Prepaid College Trust Fund program.

The proposed fiscal 2003 State budget includes \$232,484 for the Edward T. Conroy Memorial Scholarship Program, an increase of approximately \$9,000 over the fiscal 2002 appropriation. For the 2001-2002 academic year, an estimated 61 scholarships totaling \$223,000 have been awarded under the program.

State Expenditures: There are believed to be approximately 24 wives and at least 44 children who survive the victims of the September 11, 2001 terrorist attacks. Many of the children are college age or will be college age within the next couple of years. MHEC estimates that up to 20 scholarships could be awarded annually to victims' spouses and children under the Edward T. Conroy Memorial Scholarship Program. Assuming an average award amount of \$3,800, State expenditures could increase by \$76,000 annually. An increase in State expenditures could be offset by any increases in Edward T. Conroy Memorial Scholarship Fund donations that result from this bill.

Funding for the Edward T. Conroy Memorial Scholarship Program is as provided in the State budget, and therefore the expenditure increases discussed here would only be incurred if the annual State budgets include the new funding. If eligibility for the program is expanded without additional funding, the average award amount could be reduced, or the State Scholarship Administration could be more selective when choosing from eligible applicants.

Additional Information

Prior Introductions: None.

Cross File: SB 237 (The President, *et al.*) - Education, Health, and Environmental Affairs.

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

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