

Chapter 201

(Senate Bill 307)

AN ACT concerning

**Higher Education – Maryland Community College Promise Scholarship –
Revisions**

FOR the purpose of altering the eligibility requirements for a Maryland Community College Promise Scholarship to repeal a provision of law requiring a certain applicant to apply within a certain number of years after graduating from high school; altering certain eligibility requirements to allow a certain applicant to have earned a certain grade point average by the end of the senior year of high school for an initial award or while enrolled at a community college; requiring certain State or federal student financial aid received by a scholarship award recipient to be credited to the recipient's tuition before the calculation of a scholarship award amount; repealing certain provisions of law regarding a service obligation for receiving a scholarship award and converting a scholarship award to a loan under certain circumstances; altering the contents of a certain report; requiring the Maryland Higher Education Commission to contact each school counselor at each public high school in the State with certain information and to post certain information on the Commission's website in a certain manner; requiring each community college to post certain information on the community college's website in a certain manner; providing that a certain agreement signed by a recipient of a scholarship award before a certain date is null and void and without legal effect after a certain date; and generally relating to the Maryland Community College Promise Scholarship.

BY repealing and reenacting, with amendments,
 Article – Education
 Section 18–3603, 18–3604, 18–3606, and 18–3607
 Annotated Code of Maryland
 (2018 Replacement Volume and 2019 Supplement)

BY adding to
Article – Education
Section 18–3608
Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

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

Article – Education

18–3603.

(a) (1) A student must apply annually to the Commission to receive a Maryland Community College Promise Scholarship award.

(2) The Office annually shall select eligible applicants and offer a Maryland Community College Promise Scholarship award to each selected applicant to be used for tuition at a community college of the applicant's choice.

(b) An applicant is eligible for a Maryland Community College Promise Scholarship if the applicant:

(1) Is eligible for in-State tuition;

(2) Enrolls as a candidate for a vocational certificate, a certificate, or an associate's degree or participates in a registered apprenticeship [within 2 years] after graduating from a high school or successfully completing a GED in the State:

(i) Except as provided in items (ii) and (iii) of this item, at the community college located in the county or, in the case of a regional community college, in the region, where the applicant lives;

(ii) If the community college located in the county or region where the applicant lives does not offer the degree or certification program in which the applicant wants to enroll, then at any community college in the State that offers the program; or

(iii) At a community college in the State that has an on-campus residential facility for students;

(3) Has earned a cumulative grade point average of:

(I) FOR AN INITIAL AWARD, at least 2.3 on a 4.0 scale or its equivalent at the end of the first semester OR THE END OF THE YEAR of the senior year in high school; OR

(II) WHILE ENROLLED AT A COMMUNITY COLLEGE IN THE STATE, AT LEAST 2.5 ON A 4.0 SCALE OR ITS EQUIVALENT;

(4) Has an annual adjusted gross income of not more than:

(i) \$100,000 if the applicant is single or resides in a single-parent household; or

(ii) \$150,000 if the applicant is married or resides in a two-parent household;

(5) (i) Enrolls in:

- or
1. At least 12 credits per semester at the community college;
 2. A sequence of credit or noncredit courses that leads to licensure or certification; or

(ii) Participates in a registered apprenticeship program; and

(6) (i) Timely submits a Free Application for Federal Student Aid (FAFSA) or any other applications for any State or federal student financial aid, other than a student loan, for which the applicant may qualify; or

(ii) Is ineligible to submit a FAFSA, qualifies for in-State tuition under § 15–106.8 of this article, and timely submits an application for any State student financial aid, other than a student loan, for which the applicant may qualify.

(c) (1) An applicant who receives any other educational grants or scholarships that cover the applicant's full cost of attendance at the community college is ineligible to receive an award under this subtitle.

(2) An applicant who has earned a bachelor's degree or an associate's degree is ineligible to receive an award under this subtitle.

(d) On request the community college shall assist an applicant to submit a FAFSA or any other applications for State or federal student financial aid.

18–3604.

(a) Beginning in the 2019–2020 academic year, the annual scholarship award shall be not more than \$5,000 per recipient, or actual tuition, whichever is less.

(b) (1) Except as provided in paragraph (3) of this subsection, any **STATE OR FEDERAL** student financial aid, other than a student loan, received by the recipient shall be credited to the recipient's tuition before the calculation of any award amount provided under this subtitle.

(2) (i) 1. Initial awards shall be provided to recipients based on greatest demonstrated financial need.

2. Priority for awards in subsequent years shall be given to prior year recipients who remain eligible for the program.

3. Notwithstanding § 18–3603(b) of this subtitle, an eligible recipient who does not receive an award under this subparagraph due to insufficient funding of the program remains eligible for the program the following academic year.

(ii) Eligible applicants who do not receive an award under this subtitle shall be notified and placed on a waiting list.

(3) If a recipient is eligible for a local promise scholarship, an award provided under this subtitle shall be credited to the recipient's tuition before the award of the local promise scholarship.

[(c) An award under this subtitle may be made only if a recipient signs an agreement at the time of the initial award to:

(1) Use an address in the State on the recipient's State income tax return and commence full-time employment within 1 year after completion of the later of:

(i) The vocational certificate, certificate, or associate's degree; or

(ii) If a recipient has attained at least 48 credits at the community college and transferred to a 4-year institution, a baccalaureate degree;

(2) Continue to use an address in the State on the recipient's State income tax return and maintain employment for at least 1 year for each year that the scholarship was awarded; and

(3) Have the scholarship award converted into a student loan payable to the State if the recipient fails to fulfill the service obligation required in items (1) and (2) of this subsection.]

[(d)] (C) (1) Subject to paragraphs (2) and (3) of this subsection, each recipient may hold the award until the earlier of:

(i) 3 years after first enrolling as a candidate for a vocational certificate, a certificate, or an associate's degree at a community college in the State; or

(ii) The date that the individual is awarded an associate's degree.

(2) The Office may extend the duration of an award for an allowable interruption of study if the recipient provides to the Office satisfactory evidence of extenuating circumstances that prevent the recipient from continuous enrollment.

(3) Each recipient may hold the award in accordance with paragraph (1) of this subsection only if the recipient:

(i) Continues to be eligible for in-State tuition;

(ii) 1. Continues to enroll in and complete at least 12 credits per semester, or a sequence of credit or noncredit courses that leads to licensure or certification, or their equivalent, as determined by the Office; or

2. Continues to participate in a registered apprenticeship program;

(iii) Maintains a cumulative grade point average of at least 2.5 on a 4.0 scale or its equivalent for the requisite credit-bearing coursework for the remainder of the award or, failing to do so, provides to the Office satisfactory evidence of extenuating circumstances;

(iv) Makes satisfactory progress toward a vocational certificate, a certificate, or an associate's degree;

(v) Continues to meet the income limitations under § 18–3603(b)(4) of this subtitle; and

(vi) Continues to timely submit an application under § 18–3603(b)(6) of this subtitle.

[(e) (1) If the recipient does not perform the service obligation required under subsection (c) of this section, the scholarship award shall be converted into a student loan.

(2) The Office may waive or defer repayment of the student loan if the recipient provides satisfactory evidence of extenuating circumstances that prevent the recipient from fulfilling the service obligation.]

18–3606.

[(a) The Commission shall adopt regulations necessary to implement the provisions of this subtitle.

[(b) The regulations shall include the terms and conditions for repayment of any award amount that is converted to a loan under § 18–3604 of this subtitle.]

18–3607.

On or before December 1, 2020, and each December 1 thereafter, the Commission shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the implementation of the Maryland Community College Promise Scholarship program, including:

(1) The number of applicants who received a Maryland Community College Promise Scholarship in the academic year disaggregated by the community college at which the scholarship was used;

- (2) The number of scholarship recipients enrolled in an associate's degree program;
- (3) The number of scholarship recipients enrolled in a vocational certificate program;
- (4) The number of scholarship recipients enrolled in a certificate program;
- (5) The amount of the award made to each scholarship recipient;
- (6) The number of eligible applicants, if any, who were placed on a waiting list and the amount of demonstrated financial need, in the aggregate, of those applicants;
- (7) The number of scholarship recipients who earned an associate's degree within 2, 3, or 4 years after receiving an award;
- (8) The number of scholarship recipients who earned a vocational certificate within 1, 2, or 3 years after receiving an award;
- (9) The number of scholarship recipients who transferred to a 4-year institution in the State;
- (10) The number of scholarship recipients who received a baccalaureate degree after transferring to a 4-year institution in the State; ~~AND~~
- (11) [The number of scholarship awards for which the service obligation was deferred, waived, or converted into a student loan; and
- (12)] The actual and potential impact of the program on enrollment rates at community colleges and 4-year public institutions in the State; AND

(12) THE OUTREACH ACTIVITIES MADE BY THE COMMISSION FOR THE SCHOLARSHIP.

18-3608.

(A) THE COMMISSION SHALL:

(1) CONTACT EACH SCHOOL COUNSELOR AT EACH PUBLIC HIGH SCHOOL IN THE STATE WITH INFORMATION ON THE MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP, INCLUDING THE ELIGIBILITY, AVAILABILITY, AND DEADLINES FOR THE SCHOLARSHIP; AND

(2) POST ON THE COMMISSION’S WEBSITE, IN A READILY ACCESSIBLE LOCATION, INFORMATION ON THE MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP, INCLUDING THE ELIGIBILITY, AVAILABILITY, AND DEADLINES FOR THE SCHOLARSHIP.

(B) EACH COMMUNITY COLLEGE IN THE STATE SHALL POST ON THE COMMUNITY COLLEGE’S WEBSITE, IN A READILY ACCESSIBLE LOCATION, INFORMATION ON THE MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP, INCLUDING THE ELIGIBILITY, AVAILABILITY, AND DEADLINES FOR THE SCHOLARSHIP.

SECTION 2. AND BE IT FURTHER ENACTED, That an agreement signed before the effective date of this Act by a recipient of a Maryland Community College Promise Scholarship award requiring performance of a service obligation in accordance with § 18–3604(c) of the Education Article is null and void and without legal effect after the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.