

Department of Legislative Services

Maryland General Assembly

2006 Session

FISCAL AND POLICY NOTE

Senate Bill 33

(Senator Hollinger)

Education, Health, and Environmental Affairs

Ways and Means

Nursing Scholarships - Part-Time Nurses - Waiver or Forgiveness of a Grant

This bill clarifies that the repayment of a nursing scholarship is waived at a rate of one-half of a year for each year a scholarship recipient works part-time towards the fulfillment of the scholarship's service obligation.

Fiscal Summary

State Effect: None. The bill corrects a technical error and codifies the expected practice of the Office of Student Financial Assistance (OSFA).

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: To receive a nursing scholarship, an applicant must agree to work in the State as a faculty member in a qualified nursing program or as a nurse. The service obligation must be performed full-time for one year for each year that the scholarship is received or part-time for two years for each year that the scholarship is received.

If a recipient fails to perform the service obligation, the recipient must repay the scholarship award amount. Repayment of awarded scholarship funds is waived at a rate of one year for each year the recipient works full-time, or two years for each year the recipient works part-time.

Background: Senate Bill 511 of 2005 (Chapter 487) expanded the service obligation for a nursing scholarship to allow a scholarship recipient to fulfill the obligation by working part-time for two years for each year the scholarship is received. The legislation also inadvertently allowed one year of part-time employment to waive repayment of two years of scholarship funds. This bill would correct that error.

State Fiscal Effect: OSFA advises that, if the issue arises this year, it intends to waive the repayment of one-half a year of scholarship funds for each year a recipient works part-time towards the fulfillment of the service obligation. The bill, therefore, codifies expected practice and has no impact on State finances.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 16, 2006
ncs/rhh

Analysis by: Mark W. Collins

Direct Inquiries to:
(410) 946-5510
(301) 970-5510