F2 5lr1139

By: Delegates Haynes, B. Barnes, Hettleman, Korman, Sydnor, Turner, and P. Young

Introduced and read first time: February 12, 2015

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 Community Colleges – Tuition Waiver for Full–Time Students – Full State Reimbursement

4 FOR the purpose of exempting certain individuals who enroll as full-time certificate or 5 associate's degree students at a community college in the State from payment of 6 tuition under certain circumstances; requiring certain individuals to apply for 7 certain financial aid; providing the conditions under which an individual is no longer eligible for a tuition waiver; requiring certain individuals to be counted in a certain 8 9 computation of State and local aid to community colleges; specifying how financial 10 aid shall be applied for individuals who receive a tuition waiver; requiring the State 11 to reimburse community colleges for certain foregone tuition revenue; requiring that 12 funds used to reimburse community colleges shall be paid from the Education Trust 13 Fund from funds allocated from a certain source; requiring certain individuals who 14 do not satisfy certain requirements to repay the amount of the tuition waived; 15 authorizing the Maryland Higher Education Commission to adopt certain regulations; defining a certain term; and generally relating to a tuition waiver for 16 17 certain individuals who enroll as full-time certificate or associate's degree students 18 at community colleges in the State.

19 BY adding to

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Article – Education

21 Section 16–106.1

22 Annotated Code of Maryland

23 (2014 Replacement Volume and 2014 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – State Government

26 Section 9–1A–30

27 Annotated Code of Maryland

28 (2014 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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MAY QUALIFY.

$\frac{1}{2}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
3	Article - Education
4	16–106.1.
5 6	(A) (1) IN THIS SECTION, "TUITION" MEANS THE BASIC INSTRUCTIONAL CHARGE FOR COURSES OFFERED AT A COMMUNITY COLLEGE.
7	(2) "TUITION" INCLUDES ANY FEES FOR:
8	(I) REGISTRATION;
9	(II) APPLICATION;
10	(III) ADMINISTRATION; OR
11	(IV) LABORATORY WORK.
12	(B) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO:
13	(I) IS A RESIDENT OF THE STATE; AND
14 15 16 17	(II) ENROLLS AS A FULL-TIME STUDENT IN A VOCATIONAL CERTIFICATE PROGRAM OR AN ASSOCIATE'S DEGREE PROGRAM AT A COMMUNITY COLLEGE IN THE STATE WITHIN 2 YEARS AFTER GRADUATING FROM A HIGH SCHOOL IN THE STATE OR SUCCESSFULLY COMPLETING A GED.
18 19 20	(2) An individual described in paragraph (1) of this subsection who enrolls in any class that is eligible under § 16–305 of this title for State support at the community college:
21	(I) SHALL BE EXEMPT FROM PAYMENT OF TUITION; AND
22 23	(II) SHALL BE COUNTED IN COMPUTING FULL-TIME EQUIVALENT ENROLLMENT UNDER § $16-305$ OF THIS TITLE.
24 25 26	(3) AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SUBSECTION SHALL SUBMIT A TIMELY APPLICATION FOR ANY STATE OR FEDERAL STUDENT FINANCIAL AID, OTHER THAN A STUDENT LOAN, FOR WHICH THE STUDENT

- 1 (C) AN INDIVIDUAL WHO RECEIVES A TUITION WAIVER UNDER SUBSECTION 2 (B) OF THIS SECTION SHALL CONTINUE TO RECEIVE THE TUITION WAIVER UNTIL THE 3 EARLIER OF ONE OF THE FOLLOWING CONDITIONS:
- 4 (1) THE INDIVIDUAL DOES NOT MAINTAIN A GRADE POINT AVERAGE 5 OF AT LEAST 2.0 ON A 4.0 SCALE AND IS NOT MAKING SATISFACTORY PROGRESS 6 TOWARD A VOCATIONAL CERTIFICATE OR AN ASSOCIATE'S DEGREE;
- 7 (2) 2–1/2 YEARS HAVE PASSED AFTER THE INDIVIDUAL FIRST 8 ENROLLED AS A FULL-TIME STUDENT IN A VOCATIONAL CERTIFICATE PROGRAM OR 9 AN ASSOCIATE'S DEGREE PROGRAM AT A COMMUNITY COLLEGE IN THE STATE; OR
- 10 (3) THE INDIVIDUAL IS AWARDED A VOCATIONAL CERTIFICATE OR AN 11 ASSOCIATE'S DEGREE.
- 12 **(D) (1)** ANY STUDENT FINANCIAL AID, OTHER THAN A STUDENT LOAN, 13 RECEIVED BY AN INDIVIDUAL WHO RECEIVES A TUITION WAIVER UNDER 14 SUBSECTION (B) OF THIS SECTION SHALL FIRST BE APPLIED TO PAY THE 15 INDIVIDUAL'S TUITION.
- 16 (2) THE TUITION WAIVER SHALL APPLY TO THE DIFFERENCE, IF ANY, 17 BETWEEN THE CHARGE FOR TUITION AND THE FINANCIAL AID AWARD, NOT 18 INCLUDING A STUDENT LOAN, THAT THE INDIVIDUAL RECEIVES.
- 19 (3) ON REQUEST, THE COMMUNITY COLLEGE SHALL ASSIST ANY 20 INDIVIDUAL REQUIRED TO SUBMIT AN APPLICATION FOR STATE OR FEDERAL 21 STUDENT FINANCIAL AID UNDER THIS SECTION.
- 22 (E) (1) A COMMUNITY COLLEGE IS ENTITLED TO REIMBURSEMENT FROM 23 THE STATE FOR FOREGONE TUITION REVENUE RESULTING FROM TUITION WAIVERS 24 AWARDED IN ACCORDANCE WITH THIS SECTION.
- 25 (2) ANY FUNDS USED TO REIMBURSE A COMMUNITY COLLEGE FOR FOREGONE TUITION REVENUE SHALL BE PAID FROM THE EDUCATION TRUST FUND FROM THE FUNDS ALLOCATED UNDER § 9–1A–27 OF THE STATE GOVERNMENT ARTICLE.
- (F) THE RECIPIENT OF A TUITION WAIVER UNDER SUBSECTION (B) OF THIS
 SECTION SHALL REPAY THE AMOUNT OF TUITION WAIVED IF THE RECIPIENT DOES
 NOT SATISFY THE REQUIREMENTS TO BE AWARDED A VOCATIONAL CERTIFICATE OR
 AN ASSOCIATE'S DEGREE WITHIN 3 YEARS AFTER FIRST RECEIVING A TUITION
 WAIVER.

- 1 (G) THE COMMISSION MAY ADOPT REGULATIONS NECESSARY TO 2 IMPLEMENT THE PROVISIONS OF THIS SECTION, INCLUDING DEVELOPING A 3 PROCESS FOR:
- 4 (1) AN INDIVIDUAL DESCRIBED UNDER SUBSECTION (F) TO REPAY 5 THE AMOUNT OF TUITION WAIVED; AND
- 6 (2) ALLOCATING THE AMOUNT REPAID BETWEEN THE STATE AND 7 THE COMMUNITY COLLEGE.

8 Article – State Government

- 9 9-1A-30.
- 10 (a) There is an Education Trust Fund which is a special, nonlapsing fund that is 11 not subject to § 7–302 of the State Finance and Procurement Article.
- 12 (b) (1) There shall be credited to the Education Trust Fund all proceeds allocated to the Fund under § 9–1A–27 of this subtitle.
- 14 (2) Money in the Education Trust Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.
- 16 (c) Money in the Education Trust Fund shall be used to:
- 17 (1) provide funding for public elementary and secondary education, 18 through continuation of the funding and formulas established under the programs 19 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter 20 288 of the Acts of the General Assembly of 2002, including the funding for regional 21 differences in the cost of education under § 5–202(f) of the Education Article;
- 22 (2) provide funds to construct public school buildings and provide public school capital improvements in accordance with §§ 5–301 through 5–303 of the Education Article;
- 25 (3) provide funds for capital projects at community colleges and public 26 senior higher education institutions; [and]
- 27 (4) provide funds to expand public early childhood education programs in 28 the State; AND
- 29 (5) PROVIDE FUNDS TO REIMBURSE COMMUNITY COLLEGES FOR 30 FOREGONE TUITION REVENUE IN ACCORDANCE WITH § 16–106.1 OF THE 31 EDUCATION ARTICLE.

- 1 (d) Expenditures from the Education Trust Fund shall be made each fiscal year 2 in accordance with the State budget.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 4 $\,$ 1, 2015.