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FISCAL AND POLICY NOTE
Revised

Senate Bill 225

(Senator Reilly)

Education, Health, and Environmental Affairs

Ways and Means

**Higher Education - Unaccompanied Homeless Youth Tuition Exemption -
Modification**

This bill requires an individual's status as an "unaccompanied homeless youth" to be determined by one of several specified individuals to qualify for a tuition and mandatory fee exemption to attend a public institution of higher education in Maryland. The bill also requires documentation that the child or youth has had a consistent presence in the State for at least one year before enrollment in a public institution of higher education. In addition, the bill requires *annual* verification by a financial aid administrator that an individual who may be an unaccompanied homeless youth qualifies as an independent student under the federal College Cost Reduction and Access Act.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: The University System of Maryland (USM), Morgan State University (MSU), St. Mary's College of Maryland (SMCM), and Baltimore City Community College (BCCC) can collect the documentation required and make a determination that a student is an unaccompanied homeless youth using existing resources. Tuition revenues increase at public four-year institutions of higher education and BCCC due to fewer waivers for unaccompanied homeless youth being granted.

Local Effect: Local school systems and community colleges can collect the documentation required and make a determination that a student is an unaccompanied homeless youth using existing resources. Tuition revenues increase at local community colleges due to fewer waivers for unaccompanied homeless youth being granted.

Small Business Effect: None.

Analysis

Bill Summary: Specifically, in addition to current standards to qualify for a tuition and mandatory fee exemption to attend a public institution of higher education in Maryland, a child or youth must be determined to be a homeless child or youth by:

- a Maryland local school system homeless liaison, as defined by the McKinney-Vento Homeless Assistance Act;
- a director or a designee of the director of a Maryland-based program funded under the Runaway and Homeless Youth Act;
- a director or a designee of the director of a Maryland-based program funded under Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act; or
- the financial aid director at the public institution of higher education in which the youth seeks to enroll.

Current Law: Specified unaccompanied homeless youth are eligible for a tuition and mandatory fee exemption to attend a public institution of higher education in Maryland. An “unaccompanied homeless youth” is defined as a child or youth who (1) is not in the physical custody of a parent or guardian and (2) is a homeless child or youth, as defined by the McKinney-Vento Homeless Assistance Act.

When determining whether a youth is an unaccompanied homeless youth, a financial aid administrator must verify that the youth qualifies as an independent student under the federal College Cost Reduction and Access Act.

Under the federal College Cost Reduction and Access Act, an individual qualifies as an independent student if the individual has been verified during the school year in which the application is submitted as an unaccompanied youth who is a homeless child or youth (as defined by the McKinney-Vento Homeless Assistance Act). An individual also qualifies as an independent student if the individual is a youth who is *at risk* of homelessness and is self-supporting – and is verified as such by (1) a local educational agency homeless liaison, as defined by the McKinney-Vento Homeless Assistance Act; (2) a director of a program funded under the Runaway and Homeless Youth Act; (3) a director of a program funded under Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act; or (4) a financial aid administrator of the institution of higher education where the youth is applying or enrolled.

Background: Chapters 544 and 545 of 2013 established the Task Force to Study Housing and Supportive Services for Unaccompanied Homeless Youth. The task force reported in November 2013 that it is unclear how many unaccompanied homeless youth reside in Maryland, in large part because these youth frequently go unidentified or unserved, but there is reason to believe that the population is significant and growing.

According to the task force report, in 2011, the Johns Hopkins Center for Adolescent Health identified 640 unaccompanied homeless youth in Baltimore City (203 of whom were ages 14 to 18), a 33% increase from the 426 identified in 2009. Similarly, Prince George's County identified 185 unaccompanied homeless youth in 2012, 28% of whom were younger than age 18. School systems across the State identified more than 14,691 homeless students in their schools during the 2011-2012 school year, up from approximately 13,000 only two years earlier, and virtually all reported that a portion of these homeless students were unaccompanied. Nationally, it is estimated that 8% of youth between ages 13 and 21, approximately 1.6 million to 1.7 million youth across the nation, experience homelessness over the course of a given year.

The federal McKinney-Vento program is designed to address the problems that homeless children and youth have faced in enrolling, attending, and succeeding in preschool through high school. Under the program, state education agencies must ensure that each homeless child and youth has equal access to the same free, appropriate public education, including a public preschool education, as other children and youth. The program was originally authorized by the McKinney-Vento Homeless Assistance Act (McKinney-Vento Act) in 1987 and, most recently, reauthorized by the No Child Left Behind Act of 2001.

Chapter 600 of 2014 established the Maryland tuition and mandatory fee waiver for specified unaccompanied homeless youth. Public institutions of higher education in the State enrolled the first class of homeless youth qualifying for the tuition and mandatory fee waiver in fall 2014. Chapter 600 does not explicitly require an unaccompanied homeless youth to reside in Maryland prior to matriculation to receive the tuition and mandatory fee waiver, nor does it require institutions to *periodically* verify that an individual is an unaccompanied homeless youth. Therefore, some institutions have raised concerns that youth who are no longer living at home and/or who do not live in Maryland may qualify for the waiver, even though they may have chosen to leave home or are not homeless in the sense that Chapter 600 intended. Data on the number of waivers granted for the fiscal 2014-2015 academic year is not available.

State Fiscal Effect: USM, MSU, SMCM, and BCCC can collect the documentation required and make a determination that a student is an unaccompanied homeless youth using existing resources. Tuition revenues increase at public four-year institutions of higher education and BCCC due to fewer waivers for unaccompanied homeless youth

being granted. Fewer waivers are granted due to the qualifying requirements under the bill being more stringent than under current law.

Under the bill, only unaccompanied homeless youth who have had a consistent presence in Maryland for at least one year qualify, which limits the number of waivers granted. The number of individuals who qualify for a waiver is further reduced due to the requirement that a financial aid administrator must determine *annually* that an individual qualifies for a waiver, since a student who may have been homeless when he or she finished high school may no longer qualify years later. The magnitude of the tuition revenue increase cannot be reliably estimated since it is unknown how many individuals no longer qualify for a waiver under the more stringent requirements.

Local Fiscal Effect: Local school systems and community colleges can collect the documentation required and make a determination that a student is an unaccompanied homeless youth using existing resources. Tuition revenues increase at local community colleges due to fewer waivers for unaccompanied homeless youth being granted. As described above, fewer waivers are granted due to the qualifying requirements under the bill being more stringent than under current law.

Additional Information

Prior Introductions: None.

Cross File: HB 297 (Delegate M. Washington) – Ways and Means.

Information Source(s): Baltimore City Community College, Governor’s Office for Children, Maryland Higher Education Commission, University System of Maryland, Department of Legislative Services

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Analysis by: Caroline L. Boice

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