(5lr1411)

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, <u>Cardin, C. Davis, Elmore, Gilleland, Goodwin, Gordon, Howard, McKee,</u> <u>and Myers</u>

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 <u>in certain *as a in certain*</u> full-time or part-time nurse

9 <u>nursing or faculty positions nurse nursing or faculty positions; authorizing the</u>

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

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- 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 <u>a certain program for a</u> certain fiscal years <u>year</u>; 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 <u>definition</u>; 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(c)(1), (f), and (h) and 18 706(c) and (f) <u>18-701(d)(1) and (2)(i)</u>
- 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 <u>18-701.</u>
- 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 2	(i) Complete the specified degree, attain the licensure or certification required, or fulfill other requirements as provided in this subtitle; and
	(ii) [Perform] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE, PERFORM the service obligation as specified in each section of this subtitle for 1 year for each year that the recipient has a grant awarded under this subtitle.
	(2) (i) Except as otherwise provided in this section AND IN § 18-706 OF THIS SUBTITLE, the Office shall waive the repayment of the grant award at the rate of 1 year for each year that the recipient performs the service obligation.
11 12	(e) [The] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE, THE repayment of the grant award by a recipient who is not yet required by the provisions of this subtitle to begin repayment of the award and who accepts employment that fulfills the service obligation shall be forgiven, for the purposes of this subtitle, at a rate of 1 year for each year that the recipient performs the service obligation.
14	18-703.
	(b) (1) Economic Development Student Assistance Grants to be known as the Sharon Christa McAuliffe Memorial Teacher Education Award may be awarded as teacher education tuition assistance grants.
	(2) The Office shall award annually to eligible applicants tuition assistance grants for the education of persons to teach in areas of critical or geographic shortage.
21	(c) A recipient of a tuition assistance grant shall:
22	(1) Qualify as follows:
25 26 27	(i) Have earned [60] 30 credits of undergraduate collegiate education and be enrolled in or sign a letter of intent to enroll in a program leading to certification to teach in an area of critical or geographic shortage and be selected by the Office on a competitive basis among qualified applicants based on academic criteria, not limited to standardized tests, established by the State Board of Education; or
31 32	(ii) Have an undergraduate or graduate degree and be enrolled in or sign a letter of intent to enroll in courses leading to certification to teach in an area of critical or geographic shortage and be selected among qualified applicants on a competitive basis based on academic criteria established by the State Board of 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

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 Enroll as a student in courses required for teacher certification in an academic area in which there is a critical or geographic shortage of teachers; and 	
 Be selected by the Office on a competitive basis among qualified applicants based on criteria established by the State Board of Education; 	
6 (f) (1) A nondegreed recipient may renew an award for [1 year] 2 YEARS if 7 the recipient:	
8 (i) Remains an undergraduate student in an area of critical or 9 geographic shortage; and	
10(ii)Maintains a grade point average of at least 3.0 on a 4.0 scale11and advances in academic standing at least 1 year for each year for which an award12is renewed.	
13(2)A degreed recipient and a teacher recipient may renew an award for141 year if that recipient maintains a grade point average of at least 3.0 on a 4.0 scale.	
 (h) (1) [Funds] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, FUNDS for the SHARON CHRISTA MCAULIFFE MEMORIAL Teacher Education Tuition Assistance Program shall be as provided in the annual budget of the Commission by the Governor. 	
 19 (2) FOR FISCAL YEARS 2007 THROUGH 2009, THE GOVERNOR SHALL 20 INCLUDE IN THE ANNUAL BUDGET SUBMISSION FOR THE SHARON CHRISTA 21 MCAULIFFE MEMORIAL TEACHER EDUCATION TUITION ASSISTANCE PROGRAM AN 22 AMOUNT EQUAL TO THE SUM OF: 	
23(I)THE APPROPRIATION INCLUDED IN THE BUDGET SUBMISSIO24FOR FISCAL YEAR 2006; AND)N
25 (II) \$500,000.	
26 18-706.	
27 (a) In this section the following words have the meanings indicated.	
 28 (1) "Eligible organization" means an institution, including a licensed 29 hospital, nursing home, adult day care center, public health agency, home health 30 agency, or other organization authorized by the Secretary of Health and Mental 31 Hygiene. 	
32 33(2)"Eligible institution" means an institution of postsecondary	
34(i)1.Approved to operate by the Maryland Higher Education35Commission; and OR	

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5 U	UNOFFICIAL	COPY OF HOUSE BILL 1304
		<u>RECOGNIZED BY THE COMMISSION AS A REGIONALLY</u> RING AN EQUIVALENT AND NATIONALLY SING PROGRAM; AND
4 <u>(</u>	(ii) That av	wards nursing degrees or diplomas.
6 or specialization determ	nined by the Se	ge area" means a recognized area of nursing service cretary of Health and Mental Hygiene to be an ualified nurses in eligible organizations.
		nt" means a student enrolled in a postsecondary rogram at an eligible institution.
10 (5) "	"Service obligat	tion" means employment as:
11 (<u>organization; OR</u>	(<u>I)</u> [a] A n	urse in a nursing shortage area in an eligible
13 14 <u>INSTITUTION.</u>	(<u>II)</u> <u>A FAC</u>	CULTY MEMBER IN A NURSING PROGRAM AT AN ELIGIBLE
15 (b) (1) E 16 as scholarships for nurs		elopment Student Assistance Grants may be awarded a nursing shortage areas.
18 the amount of tuition a	and fees not to e	rrsing scholarship awarded under this section shall be in exceed \$3,000 annually for a full-time student or ober of credit hours taken by a part-time
21 (22 maximum amount of \$		ward shall be renewable on an annual basis up to a ecipient:
23	1.	Remains a resident of this State;
24	2.	Enrolls in an eligible institution;
2526 scale or its equivalent;	3. and	Maintains a grade point average of at least 3.0 on a 4.0
2728 diploma according to the	4. he standards of	Makes satisfactory progress toward the nursing degree or the eligible institution attended.
30 mandatory summer aca 31 curriculum, the nursing	ademic sessions g scholarship av	nursing student enrolled in a nursing program, including s that are a required part of the approved warded under this section shall be in the ed \$4,500 per calendar year.
33 (34 maximum amount of \$		ward shall be renewable on an annual basis up to a ecipient:
35	1.	Remains a resident of the State;

1				2.	Enrolls in a nursing program at an eligible institution;
2 3	scale or its o	equivalent	; and	3.	Maintains a grade point average of at least 3.0 on a 4.0
4 5	diploma acc	cording to	the stand	4. lards of tl	Makes satisfactory progress toward the nursing degree or he eligible institution attended.
6	(c)	Each ree	cipient of	the nurs	ing scholarship awarded under this section shall:
7		(1)	Be a nu	rsing stuc	dent;
8 9	equivalent;	(2)	Have a	grade poi	int average of at least 3.0 on a 4.0 scale or its
10 11	qualified ap	(3) oplicants b			ne Office on a competitive basis from among the criteria established by the Commission; and
12		(4)	Perform	the servi	rice obligation AS IN AS IN A:
	YEAR FOI THIS SUB				ΓΙΜΕ NURSE <u>POSITION</u> <u>NURSE POSITION</u> AT A RATE OF 1 E RECIPIENT RECEIVES A GRANT AWARDED UNDER
	YEARS FO THIS SUB		(II) YEAR		TIME NURSE <u>POSITION</u> <u>NURSE POSITION</u> AT A RATE OF 2 HE RECIPIENT RECEIVES A GRANT AWARDED UNDER
		ION MAY	AWARD	A NURS	<u>18-701(B) AND (C) OF THIS SUBTITLE, THE</u> SING SCHOLARSHIP UNDER THIS SECTION TO <u>A</u> N OUT-OF-STATE ELIGIBLE INSTITUTION IF:
24	<u>ELIGIBLE</u>	INSTITU	T THE N TION IN	<u>URSING I</u> DICATIN	<u>STUDENT PROVIDES THE COMMISSION WITH A COPY</u> <u>STUDENT RECEIVED FROM THE IN-STATE</u> <u>NG THAT THE NURSING STUDENT'S APPLICATION</u> DUE TO A LACK OF CAPACITY; AND
28	THE IN-ST	TATE ELIC	<u>BY THE</u> GIBLE IN	<u>INSTITU</u> ISTITUTI	ION VERIFIES, BASED ON INFORMATION PROVIDED TO JTION, THAT THERE IS A LACK OF CAPACITY AT ION IDENTIFIED UNDER ITEM (1) OF THIS ACADEMIC SEMESTER AND NURSING PROGRAM.
	<u>(E)</u> <u>COMMISS</u> <u>HIGHER E</u>	ION SHA	LL GIVE	PRIORI	<u>'HIP AWARDS UNDER THIS SECTION, THE</u> <u>TY TO STUDENTS ENROLLING IN INSTITUTIONS OF</u> <u>'E.</u>
33	(d)	(F)	(1)	Each ree	cipient of a nursing scholarship awarded under this

33 (d) (F)(1) Each recipient of a nursing scholarship awarded under this

34 section may be entitled, based on financial need, to an additional grant to meet living 35 costs not to exceed \$3,000 annually for a full-time student or a prorated award 36 according to the number of credit hours taken by a part-time student.

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7	UNOFFICIAL COPY OF HOUSE BILL 1304
	Each additional grant shall be renewable on an annual basis up to a t of $12,000$, if the recipient meets the requirements for continuing ward under subsection (b)(2)(ii) of this section.
	The Office shall require a recipient of a nursing scholarship who al grant for living costs to provide information to the Office that the student has a definite financial need.
	[Funds] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS UNDS for the nursing scholarships awarded under this section shall be annual budget of the Commission by the Governor.
	FOR FISCAL YEARS 2007 THROUGH 2009, THE GOVERNOR SHALL IE ANNUAL BUDGET SUBMISSION FOR THE MARYLAND STATE OLARSHIP PROGRAM AN AMOUNT EQUAL TO THE SUM OF:
13 14 For Fiscal yi	(I) THE APPROPRIATION INCLUDED IN THE BUDGET SUBMISSION EAR 2006; AND
15	(II) \$1,000,000.
16 <u>(G)</u> <u>(1)</u> 17 <u>FOR A:</u>	THE OFFICE SHALL WAIVE THE REPAYMENT OF A GRANT AWARD
18 19 <u>EACH YEAR TH</u>	(<u>I)</u> <u>FULL-TIME NURSE POSITION AT THE RATE OF 1 YEAR FOR</u> AT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR
20 21 <u>EACH YEAR TH</u>	(II) PART-TIME NURSE POSITION AT THE RATE OF 2 YEARS FOR AT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.
24 THE GRANT AW	<u>THE REPAYMENT OF A GRANT AWARD BY A RECIPIENT WHO IS NOT</u> <u>BY THE PROVISIONS OF THIS SUBTITLE TO BEGIN REPAYMENT OF</u> ARD AND WHO ACCEPTS EMPLOYMENT THAT FULFILLS THE SERVICE HALL BE FORGIVEN, FOR THE PURPOSES OF THIS SUBTITLE, FOR A:
26 27 <u>EACH YEAR TH</u>	(<u>I)</u> <u>FULL-TIME NURSE POSITION AT THE RATE OF 1 YEAR FOR</u> AT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR
28 29 <u>EACH YEAR TH</u>	(II) <u>PART-TIME NURSE POSITION AT THE RATE OF 2 YEARS FOR</u> AT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.
30 <u>[(e)]</u> <u>(H)</u> 31 <u>administer the gr</u>	The Commission shall establish and publish rules and regulations to ants awarded under this section.

32[(f)](I)Funds for the nursing scholarships awarded under this section shall33be as provided in the annual budget of the Commission by the Governor.

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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 THE20REQUIRED 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 IN31SUBSECTION (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;

9	UNOFF	ICIAL	COPY OF HOUSE BILL 1304			
1 (2)	ROOM	ROOM AND BOARD; AND				
2 (3)	BOOKS	BOOKS AND SUPPLIES.				
	THIS SCHOLARSHIP AWARD IS IN ADDITION TO ANY OTHER STATE ARSHIPS THAT ARE AVAILABLE TO THE STUDENT.					
- (-)	6 FOR THE DISTINGUISHED SCHOLAR PROGRAM FOR COMMUNITY COLLEGE TRANSFER					
8 (1)	FOR FIS	SCAL Y	EAR 2007 \$500,000; AND			
9 (2) 10 <u>¥EAR 2007</u> .	FOR FIS	FOR FISCAL YEARS 2008 AND 2009 - \$1,000,000 <u>\$ 250,000 IN FISCAL</u>				
11 SECTION 2. A	ND BE IT	FURTH	IER 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) 20 from:	The Con	nmissio	n shall include in the workgroup representatives			
21 22 <u>Senate;</u>	(i)	<u>the Sen</u>	ate of Maryland, appointed by the President of the			
23	<u>(ii)</u>	<u>the Ho</u> i	use of Delegates, appointed by the Speaker of the House;			
24	<u>(iii)</u>	the Dep	partment of Legislative Services;			
25	(ii)	<u>(iv)</u>	public 4-year institutions of higher education;			
26 27 Association;	(iii)	<u>(v)</u>	the Maryland Independent College and University			
28	(iv)	<u>(vi)</u>	community colleges; and			
29	(v)	<u>(vii)</u>	the Governor's Workforce Investment Board.			
$\begin{array}{c} 30 \qquad (3) \\ 31 \text{ the Governor and } i \end{array}$			n shall report its findings and recommendations to 8 2-1246 of the State Government Article to			

31 the Governor and, in accordance with § 2-1246 of the State Government Article, to32 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. <u>3.</u> AND BE IT FURTHER ENACTED, That this Act shall take 7 effect July 1, 2005.