

ENROLLED BILL

-- *Ways and Means/Education, Health, and Environmental Affairs and Budget and Taxation* --

Introduced by **Delegates Kaiser, Barkley, Bozman, Cryor, Goldwater, Gutierrez, Healey, Heller, Hixson, King, Madaleno, Marriott, Nathan-Pulliam, Patterson, Ramirez, Ross, and Sossi Sossi, Boschert, Cardin, C. Davis, Elmore, Gilleland, Goodwin, Gordon, Howard, McKee, and Myers**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Student Financial Assistance Reform Act of 2005**

3 FOR the purpose of ~~altering the eligibility requirements for the Sharon Christa~~
4 ~~McAuliffe Memorial Teacher Education Tuition Assistance Program; altering~~
5 ~~the number of years certain students may receive a grant under the Program;~~
6 altering the service obligation requirements to enable certain recipients of the
7 Maryland State Nursing Scholarship Program to perform certain service
8 obligations working as a ~~in certain as a in certain~~ full-time or part-time ~~nurse~~
9 ~~nursing or faculty positions~~ *nurse nursing or faculty positions; authorizing the*
10 *Maryland Higher Education Commission to award certain nursing scholarships*
11 *to a nursing student attending a certain out-of-state institution if a certain letter*
12 *is provided to the Commission and a certain verification based on certain*
13 *information is made by the Commission; requiring the Commission to give*

1 priority to certain students; requiring the Office of Student Financial Assistance
 2 to waive the repayment of certain grant awards; providing that the repayment of
 3 certain grant awards by certain recipients shall be forgiven at certain rates;
 4 establishing the Distinguished Scholar Program for Community College
 5 Transfer Students in the Maryland Higher Education Commission; establishing
 6 eligibility criteria for scholarships awards and award amounts under the
 7 Program; authorizing awards to be used for certain purposes; requiring the
 8 Governor to include a certain amount in the annual budget submission for
 9 ~~certain programs for a certain program for a certain fiscal years year;~~ requiring
 10 the Maryland Higher Education Commission to establish a certain workgroup to
 11 study the consolidation of certain grant programs; requiring the workgroup to
 12 include certain representatives; requiring the Commission to issue a certain
 13 report; ~~declaring the intent of the General Assembly altering a certain~~
 14 definition; and generally relating to student financial assistance programs
 15 administered by the Maryland Higher Education Commission.

16 BY repealing and reenacting, with amendments,
 17 Article - Education
 18 Section ~~18-703(e)(1), (f), and (h) and 18-706(e) and (f) 18-701(d)(1) and (2)(i)~~
 19 and (e) and 18-706(a) and (c) 18-706
 20 Annotated Code of Maryland
 21 (2004 Replacement Volume and 2004 Supplement)

22 ~~BY repealing and reenacting, without amendments,~~
 23 ~~Article - Education~~
 24 ~~Section 18-703(b)(1) and (2) and 18-706(b) and (d)~~
 25 ~~Annotated Code of Maryland~~
 26 ~~(2004 Replacement Volume and 2004 Supplement)~~

27 BY adding to
 28 Article - Education
 29 Section 18-1106 to be under the amended subtitle "Subtitle 11. Distinguished
 30 Scholar Programs"
 31 Annotated Code of Maryland
 32 (2004 Replacement Volume and 2004 Supplement)

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

35 **Article - Education**

36 18-701.

37 (d) (1) The recipient of an Economic Development Student Assistance Grant
 38 shall repay the Commission the funds received as set forth in § 18-112 of this title if
 39 the recipient does not:

1 (i) Complete the specified degree, attain the licensure or
 2 certification required, or fulfill other requirements as provided in this subtitle; and

3 (ii) [Perform] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE,
 4 PERFORM the service obligation as specified in each section of this subtitle for 1 year
 5 for each year that the recipient has a grant awarded under this subtitle.

6 (2) (i) Except as otherwise provided in this section AND IN § 18-706 OF
 7 THIS SUBTITLE, the Office shall waive the repayment of the grant award at the rate
 8 of 1 year for each year that the recipient performs the service obligation.

9 (e) [The] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE, THE
 10 repayment of the grant award by a recipient who is not yet required by the provisions
 11 of this subtitle to begin repayment of the award and who accepts employment that
 12 fulfills the service obligation shall be forgiven, for the purposes of this subtitle, at a
 13 rate of 1 year for each year that the recipient performs the service obligation.

14 ~~18-703.~~

15 ~~(b) (1) Economic Development Student Assistance Grants to be known as~~
 16 ~~the Sharon Christa McAuliffe Memorial Teacher Education Award may be awarded as~~
 17 ~~teacher education tuition assistance grants.~~

18 ~~(2) The Office shall award annually to eligible applicants tuition~~
 19 ~~assistance grants for the education of persons to teach in areas of critical or~~
 20 ~~geographic shortage.~~

21 ~~(c) A recipient of a tuition assistance grant shall:~~

22 ~~(1) Qualify as follows:~~

23 ~~(i) Have earned [60] 30 credits of undergraduate collegiate~~
 24 ~~education and be enrolled in or sign a letter of intent to enroll in a program leading to~~
 25 ~~certification to teach in an area of critical or geographic shortage and be selected by~~
 26 ~~the Office on a competitive basis among qualified applicants based on academic~~
 27 ~~criteria, not limited to standardized tests, established by the State Board of~~
 28 ~~Education; or~~

29 ~~(ii) Have an undergraduate or graduate degree and be enrolled in~~
 30 ~~or sign a letter of intent to enroll in courses leading to certification to teach in an area~~
 31 ~~of critical or geographic shortage and be selected among qualified applicants on a~~
 32 ~~competitive basis based on academic criteria established by the State Board of~~
 33 ~~Education; or~~

34 ~~(iii) Persons who are already teachers shall:~~

35 ~~1. Be nominated by the superintendent of schools of the~~
 36 ~~system in which the person teaches or intends to teach; and~~

1 (2) Each additional grant shall be renewable on an annual basis up to a
2 maximum amount of \$12,000, if the recipient meets the requirements for continuing
3 the scholarship award under subsection (b)(2)(ii) of this section.

4 (3) The Office shall require a recipient of a nursing scholarship who
5 seeks an additional grant for living costs to provide information to the Office
6 sufficient to assure that the student has a definite financial need.

7 ~~(f) (1) [Funds] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
8 ~~SUBSECTION, FUNDS for the nursing scholarships awarded under this section shall be~~
9 ~~as provided in the annual budget of the Commission by the Governor.~~

10 ~~(2) FOR FISCAL YEARS 2007 THROUGH 2009, THE GOVERNOR SHALL~~
11 ~~INCLUDE IN THE ANNUAL BUDGET SUBMISSION FOR THE MARYLAND STATE~~
12 ~~NURSING SCHOLARSHIP PROGRAM AN AMOUNT EQUAL TO THE SUM OF:~~

13 ~~(1) THE APPROPRIATION INCLUDED IN THE BUDGET SUBMISSION~~
14 ~~FOR FISCAL YEAR 2006; AND~~

15 ~~(1) \$1,000,000.~~

16 (G) (1) THE OFFICE SHALL WAIVE THE REPAYMENT OF A GRANT AWARD
17 FOR A:

18 (I) FULL-TIME NURSE POSITION AT THE RATE OF 1 YEAR FOR
19 EACH YEAR THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR

20 (II) PART-TIME NURSE POSITION AT THE RATE OF 2 YEARS FOR
21 EACH YEAR THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.

22 (2) THE REPAYMENT OF A GRANT AWARD BY A RECIPIENT WHO IS NOT
23 YET REQUIRED BY THE PROVISIONS OF THIS SUBTITLE TO BEGIN REPAYMENT OF
24 THE GRANT AWARD AND WHO ACCEPTS EMPLOYMENT THAT FULFILLS THE SERVICE
25 OBLIGATION SHALL BE FORGIVEN, FOR THE PURPOSES OF THIS SUBTITLE, FOR A:

26 (I) FULL-TIME NURSE POSITION AT THE RATE OF 1 YEAR FOR
27 EACH YEAR THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR

28 (II) PART-TIME NURSE POSITION AT THE RATE OF 2 YEARS FOR
29 EACH YEAR THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.

30 [(e)] (H) The Commission shall establish and publish rules and regulations to
31 administer the grants awarded under this section.

32 [(f)] (I) Funds for the nursing scholarships awarded under this section shall
33 be as provided in the annual budget of the Commission by the Governor.

Subtitle 11. Distinguished Scholar [Program] PROGRAMS.

2 18-1106.

3 (A) THERE IS A DISTINGUISHED SCHOLAR PROGRAM FOR COMMUNITY
4 COLLEGE TRANSFER STUDENTS TO BE AWARDED BY THE OFFICE TO RESIDENTS OF
5 THE STATE IN THE MANNER PROVIDED IN THIS SECTION FOR USE AT 4-YEAR
6 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE.

7 (B) THE OFFICE SHALL ANNUALLY SELECT THE COMMUNITY COLLEGE
8 STUDENTS WHO HAVE THE GREATEST POTENTIAL FOR ACADEMIC SUCCESS IN
9 HIGHER EDUCATION AS DETERMINED BY CRITERIA ESTABLISHED BY THE OFFICE
10 AND OFFER A SCHOLARSHIP TO EACH OF THESE STUDENTS TO BE USED AT ANY
11 MARYLAND 4-YEAR INSTITUTION OF HIGHER EDUCATION OF THE STUDENT'S
12 CHOICE, IF THE STUDENT MEETS THE FOLLOWING QUALIFICATIONS:

13 (1) HAS A COMMUNITY COLLEGE TRANSCRIPT INDICATING AN OVERALL
14 ACADEMIC GRADE POINT AVERAGE OF AT LEAST 3.0 ON A 4.0 SCALE OR ITS
15 EQUIVALENT GRADE POINT AVERAGE;

16 (2) HAS COMPLETED AT LEAST 60 CREDIT HOURS OR AN ASSOCIATE
17 DEGREE PROGRAM AT A COMMUNITY COLLEGE IN THE STATE;

18 (3) QUALIFIES AS A MARYLAND RESIDENT;

19 (4) APPLIES THE SCHOLARSHIP WITHIN 1 YEAR OF COMPLETING THE
20 REQUIRED CREDIT HOURS OR AN ASSOCIATE DEGREE PROGRAM; AND

21 (5) ATTENDS THE 4-YEAR INSTITUTION OF HIGHER EDUCATION AS A
22 FULL-TIME STUDENT.

23 (C) THE OFFICE SHALL AWARD SCHOLARSHIPS UNDER THIS SECTION TO
24 RECIPIENTS WHO HAVE ATTENDED COMMUNITY COLLEGES FROM ACROSS THE
25 STATE.

26 (D) (1) THE SCHOLARSHIP AWARD SHALL BE IN THE AMOUNT OF \$3,000 PER
27 ACADEMIC YEAR.

28 (2) EACH AWARD SHALL BE RENEWABLE FOR A MAXIMUM OF 1 YEAR
29 SUBSEQUENT TO THE ORIGINAL AWARD IF THE RECIPIENT:

30 (I) CONTINUES TO MEET THE QUALIFICATIONS SPECIFIED IN
31 SUBSECTION (B) OF THIS SECTION; AND

32 (II) MAINTAINS A 3.0 GRADE POINT AVERAGE ON AN ACADEMIC
33 YEAR BASIS.

34 (E) AN AWARD GRANTED UNDER THIS SUBTITLE MAY BE USED FOR:

35 (1) TUITION AND MANDATORY FEES;

1 (2) ROOM AND BOARD; AND

2 (3) BOOKS AND SUPPLIES.

3 (F) THIS SCHOLARSHIP AWARD IS IN ADDITION TO ANY OTHER STATE
4 SCHOLARSHIPS THAT ARE AVAILABLE TO THE STUDENT.

5 ~~(G) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET SUBMISSION~~
6 ~~FOR THE DISTINGUISHED SCHOLAR PROGRAM FOR COMMUNITY COLLEGE TRANSFER~~
7 ~~STUDENTS:~~

8 ~~(1) FOR FISCAL YEAR 2007 \$500,000; AND~~

9 ~~(2) FOR FISCAL YEARS 2008 AND 2009 \$1,000,000 \$ 250,000 IN FISCAL~~
10 ~~YEAR 2007.~~

11 SECTION 2. AND BE IT FURTHER ENACTED, That:

12 (1) The Maryland Higher Education Commission shall establish a
13 workgroup to study the consolidation of economic development student assistance
14 grants and work-based shortage grants into a single grant program. The grant
15 program should, to the extent practicable, establish uniform criteria for grant
16 eligibility, award amounts, and service obligation requirements. The program should
17 include a methodology for prioritizing work-based shortage grants on an annual
18 basis.

19 (2) The Commission shall include in the workgroup representatives
20 from:

21 (i) the Senate of Maryland, appointed by the President of the
22 Senate;

23 (ii) the House of Delegates, appointed by the Speaker of the House;

24 (iii) the Department of Legislative Services;

25 (iv) public 4-year institutions of higher education;

26 (v) the Maryland Independent College and University
27 Association;

28 (vi) community colleges; and

29 (vii) the Governor's Workforce Investment Board.

30 (3) The Commission shall report its findings and recommendations to
31 the Governor and, in accordance with § 2-1246 of the State Government Article, to
32 the General Assembly by November 15, 2005.

33 ~~SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the~~
34 ~~General Assembly that the appropriations to the Sharon Christa McAuliffe Memorial~~

~~1 Teacher Education Tuition Assistance Program, Maryland State Nursing Scholarship
2 Program, and Distinguished Scholar Program for Community College Transfer
3 Students required under Section 1 of this Act shall be funded through a reduction in
4 the appropriation to the HOPE Scholarship Programs of not less than \$2,000,000 in
5 fiscal year 2007.~~

6 SECTION 4. ~~3.~~ AND BE IT FURTHER ENACTED, That this Act shall take
7 effect July 1, 2005.