

HOUSE BILL 1403

F2

(6lr1659)

ENROLLED BILL

— Ways and Means/Education, Health, and Environmental Affairs —

Introduced by **Delegates McIntosh, A. Washington, McCray, McKay, Barve, Branch, Brooks, Cullison, Ebersole, Frick, Frush, Glenn, Haynes, Hill, Hixson, Jackson, Jalisi, Jones, Kaiser, Lafferty, Lam, Luedtke, Morhaim, B. Robinson, Valentino-Smith, M. Washington, and P. Young**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 ~~Next Generation~~ Next Generation Scholars of Maryland

3 FOR the purpose of ~~altering certain criteria for the prequalification of a student for a~~
4 ~~certain grant program; changing the name of the College Readiness Outreach~~
5 ~~Program to be the Next Generation Scholars of Maryland Program; altering the~~
6 ~~purpose and certain requirements of a certain program; establishing a certain pilot~~
7 ~~program to be administered in certain school systems; requiring certain services to~~
8 ~~be provided; mandating certain funding for certain years for the pilot program;~~
9 altering certain criteria for the prequalification of a student for a Guaranteed Access
10 Grant; altering the name of the College Readiness Outreach Program to be the Next
11 Generation Scholars of Maryland Program; altering the purpose and certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 requirements of the Program; requiring the State Department of Education to solicit
 2 certain applications from certain nonprofit organizations and give priority to certain
 3 applications; requiring certain nonprofit organizations to provide certain guidance
 4 and certain services to certain students; ~~establishing the Next Generation Scholars~~
 5 ~~Pilot Program and providing for the administration of the Pilot Program;~~ requiring
 6 the Governor to make a certain appropriation in the State budget for certain fiscal
 7 years; *requiring the Department to make certain grants to certain nonprofits for*
 8 *certain fiscal years under certain circumstances; establishing the Next Generation*
 9 *Scholars of Maryland Program Fund; specifying the purpose of the Fund; requiring*
 10 *the Department to administer the Fund; specifying that the Fund is a special,*
 11 *nonlapsing fund that is not subject to a certain provision of law; requiring the State*
 12 *Treasurer to hold the Fund separately and the Comptroller to account for the Fund;*
 13 *providing for the composition and uses of the Fund; requiring the State Treasurer to*
 14 *invest the money of the Fund in a certain manner; providing that expenditures from*
 15 *the Fund may be made only in accordance with the State budget; requiring the State*
 16 ~~Department of Education~~ Department and the Maryland Higher Education
 17 Commission to submit ~~a certain report~~ certain reports on or before ~~a certain date;~~
 18 *certain dates; defining certain terms;* and generally relating to the ~~Next Generation~~
 19 Next Generation Scholars of Maryland Program.

20 BY repealing and reenacting, with amendments,
 21 Article – Education
 22 Section 18–303 and 18–303.1
 23 Annotated Code of Maryland
 24 (2014 Replacement Volume and 2015 Supplement)

25 BY repealing and reenacting, without amendments,
 26 Article – State Finance and Procurement
 27 Section 6–226(a)(2)(i)
 28 Annotated Code of Maryland
 29 (2015 Replacement Volume)

30 BY repealing and reenacting, with amendments,
 31 Article – State Finance and Procurement
 32 Section 6–226(a)(2)(ii)84. and 85.
 33 Annotated Code of Maryland
 34 (2015 Replacement Volume)

35 BY adding to
 36 Article – State Finance and Procurement
 37 Section 6–226(a)(2)(ii)86.
 38 Annotated Code of Maryland
 39 (2015 Replacement Volume)

40 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 41 That the Laws of Maryland read as follows:

Article – Education

18–303.

(a) Subject to subsection (d) of this section, each recipient of a Delegate Howard P. Rawlings Educational Excellence Award shall:

(1) Be accepted for admission in the regular undergraduate program at an eligible institution or be enrolled in a 2–year associate degree program in which the course work is acceptable for transfer credit for an accredited baccalaureate program in an eligible institution;

(2) Be a resident of this State;

(3) Demonstrate to the Office a definite financial need; and

(4) Accept any other conditions attached to the award.

(b) Each recipient of a Guaranteed Access Grant shall:

(1) Have attained a grade point average of at least 2.5 on a 4.0 scale or its equivalent at the end of the first semester of the senior year in high school and have completed high school or, failing to do so, on the recommendation of the recipient’s high school principal, provide evidence satisfactory to the Office of extenuating circumstances;

(2) Begin college within 1 year of completing high school or, failing to do so, provide evidence satisfactory to the Office of extenuating circumstances;

(3) Be under the age of 22 years at the time of receiving the first award;

(4) Have successfully completed a college preparatory program in high school;

(5) Enroll in college as a full–time student;

(6) Subject to subsection (c) of this section, have an annual family income below a poverty index determined by the Commission; and

(7) Satisfy any additional criteria the Commission may establish.

(c) To determine the annual family income eligibility of an applicant for a Guaranteed Access Grant, the Office may not consider an amount received by the applicant as an earned income credit under § 32 of the Internal Revenue Code.

(d) ~~A (1)~~ ***EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,*** A student in grade [9] 7 or grade [10] 8 who applies and qualifies for a Guaranteed Access Grant on the basis of financial need as established by the Commission shall prequalify for

1 a Guaranteed Access Grant to be used at the time of enrollment in an institution of higher
2 education by agreeing in writing, as a secondary and undergraduate student, to:

3 ~~(1)~~ **(I)** Satisfy the attendance policy of the applicable school;

4 ~~(2)~~ **(II)** Refrain from substance abuse;

5 ~~(3)~~ **(III)** Provide information required by the Commission or the State
6 Board of Education;

7 ~~(4)~~ **(IV)** **APPLY FOR ADMISSION TO AN INSTITUTION OF HIGHER**
8 **EDUCATION DURING THE STUDENT'S SENIOR YEAR OF HIGH SCHOOL;**

9 ~~[(4)]~~ ~~(5)~~ **(V)** Complete and file on a timely basis applications for federal
10 student aid for each year that the student plans to enroll in postsecondary education;

11 ~~[(5)]~~ ~~(6)~~ **(VI)** Participate in the [College Readiness Outreach] **NEXT**
12 **GENERATION SCHOLARS OF MARYLAND** Program established in § 18–303.1 of this
13 subtitle until the student graduates from high school and matriculates at an institution of
14 higher education; [and

15 ~~(6)]~~ ~~(7)~~ **(VII)** **MAINTAIN A CUMULATIVE GRADE POINT AVERAGE OF**
16 **AT LEAST 2.5 ON A 4.0 SCALE OR ITS EQUIVALENT; AND**

17 ~~(8)~~ **(VIII)** Satisfy any other program requirements set by the Office,
18 the Commission, the State Board of Education, or the State Department of Education.

19 **(2)** **FOR ACADEMIC YEARS 2017–2018 AND 2018–2019, A STUDENT IN**
20 **GRADE 9 WHO APPLIES AND QUALIFIES FOR A GUARANTEED ACCESS GRANT ON THE**
21 **BASIS OF FINANCIAL NEED AS ESTABLISHED BY THE COMMISSION SHALL**
22 **PREQUALIFY FOR A GUARANTEED ACCESS GRANT TO BE USED AT THE TIME OF**
23 **ENROLLMENT IN AN INSTITUTION OF HIGHER EDUCATION IF THE STUDENT**
24 **OTHERWISE MEETS THE CONDITIONS OF PARAGRAPH (1) OF THIS SUBSECTION.**

25 18–303.1.

26 ~~(a)~~ ~~In this section, “Program” means the [College Readiness Outreach Program]~~
27 ~~NEXT GENERATION NEXT GENERATION SCHOLARS OF MARYLAND PROGRAM.~~

28 **(A)** **(1)** **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
29 **INDICATED.**

30 **(2)** **“FUND” MEANS THE NEXT GENERATION SCHOLARS OF**
31 **MARYLAND PROGRAM FUND.**

1 **(3) "PROGRAM" MEANS THE NEXT GENERATION SCHOLARS OF**
 2 **MARYLAND PROGRAM.**

3 (b) The [Commission and the] Department, in collaboration with **THE**
 4 **COMMISSION**, county boards of education, county superintendents, and institutions of
 5 higher education, shall [jointly] administer the [College Readiness Outreach]
 6 ~~NEXT GENERATION~~ **NEXT GENERATION SCHOLARS OF MARYLAND** Program.

7 (c) The Program shall provide guidance **AND SERVICES** to students who qualify
 8 for a Guaranteed Access Grant in ~~in [9th] 7TH or [10th] 8TH grade~~ **IN ACCORDANCE WITH**
 9 **§ 18-303(D) OF THIS SUBTITLE** to assist the students in successfully:

10 (1) Completing a college preparatory curriculum;

11 (2) Graduating from high school; [and]

12 (3) Matriculating at an institution of higher education as defined in [§§
 13 18-305 and 18-308] **§ 18-303** of this subtitle; AND

14 **(4) MAKING TIMELY PROGRESS TO COMPLETE A DEGREE PROGRAM.**

15 (d) [(1)] The [Commission and the] Department shall: [designate statewide and
 16 regional coordinators for the Program.

17 (2) The statewide and regional coordinators shall:

18 (i) Work with county boards of education and county
 19 superintendents to provide guidance and one-on-one mentoring to participating students
 20 in high school; and

21 (ii) (1) Publicize the Program through community outreach and
 22 marketing materials;

23 **(2) AWARD GRANTS TO NONPROFIT ORGANIZATIONS TO ADMINISTER**
 24 **THE PROGRAM;**

25 **(3) SOLICIT APPLICATIONS FROM NONPROFIT ORGANIZATIONS TO**
 26 **ADMINISTER THE PROGRAM IN ONE OR ALL APPLICABLE SCHOOL SYSTEMS AN**
 27 **ELIGIBLE LOCAL SCHOOL SYSTEM SYSTEMS; AND**

28 ~~(3)~~ **(4) GIVE PRIORITY TO APPLICATIONS;**

29 **(1) FROM MARYLAND-BASED NONPROFIT ORGANIZATIONS;**

30 **AND**

1 **(II) THAT WHICH INCLUDE BUSINESS AND INSTITUTION OF**
 2 **HIGHER EDUCATION PARTNERS; AND**

3 ~~**(4) AWARD GRANTS TO NONPROFIT ORGANIZATIONS TO ADMINISTER**~~
 4 ~~**THE PROGRAM.**~~

5 (e) [The Commission and the Department may enter into agreements with
 6 existing organizations that provide counseling and mentoring services to fulfill the
 7 requirements of this section.] ~~**THE IN ACCORDANCE WITH SUBSECTION (C) OF THIS**~~
 8 ~~**SECTION, THE SERVICES TO BE PROVIDED TO STUDENTS PARTICIPATING IN THE**~~
 9 **PROGRAM SHALL INCLUDE:**

10 **(1) A HIGH SCHOOL GRADUATION PLAN;**

11 **(2) SUMMER WORK OR INTERNSHIP OPPORTUNITIES;**

12 **(3) FINANCIAL AID LITERACY ASSISTANCE;**

13 **(4) CAREER INTEREST ASSESSMENTS;**

14 **(5) MENTORSHIP AND ONE-ON-ONE COUNSELING;**

15 **(6) VISITS TO COLLEGE CAMPUSES AND WORKPLACES;**

16 **(7) AN INTENSIVE SUMMER BRIDGE PROGRAM FOR STUDENTS**
 17 **ENTERING AN INSTITUTION OF HIGHER EDUCATION DIRECTLY FROM HIGH SCHOOL;**
 18 **AND**

19 **(8) A PLAN TO MATRICULATE AND GRADUATE FROM AN INSTITUTION**
 20 **OF HIGHER EDUCATION.**

21 (f) [The Commission and the Department may supplement professional mentors
 22 with] ~~**IN PROVIDING A NONPROFIT ORGANIZATION THAT RECEIVES A GRANT TO**~~
 23 ~~**PROVIDE THE GUIDANCE AND SERVICES REQUIRED UNDER SUBSECTION (E) OF THIS**~~
 24 ~~**SECTION, THE NONPROFIT ORGANIZATIONS THAT RECEIVE GRANTS MAY UTILIZE:**~~

25 (1) Postsecondary students receiving work-study assistance at Maryland
 26 institutions of higher education; and

27 (2) Secondary students in 11th and 12th grades who are successfully
 28 completing high school graduation requirements.

29 (g) [(1) Funds] **EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS**
 30 **SECTION, FUNDS** for the Program shall be as provided in the State budget.

1 (2) To the extent that funds are provided, the State shall provide 50 percent
2 of the costs associated with the local administration and one-on-one mentoring
3 components of the Program, except that in a county that meets the requirements of a
4 “qualified distressed county” under § 1-101 of the Economic Development Article the State
5 shall provide 75 percent of the costs.]

6 (H) ~~(1)~~ FOR FISCAL YEAR YEARS 2018 THROUGH 2023, ~~THE:~~

7 (1) THE GOVERNOR SHALL ANNUALLY INCLUDE \$5,000,000 IN
8 GENERAL FUNDS IN THE STATE BUDGET ANNUALLY FOR A NEXT-GENERATION
9 NEXT-GENERATION SCHOLARS PILOT THE PROGRAM; AND

10 (2) THE DEPARTMENT SHALL DISTRIBUTE GRANTS TO NONPROFIT
11 ORGANIZATIONS THAT:

12 (1) ARE SELECTED IN ACCORDANCE WITH SUBSECTION (D) OF
13 THIS SECTION; AND

14 (II) WILL ADMINISTER THE PROGRAM

15 ~~(2) THE PILOT PROGRAM SHALL BE TO BE ADMINISTERED IN A~~
16 LOCAL SCHOOL SYSTEMS SYSTEM SYSTEMS IN WHICH AT LEAST 50% OF THE
17 STUDENTS AS A PERCENTAGE OF FULL-TIME EQUIVALENT STUDENTS AS DEFINED
18 IN § 5-202 OF THIS ARTICLE ARE ELIGIBLE TO RECEIVE A FREE LUNCH UNDER THE
19 NATIONAL SCHOOL LUNCH PROGRAM IN THE 2015-2016 SCHOOL YEAR.

20 (1) (1) THERE IS A NEXT GENERATION SCHOLARS OF MARYLAND
21 PROGRAM FUND.

22 (2) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDS FOR THE
23 ADMINISTRATION OF THE PROGRAM.

24 (3) THE DEPARTMENT SHALL ADMINISTER THE FUND.

25 (4) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
26 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (5) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
28 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

29 (6) THE FUND CONSISTS OF:

30 (1) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE
31 PROGRAM;

1 (II) INTEREST EARNINGS OF THE FUND; AND

2 (III) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED
3 FOR THE BENEFIT OF THE FUND.

4 (7) THE FUND MAY BE USED ONLY FOR ADMINISTERING THE
5 PROGRAM.

6 (8) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
7 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

8 (II) ANY INTEREST EARNINGS OF THE FUND SHALL BE
9 CREDITED TO THE FUND.

10 (9) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
11 ACCORDANCE WITH THE STATE BUDGET.

12 [(h)] ~~(J)~~ The [Commission and the] Department may adopt regulations
13 necessary to implement this section.

14 ~~(J)~~ (K) ON OR BEFORE DECEMBER 1, 2020, AND DECEMBER 1, 2022, THE
15 COMMISSION AND THE DEPARTMENT SHALL ~~SUBMIT A~~ REPORT ~~ON~~
16 ~~IMPLEMENTATION OF THE PROGRAM AND THE PILOT PROGRAM TO THE GOVERNOR~~
17 GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT
18 ARTICLE, THE GENERAL ASSEMBLY, INCLUDING ON THE IMPLEMENTATION OF THE
19 PROGRAM AND THE PILOT PROGRAM, INCLUDING:

20 (1) THE NUMBER OF STUDENTS FROM EACH LOCAL SCHOOL SYSTEM
21 WHO WERE PREQUALIFIED FOR THE GUARANTEED ACCESS GRANT DURING EACH
22 YEAR OF THE PROGRAM;

23 (2) THE RACE, DISABILITY STATUS, AND ENGLISH LANGUAGE
24 LEARNER STATUS OF EACH PARTICIPATING STUDENT WHO PREQUALIFIED FOR THE
25 GUARANTEED ACCESS GRANT EACH YEAR OF THE PROGRAM;

26 ~~(2)~~ (3) THE PROGRESS OF EACH PARTICIPATING STUDENT
27 THROUGH THE PROGRAM, INCLUDING HIGH SCHOOL GRADUATION, INSTITUTION OF
28 HIGHER EDUCATION MATRICULATION AND RETENTION RATES, AND, IF APPLICABLE,
29 INSTITUTION OF HIGHER EDUCATION GRADUATION RATES;

30 ~~(3)~~ (4) THE AMOUNT AND QUALITY OF SERVICES PROVIDED BY
31 NONPROFIT ORGANIZATIONS TO PARTICIPATING STUDENTS, INCLUDING THE USE

1 OF COLLEGE WORK-STUDY STUDENTS AND HIGH SCHOOL STUDENTS AS MENTORS
2 AND COUNSELORS;

3 ~~(4)~~ (5) THE NONPROFIT ORGANIZATIONS THAT RECEIVED GRANTS
4 UNDER THE PROGRAM, INCLUDING ANY OTHER ENTITIES THAT PROVIDED SERVICES
5 SUCH AS INSTITUTIONS OF HIGHER EDUCATION, THE BUSINESS COMMUNITY, AND
6 LOCAL SCHOOLS OR LOCAL SCHOOL SYSTEMS;

7 ~~(5)~~ (6) THE AMOUNT OF FINANCIAL AID, IN ADDITION TO THE
8 GUARANTEED ACCESS GRANT, THAT PARTICIPATING STUDENTS RECEIVED EACH
9 YEAR THAT ~~THEY~~ THE STUDENTS WERE ENROLLED IN AN INSTITUTION OF HIGHER
10 EDUCATION; AND

11 ~~(6)~~ (7) FINDINGS AND RECOMMENDATIONS ON THE SUCCESS OF
12 THE PROGRAM ~~AND PILOT PROGRAM~~ AND WHETHER FUNDING FOR THE ~~PILOT~~
13 PROGRAM SHOULD BE CONTINUED OR EXPANDED.

14 Article – State Finance and Procurement

15 6-226.

16 (a) (2) (i) Notwithstanding any other provision of law, and unless
17 inconsistent with a federal law, grant agreement, or other federal requirement or with the
18 terms of a gift or settlement agreement, net interest on all State money allocated by the State
19 Treasurer under this section to special funds or accounts, and otherwise entitled to receive
20 interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of
21 the State.

22 (ii) The provisions of subparagraph (i) of this paragraph do not apply
23 to the following funds:

24 84. the Economic Development Marketing Fund; [and]

25 85. the Military Personnel and Veteran-Owned Small
26 Business No-Interest Loan Fund; AND

27 86. THE NEXT GENERATION SCHOLARS OF MARYLAND
28 PROGRAM FUND.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2016.