

Department of Legislative Services  
Maryland General Assembly  
2009 Session

**FISCAL AND POLICY NOTE**

Senate Bill 385 (Senator Simonaire)  
Education, Health, and Environmental Affairs

---

**Higher Education - Senatorial and Delegate Scholarships - Qualifications**

---

This bill requires an applicant for a senatorial or delegate scholarship to be a citizen or legal permanent resident of the United States to qualify for a senatorial or delegate scholarship. To continue to receive a senatorial award, a recipient must continue to be a citizen or legal permanent resident. The bill additionally requires an applicant for a delegate scholarship to be a resident of Maryland.

The bill takes effect July 1, 2009.

---

**Fiscal Summary**

**State Effect:** Assuming that close monitoring of the awards made by senators and delegates is not necessary, the bill does not impact State finances.

**Local Effect:** None.

**Small Business Effect:** None.

---

**Analysis**

**Current Law:** Each senator may award \$138,000 in scholarship funds each year. To qualify for an award, an individual must be a resident of Maryland and demonstrate a definite financial need. Each senator must consider an applicant's financial need. An award under the program may not be lower than \$400 and may not exceed the tuition and mandatory fees at the University System of Maryland (USM) institution with the highest annual tuition and fees, not including the University of Maryland University College (UMUC) and the University of Maryland, Baltimore (UMB). The scholarships

may be held for up to four years of full-time study or eight years of part-time study. A scholarship award may be used to pay educational expenses at a Maryland institution of postsecondary education or, when the desired program of study or appropriate accommodations are not available in Maryland, an out-of-state institution. A senator must award scholarships prior to September 1 of each year. Any funding that a senator has not awarded by the September 1 deadline is distributed by the Maryland Higher Education Commission (MHEC) to eligible applicants from the senator's district.

During a term in office, each delegate may award the equivalent of four four-year full-time scholarships or two part-time scholarships for each full-time scholarship available. Delegates may select scholarship recipients on any basis they consider appropriate. The annual amount of a scholarship for any one recipient may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMUC and UMB. A scholarship award may be used to pay tuition and mandatory fees at a Maryland institution of postsecondary education or, when the desired program of study or appropriate accommodations are not available in Maryland, an out-of-state institution. Instead of awarding the scholarships themselves, delegates may authorize MHEC to award funding to eligible applicants under the Delegate Howard P. Rawlings Educational Excellence Awards program.

**Background:** As early as 1924, some version of senatorial scholarships appeared in Maryland statutes. At that time, scholarship recipients were appointed by local boards of school commissioners (*i.e.*, school boards), with the advice and consent of the local senators. Scholarship recipients were required to teach in Maryland for two years after their college graduations. Although the specific requirements have changed over time, eligibility for a senatorial scholarship has always included a financial need component.

Delegate scholarships were established later, and by 1959 each delegate was authorized to grant a scholarship for the University of Maryland, College Park (UMCP) to one resident of the delegate's district. Although students who received delegate scholarships initially had to demonstrate a financial need, that part of scholarship eligibility was later removed. By the mid-1970s, the use of delegate scholarships was no longer limited to UMCP.

Only relatively minor changes have been made to legislative scholarships in the last 15 years. The Governor's proposed fiscal 2010 budget includes \$6.5 million for senatorial scholarships (\$138,000 per senator) and \$4.9 million for delegate scholarships (\$34,404 per delegate).

**State Fiscal Effect:** The bill does not impact the annual appropriations for senatorial and delegate scholarships.

MHEC advises the bill may result in additional legislators choosing MHEC to award their scholarships because of the challenges in determining which applicants are citizens or legal permanent residents of the United States. In 2008, MHEC awarded scholarships for 16 legislators. If more intense scrutiny of scholarship awardees is required, MHEC may need additional personnel to monitor the awards.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 15, 2009  
mlm/rhh

---

Analysis by: Caroline L. Boice

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