

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 804 (Delegate Impallaria)
 Appropriations

Senatorial and Delegate Scholarships - Certification and Licensure Courses at
 Community Colleges - Use of Scholarship

This bill repeals the authorization to use a senatorial or delegate scholarship to *reimburse* specified educational expenses for a recipient who *was enrolled within the last two years* in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure. Instead, under the bill, such a recipient of a senatorial or delegate scholarship must be *currently enrolled* in a certificate or license program, as specified, and may use the scholarship for specified educational expenses, including tuition, mandatory fees, and room and board. The bill also establishes how long such a recipient may hold a senatorial scholarship. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase by \$35,000 in FY 2020 for one-time contractual costs associated with updating the Maryland Higher Education Commission’s (MHEC) scholarship system. Limiting *eligibility* for the senatorial and delegate scholarships does not alter spending. Senators and delegates receive a set amount of scholarship money, which is not changed by the bill. It is assumed that legislators will confirm individuals’ eligibility; thus, ongoing expenditures do not increase. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	35,000	0	0	0	0
Net Effect	(\$35,000)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: A recipient of a senatorial scholarship who is enrolled in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure may hold the scholarship:

- for two years, if the recipient is a full-time student;
- for four years, if the recipient is a part-time student; or
- until completion of the certificate or license program, or sequence of courses that leads to certification or licensure.

Current Law/Background:

Senatorial Scholarships

Until June 30, 2019, each senator may award \$138,000 in scholarship funds each year. Beginning on July 1, 2019, that amount will grow by the increase in tuition and mandatory fees over the previous year at the University System of Maryland (USM) institution with the highest annual expenses for a full-time resident undergraduate student other than University of Maryland University College (UMUC) and University of Maryland, Baltimore Campus (UMB).

To qualify for an award, an individual must be a resident of Maryland and demonstrate a definite financial need. In addition, a senatorial scholarship may be awarded to an individual who is on active duty with the U.S. military and domiciled in the legislative district of the State from which the applicant seeks an award. Each senator must consider an applicant's financial need. An award under the program may not be less than \$400 and may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMUC and UMB. Except under certain circumstances, a scholarship may be held for up to four years of full-time study or eight years of part-time study.

A senatorial scholarship may be used at any undergraduate, graduate, or professional school in the State or at select in-state private career schools that offer two-year certificate programs that can transfer to a baccalaureate degree, including (1) at a degree-granting institution of higher education, if the curriculum is approved by MHEC; (2) at a hospital diploma school for training registered nurses; or (3) to attend as a full-time student a private postsecondary proprietary institution that is accredited by a national accrediting association approved by the U.S. Department of Education.

Each senator may award at most 10% of scholarship funds to applicants planning to attend accredited undergraduate, graduate, or professional institutions outside of the State. Those students must be studying an academic area that is not available in the State or be a person with a hearing impairment who will be studying at an institution outside the State that makes special provisions for persons with a hearing impairment. A senatorial scholarship may also be used at an out-of-state institution of higher education if the applicant is an individual who is on active duty with the U.S. military and domiciled in the State.

The scholarship may be used for educational expenses as defined by the Office of Student Financial Assistance within MHEC, including tuition and mandatory fees and room and board. If on-campus housing is available, a senatorial scholarship may not be used to pay for off-campus housing. A recipient of a senatorial scholarship who is currently enrolled, or was enrolled within the last two years, in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure may use the scholarship to reimburse specified educational expenses, including tuition, mandatory fees, and room and board.

Delegate Scholarships

During a term in office, each delegate may award the equivalent of four four-year, full-time scholarships or two part-time scholarships for each full-time scholarship available. A delegate may select scholarship recipients on any basis he or she considers appropriate. The annual amount of a scholarship for any one recipient may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMUC and UMB. A scholarship award may be used to pay tuition and mandatory fees at a Maryland institution of postsecondary education or, when the desired program of study or appropriate accommodations are not available in Maryland, an out-of-state institution. Instead of awarding the scholarships himself or herself, a delegate may authorize MHEC to award funding to eligible applicants under the Delegate Howard P. Rawlings Educational Excellence Awards program.

A delegate scholarship may be used at an in-state institution of higher education whose primary campus is located in Maryland and whose authority to grant degrees is conferred in Maryland for a program of undergraduate, graduate, or professional studies. If the applicant will be studying in an academic area that is not available in the State or under certain circumstances where the applicant is disabled, the scholarship may be used at an accredited undergraduate, graduate, or professional studies institution outside the State. The scholarship may also be used at a private career school within the State that is approved by MHEC and that is accredited by a national accrediting association that is approved by the U.S. Department of Education. A recipient of a delegate scholarship who is currently enrolled, or was enrolled within the last two years, in a certificate or license program, course, or sequence of courses at a community college that leads to certification or

licensure may use the scholarship to reimburse specified educational expenses, including tuition, mandatory fees, and room and board.

Background: In addition to associate degree programs, community colleges offer a number of credit and noncredit certificate and license programs ranging from dental assistant to truck driving to web design to welding. In academic year 2016-2017, [according to MHEC](#), community colleges issued 3,633 lower division certificates for credit courses. In addition, community colleges offer 158 different noncredit certificate and license programs that are not regulated by MHEC. According to the 2016 [annual report](#) of the Maryland Community College Association for Continuing Education and Training, 55,043 students registered for 91,141 courses leading to licensure or certification in academic year 2015-2016.

The Governor's proposed fiscal 2020 budget includes \$6.6 million for senatorial scholarships (\$140,760 per senator) and \$6.7 million for delegate scholarships (\$47,716 per delegate).

Additional Information

Prior Introductions: None.

Cross File: None.

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

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