

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 907  
Appropriations

(Delegate M. Fisher, *et al.*)

---

University System of Maryland - Admissions - Notification of Potential Income

---

This bill requires each constituent institution of the University System of Maryland (USM) to notify each accepted student of a reasonable estimate of the income the student may receive after completing each degree offered by the institution. **The bill takes effect July 1, 2020.**

---

Fiscal Summary

**State Effect:** *Based on one set of assumptions*, each USM constituent institution can provide the required information using existing resources. *Under another set of assumptions*, higher education expenditures increase, potentially significantly, as explained below. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

---

Analysis

**Current Law/Background:** [The College Scorecard](#), run by the U.S. Department of Education, presents information about colleges and their students, including salary after completing a degree. The salary information is the median annual earnings of former students one year after graduation. Only students who received federal financial aid are included in the calculation. Data is suppressed for majors with few graduates who received financial aid. The College Scorecard also presents data about the number of graduates in the major and median total debt for students who graduated with each major. According to the College Scorecard, typical earnings for graduates range from \$18,300 for a bachelor's

degree in drama/theater arts and stagecraft to \$81,300 for a degree in computer and information sciences. However, while all this information is useful, it does not present the whole story of income after graduation.

According to Georgetown University's Center on Education and the Workforce, an individual's choice of major has a bigger impact on an individual's lifetime earnings than the choice to attend college. Their research, from 2015, showed that a college graduate made \$1.0 million more over a lifetime than a high school graduate. However, the difference between the lowest- and highest-paying majors is \$3.4 million.

The Maryland Longitudinal Data System (MLDS) Center does not currently publish the data required by the bill. Privacy laws prevent MLDS from disclosing data; likewise, the College Scorecard cannot publish data on majors for only a few individuals.

**State Expenditures:** Assuming USM institutions may direct accepted students to the College Scorecard as part of their existing communications with prospective students, USM institutions can provide the required information with existing resources.

However, to the extent institutions are required to conduct their own research on income attainment by graduates or otherwise provide more extensive information than is available on the College Scorecard, higher education expenditures increase, potentially significantly, to hire additional staff to conduct the necessary research and publish the data. One constituent USM institution estimated those costs to be between \$100,000 and \$200,000 annually.

---

### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** University System of Maryland; U.S. Department of Education; Georgetown University's Center on Education and the Workforce; Department of Legislative Services

**Fiscal Note History:** First Reader - March 9, 2020  
mm/rhh

---

Analysis by: Caroline L. Boice

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510