

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 899
 Appropriations

(Delegate Boteler, *et al.*)

Higher Education - Scholarship Program - Eagle Scout and Girl Scout Gold Award Recipients

This bill establishes an Eagle Scout and Girl Scout Gold Award Recipient Scholarship Program. To qualify for a scholarship, an applicant must be (1) an Eagle Scout or the recipient of a Girl Scout Gold Award; (2) a Maryland resident; (3) enrolled in an institution of higher education in Maryland prior to the age of 21; and (4) a candidate for an associate or bachelor’s degree. The scholarship amount is \$2,000 for each school year and may be received for up to five years. Up to 50 Eagle Scouts and 50 Girl Scout Gold Award recipients may receive scholarships each year on a first-come, first-served basis. Beginning in fiscal 2024, the Governor must include \$200,000 in the annual State budget bill for the program. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: General fund expenditures increase by \$23,600 in FY 2023 for one-time programming costs and by \$200,000 annually beginning in FY 2024. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2024.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	23,600	200,000	200,000	200,000	200,000
Net Effect	(\$23,600)	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: More than 20 student financial aid programs are administered by the Office of Student Financial Assistance (OSFA) within the Maryland Higher Education Commission (MHEC). Annually, OSFA grants more than \$114 million to more than 50,000 students using a staff of 17.

State Expenditures: General fund expenditures increase by \$23,600 in fiscal 2023 for one-time contractual costs associated with enhancements to MHEC's scholarship system, known as the Maryland College Aid Processing System, necessitated by the bill. The system must be upgraded to add the new scholarship to it.

Beginning in fiscal 2024, general fund expenditures increase by \$200,000 annually due to the mandated appropriation for the scholarship. This funding is sufficient to award \$2,000 scholarships to 50 Eagle Scouts and 50 Girl Scout Gold Award recipients each year on a first-come, first-served basis. According to *Scouting Magazine*, in 2019, 1,037 individuals in Maryland earned the Eagle Scout award. More than one million Girl Scouts have earned the Gold Award or its equivalent since 1916.

MHEC advises that a full-time administrative specialist is needed at an estimated annual cost of \$65,000 to administer the scholarship. However, the Department of Legislative Services advises that, because the number of annual awards is limited to 100, the scholarship amount is predetermined, and the scholarship qualifications are uncomplicated, OSFA can make awards under the new program with existing personnel. Even so, adding new responsibilities to MHEC's fully subscribed staff eventually requires additional staff.

Additional Information

Prior Introductions: HB 1253 of 2020 received a hearing in the House Appropriations Committee, but no further action was taken.

Designated Cross File: None.

Information Source(s): Maryland Higher Education Commission; Department of Budget and Management; *Scouting Magazine*; Girl Scouts; Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2022
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