

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 289

(Chair, Education, Health, and Environmental Affairs  
Committee)(By Request - Departmental - Higher  
Education Commission)

Education, Health, and Environmental Affairs

Ways and Means

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Higher Education - Edward T. Conroy Memorial Scholarship Program -  
Eligibility

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This departmental bill alters the eligibility requirements for the Edward T. Conroy Memorial Scholarship Program to include a person who lives outside of the State if (1) the person is a resident of the State at the time of application; or (2) the person was a resident of the State at the time of the event that made the person primarily eligible for the scholarship. In addition, the bill repeals the June 30, 2014 termination date of the scholarship established by Chapter 418 of 2004, which expanded eligibility for applicants who graduated from a Maryland high school in 2004.

The bill takes effect July 1, 2011.

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Fiscal Summary

**State Effect:** Expanding *eligibility* for the Conroy scholarship does not require additional spending, although general fund expenditures could increase minimally beginning in FY 2012 to award scholarships to currently eligible students and an expanded population of eligible applicants. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** The Maryland Higher Education Commission (MHEC) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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## Analysis

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

- the child of a member of the armed forces who died or suffered a service-connected 100% permanent disability;
- 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 who was killed in the line of duty or who suffered an injury in the line of duty resulting in 100% disability;
- 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 surviving spouse of a victim of the September 11, 2001 terrorist attacks.

Applicants must be a resident of Maryland, unless the applicant is the child or surviving spouse of any State or local public safety employee killed in the line of duty. Applicants who graduated from a Maryland high school in 2004 are also eligible for a scholarship if they were Maryland high school students at the time of application or graduated from a Maryland high school within three months of application.

Awards may not exceed tuition and mandatory fees of a full-time undergraduate Maryland resident at the four-year public institution of higher education within the University System of Maryland, other than the University of Maryland University College and the University of Maryland, Baltimore, with the highest annual expenses for a full-time resident undergraduate. Awards also may not be less than \$3,000 or the equivalent annual tuition and mandatory fees of the institution attended by the recipient of the scholarship, whichever is the least. Scholarships may be used at private or public four-year institutions of higher education or community colleges. Scholarships may be used for undergraduate or graduate study.

Each recipient of a scholarship may hold the award for five years of full-time study or eight years of part-time study. Not more than 15 scholarships each year may go to veterans who have a service-connected disability of 25% or more and have exhausted or are no longer eligible for federal veterans' educational benefits.

Chapters 607 and 608 of 2009 decentralized the Edward T. Conroy Memorial Scholarship from the Office of Student Financial Assistance (OSFA) in MHEC to the postsecondary institutions beginning in fiscal 2011. Therefore, MHEC has only renewed scholarships and not granted new scholarships since June 30, 2010.

In October and February of each year, each postsecondary institution must report to MHEC the number of students eligible for an Edward T. Conroy Memorial Scholarship. After verifying the number of eligible students, MHEC must allocate the funds for awards to the postsecondary institutions. If funds cannot be allocated in the fiscal year in which awards are made, priority must be given to allocating funds for those awards in the following fiscal year.

**Background:** MHEC reports that during the past three years there have been two instances where a student met all eligibility requirements for the scholarship, except the requirement that the student be a Maryland resident.

In one instance a student whose parent, a State/local public service employee, had been killed in the line of duty, had to move from Maryland to live with the remaining parent. The parent was forced to leave Maryland due to employment reasons after the death of their spouse. The applicant graduated from high school in the other state, was accepted to a Maryland college, and applied for the Conroy scholarship. Since the student did not meet the residency requirement at the time of application, the application was denied.

In another instance a student who was eligible, based on a job-related disability of a parent, applied for and received a Conroy scholarship. During the first year of school, the parent passed away and the student had to move out of state to live with their remaining biological parent but remained a student at the Maryland school as a commuter student. The following year the student was denied a renewal of the award because the student was no longer a resident of Maryland.

The Governor's proposed fiscal 2012 budget includes \$540,474 for the Edward T. Conroy Memorial Scholarship Program, the same amount as fiscal 2011.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 14, 2011  
mlm/rhh

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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Higher Education – Edward T. Conroy Memorial Scholarship  
Program Eligibility

BILL NUMBER: SB 289

PREPARED BY: Maryland Higher Education Commission

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

☒ WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

OR

☐ WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.