

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 525

(Senator Madaleno, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

Higher Education - Dual Enrollment Grant Program

This bill removes dually-enrolled students from those who are eligible for the Part-time Grant Program and establishes a new Dual Enrollment Grant Program to provide financial assistance to Maryland residents who are simultaneously enrolled in college and high school and demonstrate financial need. The Maryland Higher Education Commission (MHEC) must administer the Dual Enrollment Grant Program in cooperation with institutions of higher education. Program funds must be allocated to institutions of higher education based on the number of dually-enrolled students at each institution, and institutions that receive program funds must submit annual audits of the use of the funds. Scholarship funds retained by MHEC at the end of a fiscal year may be used for the Dual Enrollment Grant Program. By November 1, 2007, the Maryland Partnership for Teaching and Learning PreK-16 Council must provide a list of recommendations to facilitate dual-enrollment opportunities.

The bill takes effect June 1, 2007 and terminates June 30, 2009.

Fiscal Summary

State Effect: Assuming a portion of the funds currently appropriated for the Part-time Grant Program would be redirected to the new Dual Enrollment Grant Program, State finances would not be affected. MHEC could administer the new program with existing personnel and resources, and the PreK-16 Council could make recommendations on dual enrollment with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Part-time Grant Program provides financial assistance to part-time students and students who are dually enrolled in secondary schools and institutions of higher education in Maryland. A grant recipient must have a demonstrated financial need or be a dually-enrolled student. Funds for the program are allocated to each institution of higher education in proportion to the number of part-time undergraduate students with demonstrated financial needs attending the institution. The institutions then make awards to eligible applicants. Funding for the program is as provided in the annual State budget.

Funds appropriated for certain State student financial aid programs that are not used by the end of a fiscal year are retained by MHEC to use for need-based financial aid programs in future fiscal years.

Background: The proposed fiscal 2008 State budget includes \$6 million for the Part-time Grant Program, the same amount that was appropriated in fiscal 2007. Although more recent information is not yet available, MHEC reports that 531 dually-enrolled students received grants from the program that totaled approximately \$120,000 in fiscal 2006. The average award amount was \$226. The rest of the \$4.7 million fiscal 2006 appropriation was spent in support of part-time students with demonstrated financial needs. MHEC estimates that there may be 2,000 dually-enrolled students statewide.

MHEC carried forward approximately \$6.1 million at the end of fiscal 2005 and \$5.1 million at the end of fiscal 2006 that was reallocated to need-based financial aid in the subsequent fiscal year. MHEC estimates that \$1.2 million will be available at the end of fiscal 2007 to use for need-based aid in fiscal 2008.

Additional Information

Prior Introductions: None.

Cross File: HB 538 (Delegate Kaiser, *et al.*) – Ways and Means.

Information Source(s): Independent College and University Association, Maryland State Department of Education, Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2007
mll/rhh Revised - Senate Third Reader - March 28, 2007
Revised - Enrolled Bill - May 11, 2007

Analysis by: Mark W. Collins

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