# **Department of Legislative Services**

Maryland General Assembly 2022 Session

## FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 966

(Delegate Solomon)

Appropriations

Education, Health, and Environmental Affairs

# **Higher Education - Academic Credit for Prior Learning Examinations - Policies** and **Procedures**

This bill requires, by October 1, 2022, each public institution of higher education to develop and implement policies and procedures for awarding academic credit for prior learning examinations. Unless the institution provides evidence that a higher score is necessary, an institution must award academic credit for (1) a minimum score of 3 on Advanced Placement (AP) examinations and (2) a minimum score of 50 on College-Level Examination Program (CLEP) examinations. In addition, institutions must determine comparable scores for awarding academic credit for the (1) Cambridge Advanced International Certificate of Education Diploma Program examination and (2) International Baccalaureate (IB) Diploma Program examination. The policies and procedures must indicate the manner in which academic credit will be awarded and include procedures related to the transfer of academic credits awarded from prior learning examinations to another public institution of higher education. Each public institution and the Maryland Higher Education Commission (MHEC) must post the policies and procedures. By December 31 each year, each public institution must report to MHEC and the General Assembly on specified metrics. The bill takes effect July 1, 2022.

## **Fiscal Summary**

**State Effect:** Public four-year institution and Baltimore City Community College (BCCC) higher education expenditures likely increase in FY 2023 to update data reporting systems, particularly given the timeframe to do so. Revenues are not materially affected.

**Local Effect:** Local community college higher education expenditures likely increase in FY 2023 to update data reporting systems, particularly given the timeframe to do so. Revenues are not materially affected. **This bill may impose a mandate on a unit of local government.** 

Small Business Effect: None.

### **Analysis**

**Bill Summary:** Each public institution of higher education must publicly post the policies and procedures on the institution's website under the "admissions" category and submit the policy and procedures to MHEC. MHEC must also post each public institution of higher education's policies and procedures on its website.

MHEC must adopt regulations to implement the bill.

#### **Current Law:**

Statute - Transfer Requirements

MHEC must establish procedures for the transfer of students between public segments of postsecondary education. MHEC must recommend cooperative programs among segments of postsecondary education to assure appropriate flexibility in the higher education system. In conjunction with the governing boards of institutions, MHEC must establish standards for articulation agreements.

The procedures established must require a receiving institution that denies the transfer of a credit or course to an enrolled student to notify the transfer coordinator or institutional designee of the sending institution and the enrolled student about the denial within a time period that MHEC determines to be the latest possible time for the notification and specify the rationale for the denial. The transfer coordinator or institutional designee of the sending institution must conduct a review, in conjunction with the receiving institution's designee, within a time period MHEC determines to be appropriate. Each public institution of higher education must submit an annual report to MHEC listing any denials of transfer of a credit or a course and the reasons for the denials.

MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide transfer agreement whereby at least 60 credits of general education, elective, and major courses that a student earns at any community college in the State toward an associate of arts or associate of science degree must be transferable to any public four-year higher education institution in the State for credit toward a bachelor's degree.

In addition, MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide reverse transfer agreement whereby at least 30 credits that a student earns at any public four-year institution in the State toward a bachelor's degree are transferable to any community college in the State for credit toward an associate's degree.

#### Regulations – Transfer of Courses and Credits

The Code of Maryland Regulations establishes detailed transfer requirements that specify which types of credits and courses must transfer. In general, credit earned at any public institution in the State is transferable to any other public institution if (1) the credit is from a college or university parallel course or program; (2) grades in the block of courses transferred averaged 2.0 or higher; and (3) acceptance of the credit is consistent with the policies of the receiving institution governing native students following the same program. In addition, community college courses taken as part of a recommended transfer program degree must be applicable to related programs at the receiving public institution granting the degree if successfully completed in accordance with the receiving institution's policies governing native students in the same program.

In general, a completed general education program must transfer (as lower-division credits) without further review or approval by the receiving institution and without the need for a course-by-course match. The assignment of credit through a nationally recognized standardized exam such as the AP exam must be determined according to the same standards that apply to native students in the receiving institution and consistent with the State minimum requirements. Other nontraditional credit, such as technical courses from career programs, must be evaluated on a course-by-course basis according to the same standards that apply to native students.

#### Regulations – Student Transfer Responsibilities

According to regulations, a student is held accountable for the loss of credits that (1) result from changes in the student's selection of the major program of study; (2) were earned for remedial course work; or (3) exceed the total course credits accepted in transfer. A student is also responsible for meeting all requirements of the academic program of the receiving institution.

#### Regulations – General Education Courses Transfer Mediation Committee

According to regulations, sending and receiving institutions that disagree on the transferability of general education courses must submit their disagreements to the Secretary of Higher Education, who must appoint a Transfer Mediation Committee to adjudicate the disagreement. Members appointed to the committee must be representative of the public four-year colleges and universities and the community colleges. The committee must address general education issues at the course or curricular level, not individual student cases. As appropriate, the committee must consult with faculty on curricular issues. The findings of the committee are considered binding on both parties.

#### Regulations – Denial of Credit

According to regulations, the receiving institution must inform the student of the denial in writing no later than the middle of the student's first semester at the institution and must additionally inform the student of their right to appeal the decision. If the student exercises their right to appeal, the institution must respond within 10 working days, and their decision must be conveyed to the student in writing and be consistent with the applicable regulations. If the appeal is denied, the student may, within 10 working days, request that the transfer coordinator of their sending institution intercede on their behalf. Representatives of both institutions must affirm, modify, or reverse the initial decision within 15 working days of the request. This decision is final and must be conveyed to the student in writing.

#### Regulations – Transfer Coordinator

A public institution of higher education must designate a transfer coordinator, who serves as a resource person to transfer students at either the sending or receiving campus. The transfer coordinator is responsible for overseeing the application of the policies and procedures and interpreting transfer policies to the individual student and to the institution.

## Student Transfer Advisory Committee

The Student Transfer Advisory Committee (STAC) was codified in statute by Chapter 327 of 2012 for a 10-year period; thus, it terminates June 30, 2022. According to regulations, MHEC must establish a permanent STAC. STAC is expected to review and analyze (1) matriculation and student support services, including admission and advising practices and (2) any other student transfer-related issues referred to it by MHEC. STAC is required to report by December 1 in odd-numbered years.

**State/Local Fiscal Effect:** Overall, public institutions of higher education expenditures likely increase in fiscal 2023 to update data reporting systems. The impact may be meaningful for some institutions but cannot be reliably estimated. Further information used in this fiscal estimate is provided below.

### Maryland Higher Education Commission

MHEC advises that it collects limited data regarding credit for prior learning; thus, it must expand its data collection efforts to meet the bill's reporting requirements. MHEC anticipates establishing a workgroup of relevant stakeholders to implement these data collection changes. MHEC advises it is unlikely that its data collection systems can be changed, and campuses can provide relevant and accurate data, by December 31, 2022,

when the first report is due. Nevertheless, MHEC advises that it can meet its reporting, posting, and regulation requirements using existing resources.

#### Public Four-year Institutions and Community Colleges

Due to the reporting requirements, public institutions of higher education may need to update their data systems; thus, higher education expenditures likely increase in fiscal 2023. The costs cannot be reliably estimated at this time and likely vary by institution. The University of Maryland, College Park Campus (UMCP) advises that updating the data system requires hiring at least five full-time contractual programmers for approximately two years at a cost of at least \$300,000 annually. The University of Maryland Baltimore County advises that it currently does not have the resources to meet the reporting requirements and would need to hire a part-time contractual data/reporting analyst to meet the reporting requirements. The Department of Legislative Services cannot independently verify the effort required but advises that there may be a meaningful impact on some institutions in fiscal 2023.

In addition, public four-year institutions and community colleges, including BCCC, must follow the requirements for awarding credit for prior learning examinations established by the bill; thus, these institutions must align their policies and procedures for awarding academic credit for prior learning examinations with the requirements of the bill or provide evidence to MHEC that a higher score is necessary for a student to be successful in a particular course. This process is anticipated to have meaningful operational impacts on most institutions, particularly in fiscal 2023; however, the overall fiscal impact is minimal and can be accomplished using existing resources. Due to the October 1, 2022 deadline, institutions only have three months to align their policies and procedures.

Both public four-year institutions and community colleges may need to update or establish prior learning examination policies that meet the requirements of the bill. However, according to the CollegeBoard, many colleges grant credit or advanced placement for an AP score of 3 or above and most colleges that accept a CLEP score already consider a score of 50 or higher to be passing and worthy of credit. Even so, some colleges and majors require higher scores to receive credit. Credit standards for IB and the Cambridge Advanced International Certificate of Education Diploma Program are less common.

UMCP advises that it likely will exercise the option to provide evidence to MHEC that a higher score is necessary for a student to be successful in a particular course. Under the current credit policy, UMCP provides credit for a score of (1) 4 or greater on most AP exams (only 5 on some) and (2) 50 or greater on CLEP exams. UMCP also has standards for accepting IB exams. UMCP does not currently recognize the Cambridge Advanced International Certificate of Education.

#### Tuition and Fee Revenues

It is assumed that standardizing the public institutions' policies and procedures for awarding academic credit for prior learning examinations does not materially impact overall tuition and fee revenue, although it may change the courses taken.

#### **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 Legislative Services

**Fiscal Note History:** First Reader - March 4, 2022 rh/ljm Third Reader - April 4, 2022

Revised - Other - April 4, 2022 Revised - Other - June 13, 2022

Analysis by: Caroline L. Boice Direct Inquiries to: (410) 946-5510

(301) 970-5510