

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 153 (Chairman, Education, Health, and Environmental Affairs Committee
and Chairman, Budget and Taxation Committee)
(By Request – Departmental – Military)
Education, Health, and Environmental Affairs

Higher Education - Tuition Waiver - Members of the Maryland National Guard

This departmental bill alters General Assembly intent language guiding tuition waivers for members of the Maryland National Guard who attend public institutions of higher education in Maryland. The bill repeals the language that limits the tuition waivers to courses for which space is available.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: None. The bill aligns legislative intent language with the current tuition waiver practices of the four-year public institutions of higher education.

Local Effect: Community college tuition and fee revenues could decrease minimally if the bill results in the removal of the space availability requirement in community college tuition waiver policies.

Small Business Effect: The Military Department has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: The governing board of each public institution of higher education must develop a tuition waiver policy for members of the Maryland National Guard. It is the intent of the General Assembly that a portion of tuition be waived for a member of the Maryland National Guard only if: (1) regularly scheduled course space is available; (2) the member is enrolled at the institution granting the waiver; and (3) the Maryland Adjutant General has certified that the member has at least two years remaining to serve or has agreed in writing to serve for a minimum of two years.

Most public institutions of higher education in Maryland offer members of the Maryland National Guard a 50% tuition waiver for up to a certain number of course credits.

Background: The Military Department advises that limiting the partial tuition waiver benefit to courses for which space is available does not allow members of the Maryland National Guard to compete fairly with other students for limited space in popular courses. In some instances, this is preventing members of the Maryland National Guard from utilizing one of the primary benefits available to them, access to higher education at reduced rates. The Military Department further advises that ensuring members of the Maryland National Guard that they can compete fairly with other students for space in college courses would help the department to retain more skilled guard members.

In addition to the 50% tuition waiver available at most public institutions of higher education in Maryland, members of the Maryland National Guard are also eligible for other State and federal education benefits. When the tuition waivers and other benefits are combined, the entire cost of tuition and fees is often covered for guard members. The University System of Maryland (USM) advises that 187 members of the Maryland National Guard are attending USM institutions in the 2004-2005 academic year and that the fiscal 2005 loss of tuition and fee revenues from the waivers totals \$989,922.

Proposed fall 2005 tuition and mandatory fees for four-year public institutions of higher education are shown in **Exhibit 1**. The fall 2004 tuition and fees rates at each community college in Maryland, including the rate for a student living in the community college service area and the rate for a State resident not living in the service area, are shown in **Exhibit 2**.

Exhibit 1
Full-time Resident Undergraduate Tuition and Mandatory Fees
Public Four-year Institutions of Higher Education
Proposed Fall 2005

| | |
|--|---------|
| Coppin State University | \$4,714 |
| Bowie State University | 5,481 |
| University of Maryland University College* | 5,520 |
| University of Maryland Eastern Shore | 5,808 |
| Morgan State University | 6,110 |
| Frostburg State University | 6,230 |
| Salisbury University | 6,376 |
| University of Baltimore | 6,794 |
| Towson University | 7,096 |
| University of Maryland, College Park | 7,821 |
| University of Maryland Baltimore County | 8,520 |
| St. Mary's College** | 9,178 |

* Based on 24 credits.

** Fall 2005 tuition and mandatory fee rates have not been proposed. Fall 2004 tuition and mandatory fee rates are shown.

Exhibit 2
Tuition and Mandatory Fees
Community Colleges
Fall 2004

| <u>College</u> | <u>Area</u> <u>Resident</u> | <u>State</u> <u>Resident</u> |
|------------------------------|--------------------------------|---------------------------------|
| Allegany | \$2,734 | \$5,194 |
| Anne Arundel | 2,660 | 4,940 |
| Baltimore City | 2,260 | 2,260 |
| Baltimore County | 2,926 | 4,816 |
| Carroll | 3,096 | 4,470 |
| Cecil | 2,730 | 5,430 |
| Chesapeake | 2,730 | 4,170 |
| College of Southern Maryland | 3,210 | 5,520 |
| Frederick | 2,820 | 5,760 |
| Garrett | 2,790 | 5,460 |

| <u>College</u> | <u>Area Resident</u> | <u>State Resident</u> |
|-----------------|----------------------|-----------------------|
| Hagerstown | 2,900 | 4,460 |
| Harford | 2,490 | 4,740 |
| Howard | 3,420 | 5,910 |
| Montgomery | 3,564 | 6,948 |
| Prince George's | 3,590 | 5,660 |
| Wor-Wic | 2,096 | 5,186 |

State Fiscal Effect: The Military Department advises that, although intent language and institution policies limit the tuition waiver to courses for which space is available, members of the Maryland National Guard have not been denied access to the normal course registration procedures except at one community college. Therefore, the bill has no real impact on tuition and fee revenues at public four-year institutions of higher education. The bill would codify the current practices of these institutions.

Local Revenues: Community college tuition and fee revenues could decrease for at least one community college, Montgomery College, if General Assembly intent language is followed. Revenues would decrease to the extent that members of the Maryland National Guard displace students who pay full tuition in community college courses. The revenue loss for the college is expected to be minimal.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Military Department; University System of Maryland; Morgan State University; Maryland Higher Education Commission; Maryland Association of Community Colleges; Baltimore City; Charles, Prince George's, St. Mary's, and Somerset counties; Department of Legislative Services

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