

## Chapter 33

## (House Bill 1403)

AN ACT concerning

~~Next Generation~~ Next Generation Scholars of Maryland

FOR the purpose of ~~altering certain criteria for the prequalification of a student for a certain grant program; changing the name of the College Readiness Outreach Program to be the Next Generation Scholars of Maryland Program; altering the purpose and certain requirements of a certain program; establishing a certain pilot program to be administered in certain school systems; requiring certain services to be provided; mandating certain funding for certain years for the pilot program;~~ altering certain criteria for the prequalification of a student for a Guaranteed Access Grant; altering the name of the College Readiness Outreach Program to be the Next Generation Scholars of Maryland Program; altering the purpose and certain requirements of the Program; requiring the State Department of Education to solicit certain applications from certain nonprofit organizations and give priority to certain applications; requiring certain nonprofit organizations to provide certain guidance and certain services to certain students; establishing the Next Generation Scholars Pilot Program and providing for the administration of the Pilot Program; requiring the Governor to make a certain appropriation in the State budget for certain fiscal years; *requiring the Department to make certain grants to certain nonprofits for certain fiscal years under certain circumstances; establishing the Next Generation Scholars of Maryland Program Fund; specifying the purpose of the Fund; requiring the Department to administer the Fund; specifying that the Fund is a special, nonlapsing fund that is not subject to a certain provision of law; requiring the State Treasurer to hold the Fund separately and the Comptroller to account for the Fund; providing for the composition and uses of the Fund; requiring the State Treasurer to invest the money of the Fund in a certain manner; providing that expenditures from the Fund may be made only in accordance with the State budget;* requiring the ~~State Department of Education~~ Department and the Maryland Higher Education Commission to submit ~~a certain report~~ *certain reports* on or before ~~a certain date;~~ *certain dates;* *defining certain terms;* and generally relating to the ~~Next Generation~~ Next Generation Scholars of Maryland Program.

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

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(i)  
Annotated Code of Maryland

*(2015 Replacement Volume)*BY repealing and reenacting, with amendments,Article – State Finance and ProcurementSection 6-226(a)(2)(ii)84. and 85.Annotated Code of Maryland(2015 Replacement Volume)BY adding toArticle – State Finance and ProcurementSection 6-226(a)(2)(ii)86.Annotated Code of Maryland(2015 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
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 a Guaranteed Access Grant to be used at the time of enrollment in an institution of higher education by agreeing in writing, as a secondary and undergraduate student, to:

- ~~(1)~~ **(I)** Satisfy the attendance policy of the applicable school;
- ~~(2)~~ **(II)** Refrain from substance abuse;
- ~~(3)~~ **(III)** Provide information required by the Commission or the State Board of Education;
- ~~(4)~~ **(IV)** **APPLY FOR ADMISSION TO AN INSTITUTION OF HIGHER EDUCATION DURING THE STUDENT'S SENIOR YEAR OF HIGH SCHOOL;**
- [(4)] ~~(5)~~ **(V)** Complete and file on a timely basis applications for federal student aid for each year that the student plans to enroll in postsecondary education;
- [(5)] ~~(6)~~ **(VI)** Participate in the [College Readiness Outreach] **NEXT GENERATION SCHOLARS OF MARYLAND** Program established in § 18-303.1 of this subtitle until the student graduates from high school and matriculates at an institution of higher education; [and
- (6)] ~~(7)~~ **(VII)** **MAINTAIN A CUMULATIVE GRADE POINT AVERAGE OF AT LEAST 2.5 ON A 4.0 SCALE OR ITS EQUIVALENT; AND**

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

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

18–303.1.

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

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

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

**(3) “PROGRAM” MEANS THE NEXT GENERATION SCHOLARS OF MARYLAND PROGRAM.**

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

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

(1) Completing a college preparatory curriculum;

(2) Graduating from high school; [and]

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

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

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

(2) The statewide and regional coordinators shall:

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

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

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

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

~~(3)~~ (4) GIVE PRIORITY TO APPLICATIONS:

(I) FROM MARYLAND-BASED NONPROFIT ORGANIZATIONS;

AND

(II) THAT ~~WHICH~~ INCLUDE BUSINESS AND INSTITUTION OF HIGHER EDUCATION PARTNERS; ~~AND~~

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

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

- (1) A HIGH SCHOOL GRADUATION PLAN;
- (2) SUMMER WORK OR INTERNSHIP OPPORTUNITIES;
- (3) FINANCIAL AID LITERACY ASSISTANCE;
- (4) CAREER INTEREST ASSESSMENTS;
- (5) MENTORSHIP AND ONE-ON-ONE COUNSELING;
- (6) VISITS TO COLLEGE CAMPUSES AND WORKPLACES;

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

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

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

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

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

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

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

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

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

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

**(I) ARE SELECTED IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION; AND**

**(II) WILL ADMINISTER THE PROGRAM**

**(2) THE PILOT PROGRAM SHALL BE TO BE ADMINISTERED IN A LOCAL SCHOOL SYSTEMS SYSTEM SYSTEMS IN WHICH AT LEAST 50% OF THE STUDENTS AS A PERCENTAGE OF FULL-TIME EQUIVALENT STUDENTS AS DEFINED**

IN § 5-202 OF THIS ARTICLE ARE ELIGIBLE TO RECEIVE A FREE LUNCH UNDER THE NATIONAL SCHOOL LUNCH PROGRAM IN THE 2015-2016 SCHOOL YEAR.

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

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

(3) THE DEPARTMENT SHALL ADMINISTER THE FUND.

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

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

(6) THE FUND CONSISTS OF:

(I) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE PROGRAM;

(II) INTEREST EARNINGS OF THE FUND; AND

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

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

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

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

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

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

~~(j)~~ (k) ON OR BEFORE DECEMBER 1, 2020, AND DECEMBER 1, 2022, THE COMMISSION AND THE DEPARTMENT SHALL ~~SUBMIT A~~ REPORT ~~ON~~

~~IMPLEMENTATION OF THE PROGRAM AND THE PILOT PROGRAM TO THE GOVERNOR~~  
**GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT  
 ARTICLE, THE GENERAL ASSEMBLY, INCLUDING ON THE IMPLEMENTATION OF THE  
 PROGRAM AND THE PILOT PROGRAM, INCLUDING:**

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

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

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

~~(3)~~ **(4) THE AMOUNT AND QUALITY OF SERVICES PROVIDED BY NONPROFIT ORGANIZATIONS TO PARTICIPATING STUDENTS, INCLUDING THE USE OF COLLEGE WORK-STUDY STUDENTS AND HIGH SCHOOL STUDENTS AS MENTORS AND COUNSELORS;**

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

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

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

**Article – State Finance and Procurement**

**6-226.**

**(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State**



Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

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

84. the Economic Development Marketing Fund; [and]

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

86. THE NEXT GENERATION SCHOLARS OF MARYLAND PROGRAM FUND.

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

**Enacted under Article II, § 17(b) of the Maryland Constitution, April 8, 2016.**