

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1568
Ways and Means

(Delegates McHale and Conroy)

Education, Health, and Environmental Affairs

Higher Education - Edward T. Conroy Memorial Scholarship - Eligibility

This bill expands eligibility for the Edward T. Conroy Memorial Scholarship Program to include the child or spouse of a public safety employee who sustains an injury in the line of duty that renders the employee 100% disabled.

The bill takes effect June 1, 2006.

Fiscal Summary

State Effect: Expanding eligibility for scholarships does not require additional spending. However, general fund expenditures could increase beginning in FY 2007 to continue awarding scholarships to students who are currently eligible and to award scholarships to an expanded population of eligible applicants. In FY 2006, the average award amount under the program is approximately \$4,725.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Edward T. Conroy Memorial Scholarship Program awards postsecondary education financial assistance to the following categories of Maryland residents:

- the child of a member of the armed forces who died or was permanently disabled as a result of military service;

- the child of a member of the armed forces who was declared to be a prisoner of war or missing in action as a result of the Vietnam conflict;
- an individual who was a prisoner of war as a result of the Vietnam conflict;
- the child or surviving spouse of a State or local public safety employee killed in the line of duty;
- a public safety employee who is disabled;
- a veteran who suffers a service-related disability of 25% or greater and has exhausted all federal veterans' educational benefits; and
- the child or spouse of a victim of the September 11, 2001 terrorist attacks.

Background: The proposed fiscal 2007 State budget includes \$480,474 for the Edward T. Conroy Memorial Scholarship Program, the same amount that was initially appropriated in fiscal 2006. The Office of Student Financial Assistance (OSFA) advises that it has transferred nearly \$40,000 to the program in fiscal 2006 through budget amendment in order to make awards to all 110 eligible applicants. The average award amount for fiscal 2006 is approximately \$4,725.

State Fiscal Effect: Funding for Conroy scholarships is as provided in the annual State budget. Extending eligibility to children and spouses of 100% disabled public safety employees would only result in increased expenditures if the State budget includes new funding to make awards to additional applicants.

General fund expenditures could increase by an estimated \$4,960 per additional award in fiscal 2007. This estimate assumes 5% growth in the fiscal 2006 average award amount of \$4,725 to account for projected tuition and fee increases. The number of additional awards that would be needed to serve all eligible applicants cannot be reliably estimated, but could be significant relative to the small size of the current program. If 25 additional applicants qualify for awards, program costs could increase by \$124,000.

If eligibility for Conroy scholarships is expanded without additional funding, some candidates could be placed on a waiting list or the average award amount for the program could be reduced.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Veterans Affairs, Maryland Higher Education Commission (Office of Student Financial Assistance), Department of Legislative Services

Fiscal Note History: First Reader - March 20, 2006
mll/rhh Revised - Enrolled Bill - May 4, 2006

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