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By: Delegates Rosenberg, Boschert, Cardin, Doory, and Bozman Bozman,  
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Marriott, Hixson, Healey, King, C. Davis, Howard, Gordon, Patterson,  
Ramirez, and Elmore

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 26, 2004

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Higher Education - William Donald Schaefer Scholarship Program**

3 FOR the purpose of establishing the William Donald Schaefer Scholarship Program;  
4 establishing the William Donald Schaefer Scholarship Advisory Council within  
5 the Maryland Higher Education Commission; authorizing the Commission to  
6 make scholarship awards, not to exceed a certain amount per recipient, which  
7 may be used at certain institutions of higher education for certain purposes;  
8 requiring a scholarship recipient to meet certain eligibility criteria to obtain and  
9 retain an award; requiring a recipient to sign an agreement that upon  
10 graduation the recipient will commence employment in public service within a  
11 certain period or else repay the State the amount of the scholarship award;  
12 ~~specifying that funds for the Program shall be as provided by the Governor in~~  
13 ~~the annual budget, subject to a certain maximum amount for certain fiscal~~  
14 ~~years;~~ establishing a certain scholarship Fund to receive money and other  
15 property; and generally relating to the establishment of the William Donald  
16 Schaefer Scholarship Program for students studying to enter public service.

17 BY repealing and reenacting, with amendments,  
18 Article - Education  
19 Section 11-106  
20 Annotated Code of Maryland  
21 (2001 Replacement Volume and 2003 Supplement)

22 BY adding to

1 Article - Education  
2 Section 18-2701 through ~~18-2708~~ 18-2707, inclusive, to be under the new  
3 subtitle "Subtitle 27. William Donald Schaefer Scholarship Program"  
4 Annotated Code of Maryland  
5 (2001 Replacement Volume and 2003 Supplement)

6 Preamble

7 WHEREAS, William Donald Schaefer, a lifelong Maryland resident, has held  
8 elective public office in State and local government in Maryland for 45 years, having  
9 served for 12 years as a member of the Baltimore City Council from 1955 to 1967, for  
10 4 years as President of the Baltimore City Council from 1967 to 1971, for 15 years as  
11 Mayor of the City of Baltimore from 1971 to 1986, for 8 years as Governor from 1987  
12 to 1995 and, after a brief hiatus, most recently, for the past 5 years as State  
13 Comptroller since 1999; and

14 WHEREAS, In addition to his service as an elected official, Mr. Schaefer has  
15 endeavored to share his passion for public service with individuals who aspire to take  
16 up that mantel, as evidenced by his appointment to the Schaefer Chair at the  
17 University of Maryland's School of Public Affairs in conjunction with the Johns  
18 Hopkins University Institute for Policy Studies, and as further evidenced by his  
19 involvement with numerous civic and charitable organizations and service on the  
20 boards of several nonprofit organizations and institutions of higher education in the  
21 State; and

22 WHEREAS, It is in the State's interest to encourage young people to pursue  
23 education and training that leads to employment opportunities in public service at all  
24 levels of government; and

25 WHEREAS, It is most fitting that William Donald Schaefer, whose career is a  
26 shining example of the rewards and challenges that may be experienced by a life  
27 spent in public service, be honored by the creation of a scholarship program to provide  
28 opportunities for young people to attend institutions of higher education so that they  
29 may prepare for and pursue careers in public service; now, therefore,

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
31 MARYLAND, That the Laws of Maryland read as follows:

32 **Article - Education**

33 11-106.

- 34 (a) (1) The Commission shall establish:
- 35 (i) A Faculty Advisory Council;
- 36 (ii) A Student Advisory Council;
- 37 (iii) A Segmental Advisory Council; [and]

1 (iv) A Financial Assistance Advisory Council; AND

2 (V) A WILLIAM DONALD SCHAEFER SCHOLARSHIP ADVISORY  
3 COUNCIL.

4 (2) These Councils shall meet periodically for the purpose of reviewing  
5 such matters as are referred by the Commission or the Secretary for their  
6 consideration and advice.

7 (3) The Councils may make reports and recommendations to the  
8 Commission.

9 (b) (1) The Commission may appoint continuing advisory committees that  
10 represent various groups in the higher education community.

11 (2) Advisory committees may make recommendations to the Commission  
12 on matters of statewide importance that affect their constituencies.

13 SUBTITLE 27. WILLIAM DONALD SCHAEFER SCHOLARSHIP PROGRAM.

14 18-2701.

15 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
16 INDICATED.

17 (B) "ADVISORY COUNCIL" MEANS THE WILLIAM DONALD SCHAEFER  
18 SCHOLARSHIP ADVISORY COUNCIL.

19 (C) "SERVICE OBLIGATION" MEANS TO WORK FULL-TIME IN THE STATE IN A  
20 PUBLIC SERVICE CAREER OR OCCUPATION AS DEFINED BY THE COMMISSION IN  
21 CONSULTATION WITH THE ADVISORY COUNCIL.

22 18-2702.

23 THERE IS A WILLIAM DONALD SCHAEFER SCHOLARSHIP PROGRAM FOR  
24 STUDENTS WHO DEMONSTRATE OUTSTANDING POTENTIAL FOR AND PLEDGE TO  
25 PURSUE A CAREER IN PUBLIC SERVICE.

26 18-2703.

27 (A) THE COMMISSION, IN COLLABORATION AND CONSULTATION WITH THE  
28 ADVISORY COUNCIL, SHALL ANNUALLY SELECT ELIGIBLE STUDENTS AND OFFER  
29 SCHOLARSHIPS TO STUDENTS WHO DEMONSTRATE OUTSTANDING POTENTIAL FOR  
30 AND WHO PLAN TO PURSUE A CAREER IN PUBLIC SERVICE.

31 (B) A RECIPIENT OF A SCHOLARSHIP UNDER THIS SUBTITLE SHALL BE  
32 KNOWN AS A "WILLIAM DONALD SCHAEFER SCHOLAR".

33 (C) A RECIPIENT OF A WILLIAM DONALD SCHAEFER SCHOLARSHIP SHALL:

34 (1) BE A MARYLAND RESIDENT;

1 (2) DEMONSTRATE TO THE COMMISSION AND TO THE ADVISORY  
2 COUNCIL A DEFINITE FINANCIAL NEED;

3 (3) BE ACCEPTED FOR ADMISSION OR CURRENTLY ENROLLED AT AN  
4 ELIGIBLE INSTITUTION THAT MEETS THE REQUIREMENTS OF SUBSECTION (D) OF  
5 THIS SECTION AS A FULL-TIME UNDERGRADUATE OR GRADUATE STUDENT;

6 (4) SIGN A LETTER OF INTENT TO PERFORM THE SERVICE OBLIGATION  
7 ON COMPLETION OF THE RECIPIENT'S REQUIRED STUDIES;

8 (5) ACCEPT ANY OTHER CONDITIONS ATTACHED TO THE AWARD; AND

9 (6) SATISFY ANY ADDITIONAL CRITERIA THE COMMISSION MAY  
10 ESTABLISH.

11 (D) SUBJECT TO SUBSECTION (E) OF THIS SECTION, THE RECIPIENT OF A  
12 SCHOLARSHIP AWARD UNDER THIS SUBTITLE MAY USE THE SCHOLARSHIP TO  
13 ATTEND ANY INSTITUTION OF HIGHER EDUCATION IN THE STATE THAT OFFERS  
14 COURSES OF STUDY, TRAINING, OR OTHER EDUCATIONAL ACTIVITIES THAT ARE  
15 DESIGNED TO PREPARE INDIVIDUALS FOR A CAREER IN PUBLIC SERVICE AS  
16 DETERMINED UNDER CRITERIA ESTABLISHED BY THE COMMISSION IN  
17 CONSULTATION WITH THE ADVISORY COUNCIL.

18 (E) IN MAKING SCHOLARSHIP AWARDS UNDER THIS SECTION, THE  
19 COMMISSION SHALL:

20 ~~(1) GIVE PRIORITY TO STUDENTS ENROLLING IN INSTITUTIONS OF~~  
21 ~~HIGHER EDUCATION IN MARYLAND; AND~~

22 ~~(2) ENDEAVOR TO SELECT AWARD RECIPIENTS WHO ARE~~  
23 ~~REPRESENTATIVE OF THE STATE'S RICH CULTURAL, GEOGRAPHIC, RACIAL, ETHNIC,~~  
24 ~~AND GENDER DIVERSITY.~~

25 (F) EACH INDIVIDUAL AWARDED A SCHOLARSHIP UNDER THIS SUBTITLE  
26 MUST HAVE INDICATED AND DEMONSTRATED TO THE COMMISSION AND TO THE  
27 ADVISORY COUNCIL A SERIOUS INTENT TO ENTER PUBLIC SERVICE ON THE  
28 COMPLETION OF THE STUDENT'S EDUCATIONAL PROGRAM.

29 18-2704.

30 (A) A RECIPIENT OF AN AWARD MADE UNDER THIS SUBTITLE SHALL RECEIVE  
31 THE AWARD FOR EACH YEAR INDICATED IN WHICH THE RECIPIENT IS ELIGIBLE IF  
32 THE RECIPIENT SIGNS AN AGREEMENT AT THE TIME OF THE INITIAL AWARD TO:

33 (1) COMMENCE EMPLOYMENT IN THE STATE WITHIN 1 YEAR AFTER  
34 COMPLETION OF THE RECIPIENT'S EDUCATIONAL PROGRAM; AND

35 (2) REPAY THE STATE THE AMOUNTS AWARDED UNDER THIS SUBTITLE  
36 AS SET FORTH IN § 18-112 OF THIS TITLE IF THE RECIPIENT DOES NOT:

1 (I) SATISFY THE DEGREE REQUIREMENTS OF THE ELIGIBLE  
2 INSTITUTION OR FULFILL OTHER REQUIREMENTS AS PROVIDED IN THIS SUBTITLE;  
3 AND

4 (II) PERFORM THE SERVICE OBLIGATION FOR 1 YEAR FOR EACH  
5 YEAR THAT THE RECIPIENT HAS A SCHOLARSHIP AWARDED UNDER THIS SUBTITLE.

6 (B) THE SERVICE OBLIGATION BEGINS AFTER GRADUATION AND CANNOT BE  
7 FULFILLED PRIOR TO GRADUATION FROM AN ELIGIBLE INSTITUTION.

8 18-2705.

9 (A) THE ANNUAL SCHOLARSHIP AWARD SHALL BE EQUAL TO THE COST OF  
10 THE RECIPIENT'S TUITION AND MANDATORY FEES, BUT THE AWARD AMOUNT MAY  
11 NOT EXCEED THE SUM OF THESE COSTS FOR A FULL-TIME, RESIDENT STUDENT AT  
12 THE 4-YEAR PUBLIC INSTITUTION OF HIGHER EDUCATION WITHIN THE UNIVERSITY  
13 OF MARYLAND SYSTEM SYSTEM OF MARYLAND, OTHER THAN THE UNIVERSITY OF  
14 MARYLAND, COLLEGE PARK UNIVERSITY COLLEGE AND THE UNIVERSITY OF  
15 MARYLAND, BALTIMORE, WITH THE HIGHEST ANNUAL EXPENSES FOR A FULL-TIME,  
16 RESIDENT UNDERGRADUATE.

17 (B) EACH RECIPIENT OF A SCHOLARSHIP AWARD UNDER THIS SUBTITLE MAY  
18 HOLD THE AWARD FOR UP TO 4 YEARS IF THE RECIPIENT:

19 (1) CONTINUES TO BE A RESIDENT OF THE STATE;

20 (2) CONTINUES TO BE A FULL-TIME UNDERGRADUATE OR GRADUATE  
21 STUDENT AT AN ELIGIBLE INSTITUTION, AS DETERMINED BY THE COMMISSION;

22 (3) IN THE JUDGMENT OF THE INSTITUTION, IS MAKING SATISFACTORY  
23 PROGRESS TOWARD A DEGREE; AND

24 (4) MAINTAINS THE STANDARDS OF THE INSTITUTION.

25 18-2706.

26 (A) THERE IS A WILLIAM DONALD SCHAEFER SCHOLARSHIP FUND IN THE  
27 COMMISSION.

28 (B) THE COMMISSION:

29 (1) MAY ACCEPT ANY GIFT OR GRANT FROM ANY PERSON FOR THE  
30 WILLIAM DONALD SCHAEFER SCHOLARSHIP FUND;

31 (2) SHALL USE ANY GIFT OR GRANT THAT IT RECEIVES FOR WILLIAM  
32 DONALD SCHAEFER SCHOLARS; AND

33 (3) SHALL DEPOSIT ANY GIFT OR GRANT THAT IT RECEIVES FOR THE  
34 WILLIAM DONALD SCHAEFER SCHOLARSHIP FUND WITH THE STATE TREASURER, IN  
35 A NONBUDGETED ACCOUNT FOR USE ONLY FOR WILLIAM DONALD SCHAEFER  
36 SCHOLARS.

1 18-2707.

2 ~~IN ADDITION TO ANY GIFT OR GRANT RECEIVED BY THE COMMISSION FOR THE~~  
3 ~~WILLIAM DONALD SCHAEFER SCHOLARSHIP FUND UNDER § 18-2706 OF THIS~~  
4 ~~SUBTITLE, FUNDS FOR THE WILLIAM DONALD SCHAEFER SCHOLARSHIP PROGRAM~~  
5 ~~SHALL BE PROVIDED IN THE ANNUAL STATE BUDGET AS FOLLOWS:~~

6 ~~(1) FOR FISCAL YEARS 2005 AND 2006, AN AMOUNT NOT TO EXCEED~~  
7 ~~\$250,000; AND~~

8 ~~(2) FOR FISCAL YEAR 2007, AND EACH FISCAL YEAR THEREAFTER, AN~~  
9 ~~AMOUNT PROVIDED BY THE GOVERNOR.~~

10 ~~18-2708.~~

11 ~~ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE WILLIAM DONALD SCHAEFER~~  
12 ~~ADVISORY COUNCIL AND THE COMMISSION JOINTLY SHALL SUBMIT AN ANNUAL~~  
13 ~~REPORT REGARDING THE WILLIAM DONALD SCHAEFER SCHOLARSHIP PROGRAM TO~~  
14 ~~THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT~~  
15 ~~ARTICLE, TO THE GENERAL ASSEMBLY.~~

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2004.