

**Department of Legislative Services**  
 Maryland General Assembly  
 2021 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 403 (Senator Carter)  
 Education, Health, and Environmental Affairs

**Public Institutions of Higher Education - Incarcerated and Formerly Incarcerated Individuals - Academic and Employment Opportunities**

This bill requires the Maryland Higher Education Commission (MHEC) to establish a process to provide information and outreach to specified incarcerated and formerly incarcerated individuals regarding education and employment opportunities at public institutions of higher education after release from incarceration. The process must include (1) to the extent feasible, granting preferences in admissions and employment; (2) providing guidance on the application for admission process; and (3) providing information regarding the Maryland Transfer Advantage Program (MTAP). This process only applies to individuals who were employed by Maryland Correctional Enterprises (MCE) during their period of incarceration.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$60,000 annually for MHEC to distribute required information. MHEC and public institutions of higher education can make operational changes needed to provide information with existing resources. Public institutions of higher education may experience operational effects to alter their employment and admissions processes, as discussed below. To the extent new students are admitted to public institutions of higher education, tuition and fee revenues may increase.

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	60,000	60,000	60,000	60,000	60,000
Net Effect	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)

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

**Local Effect:** Community colleges can likely collaborate with MHEC to provide information with existing resources. To the extent new students are admitted to community colleges, tuition and fee revenues may increase.

**Small Business Effect:** Potential minimal.

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## Analysis

**Current Law:** MCE currently provides programs to encourage employment of and skill attainment in formerly incarcerated individuals. The Commissioner of Correction and the Chief Executive Officer of MCE must develop programs to provide inmates with occupational experience to complement personnel development plans of the Maryland State Department of Education and other State government units serving inmates in State correctional facilities.

The Maryland Department of Labor (MDL) oversees and/or supports various programming related to inmates at Maryland's correctional institutions and returning citizens.

Chapter 726 of 2019 established an Apprenticeship Career Training Pilot Program for Formerly Incarcerated Individuals. As provided in the State budget, MDL must administer the pilot program and provide grants on a competitive basis to employers that employ formerly incarcerated apprentices who live in Baltimore City or Dorchester County and meet specified criteria. The grant is a maximum of \$1,000 for each qualified apprentice. The Governor must include at least \$100,000 annually in the State budget for fiscal 2021 through 2023 to provide grants to eligible employers and to cover administrative costs.

MDL administers the [Federal Bonding Program](#), which provides fidelity bonds to businesses that hire qualified high-risk applicants, including individuals with a history of arrest, conviction, or incarceration. Fidelity bonds insure the business against stealing by theft, forgery, larceny, or embezzlement.

The federal [Work Opportunity Tax Credit](#) provides an incentive to employers to hire targeted groups of hard-to-employ individuals, including qualified ex-felons. The credit is generally 40% of the first \$6,000 of qualified wages paid to each member of a targeted group during the first year of employment and 25% in the case of wages attributable to individuals meeting only specified minimum employment levels. The credit was extended through tax year 2020.

The MDL Division of Workforce Development and Adult Learning's [Office of Correctional Education](#) oversees academic, occupational, and transitional programming for inmates at Maryland's correctional institutions.

In accordance with funding recommendations of the Justice Reinvestment Oversight Board, a post-secondary education and workforce training program must provide inmates with the requisite training, certifications, and experience to obtain careers in in-demand job sectors if the Justice Reinvestment Oversight Board makes such a funding recommendation. An inmate is mandated to take education classes for at least 120 calendar days or participate in a workforce skills training program if the inmate:

- does not have a GED or high school diploma;
- has at least 18 months remaining on the inmate's sentence; and
- is not exempt due to a medical, developmental, or learning disability.

After earning their GED or high school diploma, inmates are eligible for occupational programs or advanced education at a local partnering college. Specifically, incarcerated individuals in Department of Public Safety and Correctional Services (DPSCS) facilities who have earned a GED or high school diploma are given an extended opportunity to access support for post-secondary education through the Second Chance Pell Program, overseen by DPSCS. The program allows incarcerated individuals to receive federal funding to enroll in post-secondary programs offered by local colleges and universities or distance learning providers. Maryland has a total of six higher education institutions providing services to the incarcerated population and is working on expanding the Second Chance Pell Program throughout the State. Additionally, the Goucher Prison Education Partnership offers college courses to individuals at certain DPSCS facilities, and approximately 130 students enroll each year with Goucher; over the years, students have pursued nearly 200 classes.

#### *Maryland Correctional Enterprises*

MCE (formerly State Use Industries) provides work and job training for inmates incarcerated in State correctional facilities. MCE produces goods and supplies services at a cost that does not exceed the prevailing average market price. These goods and services are used by local, State, and federal agencies. These goods are also available for use by charitable, civic, educational, fraternal, or religious organizations.

#### *Maryland Transfer Advantage Program*

[MTAP](#) provides a pathway for students at participating community colleges to earn an undergraduate degree at the University of Maryland, College Park Campus (UMCP). Students who participate in MTAP have access to transfer advising resources, can take discounted courses, and are guaranteed admission to the university upon successful completion of the program and submission of a transfer application by the early action application deadline.

**State Expenditures:** Based on prior brochure purchases, MHEC estimates that the agency requires an additional \$60,000 annually to purchase informational brochures to satisfy the requirements that MHEC provide information to incarcerated/formerly incarcerated individuals. Further, MHEC advises that current staff in the Outreach and Grants Management Office can consult with stakeholders, organize informational presentations as needed, and collaborate with public higher education institutions to offer information sessions on State financial aid, admissions, and employment. The Department of Legislative Services (DLS) concurs with this assessment.

MCE advises that it can handle efforts to identify program participants with its current staffing; however, any other impact on expenditures depends on the extent of outreach conducted and cannot be readily determined at this time. DLS advises that, because MHEC must administer the program, MCE can collaborate with MHEC to provide basic information to current and formerly incarcerated individuals and meet other requirements of the bill with existing resources.

UMCP, Towson University, and Baltimore City Community College (BCCC) all advise that providing preferences in admissions and employment for formerly incarcerated individuals is operationally difficult, if not impossible, in some circumstances. However, DLS advises that the bill provides for admissions and employment preferences only “to the extent feasible.” BCCC advises that altering the student admissions process would require special training to work with this new student population – with costs totaling no more than \$1,500 – and that changing hiring practices to grant preferences would impose a large administrative burden to restructure those practices. DLS advises that, if training expenditures are required, those costs can be handled with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission; Baltimore City Community College; University System of Maryland; Morgan State University; Department of Public Safety and Correctional Services; Department of Legislative Services

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