

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 74

(Chair, Education, Health, and Environmental Affairs
Committee)(By Request - Departmental - Higher
Education Commission)

Education, Health, and Environmental Affairs

Appropriations

**Higher Education - Charles W. Riley Firefighter and Ambulance and Rescue
Squad Member Scholarship - Alterations**

This departmental bill repeals the requirement that applicants and recipients of the Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship file for federal and State financial aid by March 1 of each year.

Fiscal Summary

State Effect: Special fund appropriations for the Riley scholarship are more likely to be expended as discussed below. The Maryland Higher Education Commission (MHEC) can process any additional applications and process existing applications using existing resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: MHEC has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law: Chapter 503 of 2013 established the Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship and repealed the Charles W. Riley Fire and Emergency Medical Services Tuition Reimbursement Program, effectively converting the tuition reimbursement program to a scholarship program.

To be eligible for a scholarship, an actively engaged firefighter, ambulance, or rescue squad member must be a Maryland resident and must be accepted for admission or enrolled in a regular undergraduate program at a Maryland institution of higher education or a two-year terminal certificate program in which the course work is eligible for transfer into a baccalaureate program at a Maryland institution of higher education. Applicants must file for federal and State financial aid by March 1 annually. Scholarship recipients must maintain a grade point average of at least 2.5 on a 4.0 scale and may hold the scholarship for up to five years of full-time study or eight years of part-time study.

A scholarship may be up to 100% of the equivalent annual tuition and mandatory fees of a resident undergraduate student at the four-year public institution of higher education within the University System of Maryland (USM), other than the University of Maryland University College (UMUC) and the University of Maryland, Baltimore Campus (UMB), with the highest annual expenses for a full-time resident undergraduate. A scholarship may be used for the tuition and mandatory fees at any eligible institution. A firefighter or ambulance or rescue squad member must use the scholarship for courses credited toward a degree in fire service technology, emergency medical technology, fire service management, or public safety administration with a minor or concentration in fire service technology or fire service management.

A recipient of a Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship must work for at least one year as a volunteer or career firefighter or ambulance or rescue squad member in an organized fire department or ambulance or rescue squad in the State after completion of an eligible program in an eligible institution. A scholarship recipient must repay MHEC the funds received for a scholarship if the recipient does not perform the required service obligation.

Background: Since the transition of the Riley program to a scholarship some applicants have failed to qualify due to the requirement that applicants apply for federal and State financial aid by March 1. In fiscal 2018, the latest year for which data are available, MHEC reports that 34 applicants for the Riley scholarship failed to complete the Free Application for Federal Student Aid (FAFSA), which is required to apply for federal and State financial aid, and 12 applicants filed the FAFSA after March 1. Thus, those 46 applicants were automatically ineligible for the scholarship.

In September 2018 the Maryland Fire Rescue Education and Training Commission requested that MHEC propose legislation to remove the FAFSA deadline in order to increase the number of firefighters and ambulance and rescue squad personnel who qualify for and receive a Riley scholarship. In its request, the commission states that the scholarship addresses recruitment and retention issues in the field as well as ensuring more highly trained firefighters and ambulance and rescue squad personnel in the State.

MHEC advises that the Riley scholarship is a career-based program and is not based on the financial need of the applicant. Therefore, it is not necessary to determine financial need to award this scholarship.

State Expenditures: The Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship is special funded through a required annual appropriation from a \$7.50 surcharge on certain District Court traffic cases. Since the scholarship was fully transitioned from the tuition reimbursement program in fiscal 2015, \$358,000 has been appropriated to the scholarship annually. Since then, each year a substantial amount of the funding appropriated for the scholarship has remained unspent due to the lack of qualified applicants. In fiscal 2018 a total of \$258,012 was unspent at the end of the year; \$265,757 of the appropriation was unspent at the end of fiscal 2017, and \$298,804 at the end of fiscal 2016.

To the extent additional applicants qualify for the Riley scholarship due to removing the requirement that scholarship recipients file for federal and State financial aid by March 1, unspent special funds appropriated for the Riley scholarship are more likely to be expended; however, the bill does not require any additional funds be annually appropriated for the scholarship. It is assumed that MHEC will award scholarships that total to no more than the current annual appropriation.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 14, 2019
sb/rhh Third Reader - March 14, 2019

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Higher Education – Charles W. Riley Firefighter and Ambulance and
Rescue Squad Member Scholarship - Application

BILL NUMBER: SB 74

PREPARED BY: Maryland Higher Education Commission
(Dept./Agency)

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

There will not be an impact on small business.

This proposed legislative change only impacts administrative procedures at MHEC.