

SENATE BILL 662

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3lr2916
CF HB 923

By: **Chair, Education, Energy, and the Environment Committee**

Introduced and read first time: February 6, 2023

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2023

CHAPTER _____

1 AN ACT concerning

2 **Higher Education – Appointment of Secretary and Student**
3 **Financial Assistance – ~~Alterations~~ Accommodations at Public Institutions for**
4 **Religious Beliefs**

5 FOR the purpose of providing that the Secretary of Higher Education is appointed by, and
6 serves at the pleasure of, the Governor; requiring each institution of higher
7 education to adopt a certain written policy regarding the provision of reasonable
8 academic accommodations for students to practice sincerely held faith-based or
9 religious beliefs; altering eligibility criteria for, and the process for awards from, the
10 Delegate Howard P. Rawlings Program of Educational Excellence Awards; altering
11 eligibility criteria for services provided to students through the Next Generation
12 Scholars of Maryland Program; altering the administration of the Maryland
13 Community College Promise Scholarship to require community colleges to award
14 scholarships from the Maryland Community College Promise Scholarship in place of
15 the Office of Student Financial Assistance within the Maryland Higher Education
16 Commission; repealing certain provisions of law related to the intent of the General
17 Assembly for the Commission to be reorganized to establish the Office of Student
18 Financial Assistance as a separate independent agency in a certain fiscal year; and
19 generally relating to the appointment of the Secretary of Higher Education ~~and~~
20 student financial assistance programs ~~in the State~~, and accommodations at public
21 institutions for religious beliefs.

22 BY repealing and reenacting, with amendments,
23 Article – Education

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 11–104(a) and (b), 18–303, 18–303.1(c) and (d), 18–303.3, 18–304, 18–307,
2 18–3601, 18–3602, 18–3603, and 18–3604
3 Annotated Code of Maryland
4 (2022 Replacement Volume)

5 BY adding to
6 Article – Education
7 Section ~~15–136~~, 18–303.4, and 18–3603.1
8 Annotated Code of Maryland
9 (2022 Replacement Volume)

10 BY repealing
11 Chapter 639 of the Acts of the General Assembly of 2022
12 Section 3

13 BY repealing
14 Chapter 640 of the Acts of the General Assembly of 2022
15 Section 3

16 ~~BY repealing and reenacting, with amendments,~~
17 ~~Article – Education~~
18 ~~Section 18–303 and 18–303.3~~
19 ~~Annotated Code of Maryland~~
20 ~~(2022 Replacement Volume)~~
21 ~~(As enacted by Section 1 of this Act)~~

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

24 **Article – Education**

25 11–104.

26 (a) [(1) In accordance with paragraph (2) of this subsection, the] **THE** Governor
27 shall appoint, with the advice and consent of the Senate, a Secretary of Higher Education.

28 [(2) (i) The Commission shall submit to the Governor the names of 3
29 nominees for the position of Secretary from which the Governor shall make the
30 appointment.

31 (ii) The Governor may reject the list and request the Commission to
32 submit the names of additional nominees.]

33 (b) (1) The Secretary shall:

34 (i) Select, organize, and direct the staff of the Commission;

- 1 (ii) Perform the duties the Commission assigns;
- 2 (iii) See that the policies and decisions of the Commission are carried
3 out;
- 4 (iv) Serve at the pleasure of the [Commission] GOVERNOR; and
- 5 (v) Be a member of the Governor's Executive Council.
- 6 (2) (i) After consideration of the recommendations of the Commission,
7 the Governor shall include in the annual budget request the salary for the Secretary.
- 8 (ii) The Secretary is entitled to the salary provided in the State
9 budget.

10 **15-136.**

11 **(A) EACH PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL ADOPT A**
12 **WRITTEN POLICY THAT PROVIDES REASONABLE ACADEMIC ACCOMMODATIONS FOR**
13 **STUDENTS TO PRACTICE SINCERELY HELD FAITH-BASED OR RELIGIOUS BELIEFS.**

14 **(B) THE POLICY SHALL:**

15 **(1) PROVIDE AN ACCOMMODATION FOR A STUDENT, INCLUDING**
16 **EXCUSED ABSENCES, FOR A STUDENT TO:**

17 **(I) OBSERVE FAITH-BASED OR RELIGIOUS HOLIDAYS; OR**

18 **(II) PARTICIPATE IN ORGANIZED RELIGIOUS ACTIVITIES;**

19 **(2) PROVIDE THAT A STUDENT BE ALLOWED REASONABLE**
20 **ALTERNATIVE ACCOMMODATIONS FOR MISSING AN EXAMINATION OR OTHER**
21 **ACADEMIC REQUIREMENTS DUE TO AN EXCUSED ABSENCE UNDER ITEM (1) OF THIS**
22 **SUBSECTION IF THE STUDENT'S SINCERELY HELD FAITH-BASED OR RELIGIOUS**
23 **BELIEF OR PRACTICE AFFECTS THE STUDENT'S ABILITY TO TAKE AN EXAMINATION**
24 **AS SCHEDULED OR MEET ANY OTHER ACADEMIC REQUIREMENT; AND**

25 **(3) INCLUDE A GRIEVANCE PROCEDURE TO REPORT**
26 **NONCOMPLIANCE WITH THE POLICY.**

27 **(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
28 **EACH PUBLIC INSTITUTION OF HIGHER EDUCATION IS REQUIRED TO PROVIDE A**
29 **SPACE ON CAMPUS TO ACCOMMODATE FAITH-BASED OR RELIGIOUS PRACTICES.**

1 **(2) THIS SUBSECTION DOES NOT APPLY TO THE UNIVERSITY OF**
 2 **MARYLAND GLOBAL CAMPUS.**

3 **(D) EACH PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL POST**
 4 **PROMINENTLY ON ITS WEBSITE A COPY OF THE POLICY ADOPTED UNDER THIS**
 5 **SECTION.**

6 18–303.

7 (a) Subject to subsection (e) of this section, each recipient of a Delegate Howard
 8 P. Rawlings Educational Excellence Award shall:

9 (1) Be accepted for admission in the regular undergraduate program at an
 10 eligible institution or be enrolled in a 2–year associate degree program in which the course
 11 work is acceptable for transfer credit for an accredited baccalaureate program in an eligible
 12 institution;

13 (2) Except as provided in § 18–303.2 of this subtitle, be a resident of this
 14 State;

15 (3) Demonstrate a definite financial need to:

16 (i) For an Educational Assistance Grant, the Office; or

17 (ii) For a Guaranteed Access Grant, the Office or an institution of
 18 higher education that complies with § 18–303.3 of this subtitle; and

19 (4) Accept any other conditions attached to the award.

20 (b) Except as provided in subsection (c) of this section, each recipient of a
 21 Guaranteed Access Grant shall:

22 (1) Have [attained a grade point average of at least 2.5 on a 4.0 scale or its
 23 equivalent at the end of the first semester of the senior year in high school and have]
 24 completed high school or, failing to do so, on the recommendation of the recipient’s high
 25 school principal, provide evidence satisfactory to the Office of extenuating circumstances;

26 (2) ~~Begin~~ college within ~~1 year~~ **6 YEARS** of completing high school or,
 27 failing to do so, provide evidence satisfactory to the Office of extenuating circumstances;

28 (3) Be under the age of ~~22~~ **26** years at the time of receiving the first award;

29 (4) ~~Have successfully completed a college preparatory program in high~~
 30 ~~school;~~

31 ~~(5)~~ Enroll in college as a full–time student;

1 ~~[(6)]~~ ~~(3)~~ **(5)** Subject to subsection (d) of this section, have an annual family
2 income below a poverty index determined by the Commission; and

3 ~~[(7)]~~ ~~(4)~~ **(6)** Satisfy any additional criteria the Commission may establish.

4 (c) (1) Subject to paragraph (2) of this subsection, an individual who has
5 successfully obtained a high school diploma by examination under § 11–808 of the Labor
6 and Employment Article is exempt from the requirements of subsection (b) of this section.

7 (2) An individual described under paragraph (1) of this subsection is
8 eligible for a Guaranteed Access Grant if the individual:

9 (i) Has scored a passing score of at least ~~165~~ **145** per module on the
10 diploma by examination;

11 (ii) ~~¶~~Begins college within ~~1-year~~ **6 YEARS** of achieving the score
12 described under item (i) of this paragraph or, failing to do so, provides evidence satisfactory
13 to the Office of extenuating circumstances;

14 (iii) Is under the age of ~~22~~ **26** years at the time of receiving the first
15 award;

16 (iv) ~~¶~~ Enrolls in college as a full-time student; and

17 ~~[(v)]~~ ~~(III)~~ Subject to subsection (d) of this section, has an annual
18 family income below a poverty index determined by the Commission.

19 (d) (1) To determine the annual family income eligibility of an applicant for a
20 Guaranteed Access Grant, the Office or an institution of higher education that complies
21 with § 18–303.3 of this subtitle may not consider an amount received by the applicant as
22 an earned income credit under § 32 of the Internal Revenue Code.

23 (2) When awarding a Guaranteed Access Grant to a student who
24 prequalified for the award under subsection (e)(1) or (2) of this section, the Commission
25 shall use the annual family income determination used when the student prequalified.

26 (e) (1) Except as provided in paragraph (2) of this subsection, a student in
27 grade 7 or grade 8 who applies and qualifies for a Guaranteed Access Grant on the basis of
28 financial need as established by the Commission shall prequalify for a Guaranteed Access
29 Grant to be used at the time of enrollment in an institution of higher education by agreeing
30 in writing, as a secondary and undergraduate student, to:

31 (i) Satisfy the attendance policy of the applicable school;

32 (ii) [Refrain from substance abuse;

1 (iii)] Provide information required by the Commission or the State
2 Board of Education;

3 [(iv)] (III) Apply for admission to an institution of higher education
4 during the student's senior year of high school;

5 [(v)] (IV) Complete and file on a timely basis applications for federal
6 student aid for each year that the student plans to enroll in postsecondary education;

7 [(vi)] (V) Participate in the Next Generation Scholars of Maryland
8 Program established in § 18–303.1 of this subtitle until the student graduates from high
9 school and matriculates at an institution of higher education;

10 [(vii)] (VI) Maintain a cumulative grade point average of at least 2.5
11 on a 4.0 scale or its equivalent; and

12 [(viii)] (VII) Satisfy any other program requirements set by the Office,
13 the Commission, the State Board of Education, or the State Department of Education.

14 (2) A student in grade 9 or grade 10 shall prequalify for a Guaranteed
15 Access Grant to be used at the time of enrollment in an institution of higher education if
16 the student:

17 (i) Otherwise meets the conditions of paragraph (1) of this
18 subsection; and

19 (ii) 1. Is eligible for free or reduced priced meals; or

20 2. Attends a school that participates in the U.S. Department
21 of Agriculture Community Eligibility Provision and the student is identified by:

22 A. Direct certification; or

23 B. Income information provided by the family of the student
24 to the local school system on an alternative form developed by the Department.

25 18–303.1.

26 (c) The Program shall provide guidance and services to students who qualify for
27 a Guaranteed Access Grant in accordance with § 18–303(e) of this subtitle **AND STUDENTS**
28 **WHO QUALIFY TO RECEIVE FREE OR REDUCED–PRICE LUNCH UNDER THE NATIONAL**
29 **SCHOOL LUNCH PROGRAM** to assist the students in successfully:

30 (1) Completing a college preparatory curriculum;

1 (2) Graduating from high school;

2 (3) Matriculating at an institution of higher education as defined in §
3 18–303 of this subtitle; and

4 (4) Making timely progress to complete a degree program.

5 (d) (1) The Department shall:

6 (i) Publicize the Program through community outreach and
7 marketing materials;

8 (ii) Award grants to nonprofit organizations to administer the
9 Program;

10 (iii) Solicit applications from nonprofit organizations to administer
11 the Program in local school systems; and

12 (iv) Give priority to applications:

13 1. From Maryland–based nonprofit organizations; and

14 2. That include business and institution of higher education
15 partners.

16 (2) The Program may continue to provide services to students [when]:

17 (I) **WHEN** they attend an institution of higher education; **OR**

18 (II) **WHO HAVE PARTICIPATED IN THE PROGRAM FOR AT LEAST**
19 **1 FULL YEAR AND RELOCATE TO ANOTHER COUNTY IN THE STATE THAT DOES NOT**
20 **PARTICIPATE IN THE PROGRAM.**

21 18–303.3.

22 (a) A public institution of higher education in the State, or a private nonprofit
23 institution of higher education that is eligible for State aid under § 17–103 of this article,
24 may verify the eligibility of an applicant for, and on verification of the eligibility administer,
25 a Guaranteed Access Grant in accordance with this section.

26 (b) An institution may verify:

27 (1) The eligibility of an applicant who:

28 (i) Is identified by the Office as potentially eligible for a Guaranteed
29 Access Grant under § 18–303 of this subtitle; and

1 (ii) Applies for admission to the institution; or

2 (2) The renewal eligibility of a student who:

3 (i) Received a Guaranteed Access Grant under § 18–303 of this
4 subtitle in the prior award year; and

5 (ii) Is an admitted student at the institution in the current award
6 year.

7 (c) An institution shall:

8 (1) Verify that an applicant qualifies for a Guaranteed Access Grant under
9 the requirements of § 18–303 of this subtitle;

10 (2) Evaluate the applicant’s income eligibility criteria using federal [V1
11 standard] **STANDARDS FOR** verification and in accordance with the income eligibility
12 criteria established by the Office;

13 (3) Maintain records used by the institution to determine the eligibility of
14 applicants for a period of 5 years after the end date of the award year associated with the
15 student’s last award; and

16 (4) Provide the Commission with an audit, in accordance with rules
17 adopted by the Commission, to show that awards verified and administered under this
18 section have been made properly.

19 (d) (1) Subject to paragraph (2) of this subsection, a verification obtained by
20 an applicant under subsection (b) of this section may be used at any eligible institution
21 described under § 18–305 of this subtitle.

22 (2) The amount of the Guaranteed Access Grant awarded to an applicant
23 may be adjusted in accordance with the cost of attendance at the institution at which the
24 applicant uses the award.

25 18–3601.

26 (a) In this subtitle the following words have the meanings indicated.

27 (b) “Annual adjusted gross income” means the total of the combined adjusted
28 gross income of the applicant and the applicant’s parents, or the applicant and the
29 applicant’s spouse if the applicant is married, as reported on the most recent federal or
30 State income tax return.

31 (c) **“AWARD” MEANS A SCHOLARSHIP AWARD FROM THE MARYLAND**
32 **COMMUNITY COLLEGE PROMISE SCHOLARSHIP.**

1 [(c)] (D) “Community college” includes Baltimore City Community College.

2 [(d)] (E) “Local promise scholarship” means a community college scholarship
3 program in effect on July 1, 2018, that provides a scholarship to any high school senior who
4 is eligible for enrollment at the community college.

5 [(e)] (F) (1) “Tuition” means the basic instructional charge for courses offered
6 at a community college.

7 (2) “Tuition” includes any fees for:

8 (i) Registration;

9 (ii) Application;

10 (iii) Administration;

11 (iv) Laboratory work; and

12 (v) Other mandatory fees.

13 (3) “Tuition” does not include:

14 (i) Costs associated with the parts of a registered apprenticeship
15 that take place at a location that is not a community college; or

16 (ii) Any fees for room and board that are related to an on-campus
17 residential facility for students.

18 18-3602.

19 (a) There is a program of Maryland Community College Promise Scholarships in
20 the State that are awarded under this subtitle.

21 (b) The purpose of the program is to provide tuition assistance for students to
22 attend a community college in the State.

23 (c) The Office AND EACH COMMUNITY COLLEGE shall publicize the availability
24 of Maryland Community College Promise Scholarships.

25 **(D) (1) THE OFFICE SHALL ALLOCATE MARYLAND COMMUNITY**
26 **COLLEGE PROMISE SCHOLARSHIP FUNDING TO EACH COMMUNITY COLLEGE IN THE**
27 **STATE BASED ON THE PROPORTION OF ~~FULL-TIME-EQUIVALENT~~ PELL-ELIGIBLE**
28 **STUDENTS AT EACH COMMUNITY COLLEGE, AS DEFINED IN ~~§ 16-305(B)(7) OF THIS~~**
29 **ARTICLE, FOR EACH COMMUNITY COLLEGE TO AWARD MARYLAND COMMUNITY**
30 **COLLEGE PROMISE SCHOLARSHIP AWARDS TO STUDENTS.**

1 **(2) IF A COMMUNITY COLLEGE DOES NOT AWARD ALL FUNDING**
 2 **ALLOCATED TO THE COMMUNITY COLLEGE UNDER PARAGRAPH (1) OF THIS**
 3 **SUBSECTION, THE COMMUNITY COLLEGE SHALL DISTRIBUTE THE REMAINING**
 4 **FUNDING TO OTHER COMMUNITY COLLEGES TO MAKE MARYLAND COMMUNITY**
 5 **COLLEGE PROMISE SCHOLARSHIP AWARDS TO STUDENTS IN THE AWARD YEAR.**

6 18–3603.

7 (a) (1) **(I)** [A student must] **SUBJECT TO SUBPARAGRAPH (II) OF THIS**
 8 **PARAGRAPH, A STUDENT MAY** apply annually to [the Commission] **A MARYLAND**
 9 **COMMUNITY COLLEGE LOCATED IN THE COUNTY OR, IN THE CASE OF A REGIONAL**
 10 **COMMUNITY COLLEGE, IN THE REGION WHERE THE APPLICANT LIVES** to receive a
 11 Maryland Community College Promise Scholarship award.

12 **(II) IF THE COMMUNITY COLLEGE LOCATED IN THE COUNTY OR**
 13 **REGION WHERE THE APPLICANT LIVES DOES NOT OFFER THE DEGREE OR**
 14 **CERTIFICATION PROGRAM IN WHICH THE APPLICANT WANTS TO ENROLL, THE**
 15 **STUDENT MAY APPLY TO THE COMMUNITY COLLEGE OUTSIDE THE COUNTY OR, IN**
 16 **THE CASE OF A REGIONAL COMMUNITY COLLEGE, OUTSIDE THE REGION WHERE THE**
 17 **APPLICANT LIVES TO RECEIVE A MARYLAND COMMUNITY COLLEGE PROMISE**
 18 **SCHOLARSHIP AWARD.**

19 (2) [The Office] **A COMMUNITY COLLEGE** annually shall select eligible
 20 applicants and offer a Maryland Community College Promise Scholarship award to each
 21 selected applicant to be used for tuition at [a] **THE** community college [of the applicant's
 22 choice].

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

25 (1) Is eligible for in–State tuition;

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

29 (i) Except as provided in [items (ii) and (iii)] **ITEM (II)** of this item,
 30 at the community college located in the county or, in the case of a regional community
 31 college, in the region, where the applicant lives; **OR**

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

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

3 (3) Except as provided in subsection (c)(3) of this section, has earned a
4 cumulative grade point average of:

5 (i) For an initial award, at least 2.3 on a 4.0 scale or its equivalent
6 at the end of the first semester or the end of the year of the senior year in high school; or

7 (ii) While enrolled at a community college in the State, at least 2.5
8 on a 4.0 scale or its equivalent;

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

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

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

14 (5) (i) Enrolls in:

15 1. At least [12] 6 credits per semester at the community
16 college; or

17 2. A sequence of credit or noncredit courses that leads to
18 licensure or certification; or

19 (ii) Participates in a registered apprenticeship program; and

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

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

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

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

1 (3) An applicant who graduated from high school 5 or more years before
2 the date of application is not subject to the grade point average requirements established
3 in subsection (b)(3)(i) of this section for an initial award.

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

6 **18-3603.1.**

7 (A) A COMMUNITY COLLEGE SHALL VERIFY THE ELIGIBILITY OF AN
8 APPLICANT FOR A MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP
9 AWARD IN ACCORDANCE WITH THIS SECTION.

10 (B) (1) A COMMUNITY COLLEGE SHALL:

11 (I) VERIFY THAT AN APPLICANT QUALIFIES FOR A MARYLAND
12 COMMUNITY COLLEGE PROMISE SCHOLARSHIP AWARD UNDER THE
13 REQUIREMENTS OF § 18-3603 OF THIS SUBTITLE;

14 (II) EVALUATE THE APPLICANT'S INCOME ELIGIBILITY USING
15 FEDERAL STANDARDS FOR VERIFICATION AND IN ACCORDANCE WITH INCOME
16 ELIGIBILITY CRITERIA ESTABLISHED BY THE OFFICE;

17 (III) MAINTAIN RECORDS USED BY THE COMMUNITY COLLEGE
18 TO DETERMINE THE ELIGIBILITY OF APPLICANTS FOR NOT LESS THAN A PERIOD OF
19 5 YEARS AFTER THE END DATE OF THE AWARD YEAR ASSOCIATED WITH THE
20 STUDENT'S LAST AWARD; AND

21 (IV) PROVIDE THE COMMISSION WITH AN AUDIT, IN
22 ACCORDANCE WITH RULES ADOPTED BY THE COMMISSION, TO SHOW THAT AWARDS
23 VERIFIED AND ADMINISTERED UNDER THIS SECTION HAVE BEEN MADE PROPERLY.

24 (2) A VERIFICATION OBTAINED BY AN APPLICANT UNDER
25 PARAGRAPH (1)(I) OF THIS SUBSECTION MAY BE USED AT ANOTHER COMMUNITY
26 COLLEGE.

27 (C) (1) THE OFFICE SHALL REVIEW THE AUDIT PROVIDED TO THE
28 COMMISSION UNDER SUBSECTION (B)(1)(IV) OF THIS SECTION NOT LESS THAN ONCE
29 EVERY 3 YEARS TO VERIFY THAT RECIPIENTS MET THE ELIGIBILITY REQUIREMENTS
30 FOR AN AWARD.

31 (2) (I) IF THE OFFICE DETERMINES THAT A COMMUNITY COLLEGE
32 MADE AN INCORRECT AWARD TO AN INELIGIBLE STUDENT, THE COMMUNITY
33 COLLEGE SHALL REMIT TO THE COMMISSION THE TOTAL AMOUNT OF THE AWARD
34 MADE IN ERROR.

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

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

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

6 (2) [The Office] A COMMUNITY COLLEGE may extend the duration of an
7 award for an allowable interruption of study if the recipient provides to the [Office]
8 COMMUNITY COLLEGE satisfactory evidence of extenuating circumstances that prevent
9 the recipient from continuous enrollment.

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

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

13 (ii) 1. Continues to enroll in and complete at least [12] 6 credits
14 per semester, or a sequence of credit or noncredit courses that leads to licensure or
15 certification, or their equivalent, as determined by the [Office] COMMUNITY COLLEGE; or

16 2. Continues to participate in a registered apprenticeship
17 program.

18 (iii) Maintains a cumulative grade point average of at least 2.5 on a
19 4.0 scale or its equivalent for the requisite credit-bearing coursework for the remainder of
20 the award or, failing to do so, provides to the [Office] COMMUNITY COLLEGE satisfactory
21 evidence of extenuating circumstances;

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

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

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

28 Chapter 639 of the Acts of 2022

29 [SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
30 Assembly that the Maryland Higher Education Commission be reorganized to establish the
31 Office of Student Financial Assistance as a separate independent agency in fiscal year
32 2024.]

1 **Chapter 640 of the Acts of 2022**

2 [SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
3 Assembly that the Maryland Higher Education Commission be reorganized to establish the
4 Office of Student Financial Assistance as a separate independent agency in fiscal year
5 2024.]

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
7 as follows:

8 **Article – Education**

9 ~~§ 18-303.~~

10 ~~(a) Subject to subsection (c) of this section, each recipient of a Delegate Howard~~
11 ~~P. Rawlings Educational Excellence Award shall:~~

12 ~~(1) Be accepted for admission in the regular undergraduate program at an~~
13 ~~eligible institution or be enrolled in a 2-year associate degree program in which the course~~
14 ~~work is acceptable for transfer credit for an accredited baccalaureate program in an eligible~~
15 ~~institution;~~

16 ~~(2) Except as provided in § 18-303.2 of this subtitle, be a resident of this~~
17 ~~State;~~

18 ~~(3) Demonstrate a definite financial need to:~~

19 ~~(i) For an Educational Assistance Grant, the Office; or~~

20 ~~(ii) For a Guaranteed Access Grant, [the Office or] an institution of~~
21 ~~higher education that complies with § 18-303.3 of this subtitle; and~~

22 ~~(4) Accept any other conditions attached to the award.~~

23 ~~(b) Except as provided in subsection (c) of this section, each recipient of a~~
24 ~~Guaranteed Access Grant shall:~~

25 ~~(1) Have completed high school or, failing to do so, on the recommendation~~
26 ~~of the recipient's high school principal, provide evidence satisfactory to the Office of~~
27 ~~extenuating circumstances;~~

28 ~~(2) Enroll in college as a full-time student;~~

29 ~~(3) Subject to subsection (d) of this section, have an annual family income~~
30 ~~below a poverty index determined by the Commission; and~~

31 ~~(4) Satisfy any additional criteria the Commission may establish.~~

1 ~~(e) (1) Subject to paragraph (2) of this subsection, an individual who has~~
 2 ~~successfully obtained a high school diploma by examination under § 11-808 of the Labor~~
 3 ~~and Employment Article is exempt from the requirements of subsection (b) of this section.~~

4 ~~(2) An individual described under paragraph (1) of this subsection is~~
 5 ~~eligible for a Guaranteed Access Grant if the individual:~~

6 ~~(i) Has scored a passing score of at least 165 per module on the~~
 7 ~~diploma by examination;~~

8 ~~(ii) Enrolls in college as a full-time student; and~~

9 ~~(iii) Subject to subsection (d) of this section, has an annual family~~
 10 ~~income below a poverty index determined by the Commission.~~

11 ~~(d) (1) ON OR BEFORE AUGUST 1 EACH YEAR, THE COMMISSION SHALL~~
 12 ~~ESTABLISH THE ANNUAL FAMILY INCOME USED TO DETERMINE A STUDENT'S~~
 13 ~~ELIGIBILITY FOR A GUARANTEED ACCESS GRANT AND AN EDUCATIONAL~~
 14 ~~ASSISTANCE GRANT.~~

15 ~~(2) To determine the annual family income eligibility of an applicant for a~~
 16 ~~Guaranteed Access Grant, [the Office or] an institution of higher education [that complies~~
 17 ~~with § 18-303.3 of this subtitle] may not consider an amount received by the applicant as~~
 18 ~~an earned income credit under § 32 of the Internal Revenue Code.~~

19 ~~[(2)] (3) (i) When awarding a Guaranteed Access Grant to a student~~
 20 ~~who prequalified for the award under subsection (e)(1) or (2) of this section, the~~
 21 ~~[Commission] INSTITUTION OF HIGHER EDUCATION shall use the annual family income~~
 22 ~~determination used when the student prequalified.~~

23 ~~(ii) THE COMMISSION SHALL PROVIDE A LIST OF ALL STUDENTS~~
 24 ~~WHO HAVE PREQUALIFIED FOR THE AWARD UNDER SUBSECTION (E)(1) OR (2) OF~~
 25 ~~THIS SECTION TO EACH INSTITUTION OF HIGHER EDUCATION.~~

26 ~~(e) (1) Except as provided in paragraph (2) of this subsection, a student in~~
 27 ~~grade 7 or grade 8 who applies and qualifies for a Guaranteed Access Grant on the basis of~~
 28 ~~financial need as established by the Commission shall prequalify for a Guaranteed Access~~
 29 ~~Grant to be used at the time of enrollment in an institution of higher education by agreeing~~
 30 ~~in writing, as a secondary and undergraduate student, to:~~

31 ~~(i) Satisfy the attendance policy of the applicable school;~~

32 ~~(ii) Provide information required by the Commission or the State~~
 33 ~~Board of Education;~~

~~(iii) Apply for admission to an institution of higher education during the student's senior year of high school;~~

~~(iv) Complete and file on a timely basis applications for federal student aid for each year that the student plans to enroll in postsecondary education;~~

~~(v) Participate in the Next Generation Scholars of Maryland Program established in § 18-303.1 of this subtitle until the student graduates from high school and matriculates at an institution of higher education;~~

~~(vi) Maintain a cumulative grade point average of at least 2.5 on a 4.0 scale or its equivalent; and~~

~~(vii) Satisfy any other program requirements set by the Office, the Commission, the State Board of Education, or the State Department of Education.~~

~~(2) A student in grade 9 or grade 10 shall prequalify for a Guaranteed Access Grant to be used at the time of enrollment in an institution of higher education if the student:~~

~~(i) Otherwise meets the conditions of paragraph (1) of this subsection; and~~

~~(ii) ~~1. Is eligible for free or reduced priced meals; or~~
~~2. Attends a school that participates in the U.S. Department of Agriculture Community Eligibility Provision and the student is identified by:~~~~

~~A. Direct certification; or~~

~~B. Income information provided by the family of the student to the local school system on an alternative form developed by the Department.~~

~~18-303.3.~~

~~(a) A public institution of higher education in the State, or a private nonprofit institution of higher education that is eligible for State aid under § 17-103 of this article, [may] SHALL verify the eligibility of [an] EACH applicant FOR THE GUARANTEED ACCESS GRANT PROGRAM and on verification of the eligibility administer, a Guaranteed Access Grant in accordance with this section.~~

~~[(b) An institution may verify:~~

~~(1) The eligibility of an applicant who:~~

~~(i) Is identified by the Office as potentially eligible for a Guaranteed Access Grant under § 18-303 of this subtitle; and~~

1 (ii) ~~Applies for admission to the institution; or~~

2 ~~(2) The renewal eligibility of a student who:~~

3 ~~(i) Received a Guaranteed Access Grant under § 18-303 of this~~
4 ~~subtitle in the prior award year; and~~

5 ~~(ii) Is an admitted student at the institution in the current award~~
6 ~~year.]~~

7 ~~[(c)] (B) An institution shall:~~

8 ~~(1) Verify [that an] WHETHER EACH applicant qualifies for a Guaranteed~~
9 ~~Access Grant under ALL OF the requirements of § 18-303 of this subtitle;~~

10 ~~[(2) Evaluate the applicant's income eligibility criteria using federal~~
11 ~~standards for verification and in accordance with the income eligibility criteria established~~
12 ~~by the Office;]~~

13 ~~(2) CALCULATE AND OFFER THE GUARANTEED ACCESS GRANT~~
14 ~~AWARD TO THE APPLICANT UPON THE APPLICANT'S AWARD LETTER FOR~~
15 ~~ADMISSION;~~

16 ~~(3) SUBMIT TO THE OFFICE ON OR BEFORE JUNE 1 EACH YEAR FOR~~
17 ~~THE UPCOMING SCHOOL YEAR, INFORMATION ON THE STUDENTS TO WHOM THE~~
18 ~~INSTITUTION OF HIGHER EDUCATION OFFERED A GUARANTEED ACCESS GRANT~~
19 ~~AWARD;~~

20 ~~[(3)] (4) Maintain records used by the institution to determine the~~
21 ~~eligibility of applicants for a period of 5 years after the end date of the award year associated~~
22 ~~with the student's last award; [and]~~

23 ~~[(4)] (5) Provide the Commission with an audit, in accordance with rules~~
24 ~~adopted by the Commission, to show that awards verified and administered under this~~
25 ~~section have been made properly; AND~~

26 ~~(6) EVALUATE THE APPLICANT'S INCOME ELIGIBILITY CRITERIA~~
27 ~~USING FEDERAL STANDARDS FOR VERIFICATION AND IN ACCORDANCE WITH THE~~
28 ~~INCOME ELIGIBILITY CRITERIA ESTABLISHED BY THE OFFICE.~~

29 ~~(c) (1) THE OFFICE SHALL REVIEW THE AUDIT PROVIDED TO THE~~
30 ~~COMMISSION UNDER SUBSECTION (B)(5) OF THIS SECTION NOT LESS THAN ONCE~~
31 ~~EVERY 4 YEARS TO VERIFY THAT RECIPIENTS MEET THE ELIGIBILITY~~
32 ~~REQUIREMENTS FOR AN AWARD.~~

~~(2) (i) IF THE OFFICE DETERMINES THAT AN INSTITUTION OF HIGHER EDUCATION MADE AN INCORRECT AWARD TO AN INELIGIBLE STUDENT, THE INSTITUTION OF HIGHER EDUCATION SHALL REMIT TO THE COMMISSION THE TOTAL AMOUNT OF THE AWARD MADE IN ERROR.~~

~~(ii) THE COMMISSION SHALL PAY ALL AMOUNTS RECEIVED UNDER SUBPARAGRAPH (i) OF THIS PARAGRAPH TO THE NEED-BASED STUDENT FINANCIAL ASSISTANCE FUND UNDER § 18-107 OF THIS TITLE.~~

~~(iii) THE INSTITUTION OF HIGHER EDUCATION MAY NOT REQUIRE A STUDENT TO REPAY THE COMMUNITY COLLEGE FOR AN INCORRECT AWARD MADE FROM THE GUARANTEED ACCESS GRANT.~~

~~(d) (1) Subject to paragraph (2) of this subsection, a verification obtained by an applicant under subsection (b) of this section may be used at any eligible institution described under § 18-305 of this subtitle.~~

~~(2) The amount of the Guaranteed Access Grant awarded to an applicant may be adjusted in accordance with the cost of attendance at the institution at which the applicant uses the award.~~

18-303.4.

(A) (1) BEGINNING WHEN FINANCIAL AID INFORMATION IS AVAILABLE EACH YEAR, BUT NOT LATER THAN OCTOBER 1 EACH YEAR, THE OFFICE SHALL COMPILE AND CERTIFY LISTS FOR THE ENTIRE STATE THAT RANK APPLICANTS FOR THE GUARANTEED ACCESS GRANT AWARD BY FINANCIAL NEED.

(2) REGULARLY, THE OFFICE SHALL PROVIDE TO EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE THE LISTS COMPILED AND CERTIFIED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION.

(B) (1) EACH INSTITUTION OF HIGHER EDUCATION SHALL USE THE LISTS PROVIDED BY THE OFFICE IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION, AND THE REQUIREMENTS UNDER §§ 18-303 AND 18-304 OF THIS SUBTITLE, TO DETERMINE THE APPLICANTS WHO SHALL BE OFFERED A GUARANTEED ACCESS GRANT AWARD BY THE INSTITUTION AND THE AMOUNT OF THE AWARD.

(2) THE INSTITUTION SHALL SEND THE FINANCIAL AID AWARD NOTIFICATION TO AN APPLICANT TO OFFER THE APPLICANT A GUARANTEED ACCESS GRANT AWARD.

(C) AN APPLICANT MAY ACCEPT THE OFFER OF A GUARANTEED ACCESS GRANT AWARD FROM AN INSTITUTION OF HIGHER EDUCATION.

1 **(D) (1) EACH SEMESTER, EACH INSTITUTION SHALL SUBMIT TO THE**
 2 **OFFICE A LIST OF THE STUDENTS WHO WERE AWARDED A GUARANTEED ACCESS**
 3 **GRANT FOR THE SEMESTER AND THE AMOUNTS AWARDED.**

4 **(2) THE OFFICE SHALL REIMBURSE EACH INSTITUTION FOR THE**
 5 **GUARANTEED ACCESS GRANT AWARDS ON THE LIST SUBMITTED IN ACCORDANCE**
 6 **WITH PARAGRAPH (1) OF THIS SUBSECTION.**

7 **(E) (1) (I) THE OFFICE SHALL COMPILE AND CERTIFY LISTS OF**
 8 **STUDENTS WHO PREVIOUSLY RECEIVED A GUARANTEED ACCESS GRANT AWARD**
 9 **AND ARE ELIGIBLE FOR A RENEWAL AWARD.**

10 **(II) THE OFFICE SHALL PROVIDE TO EACH INSTITUTION OF**
 11 **HIGHER EDUCATION IN THE STATE THE LISTS COMPILED AND CERTIFIED IN**
 12 **ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

13 **(2) (I) EACH INSTITUTION OF HIGHER EDUCATION SHALL USE THE**
 14 **LISTS PROVIDED BY THE OFFICE IN ACCORDANCE WITH PARAGRAPH (1) OF THIS**
 15 **SUBSECTION, AND THE REQUIREMENTS UNDER §§ 18-303 AND 18-304 OF THIS**
 16 **SUBTITLE, TO DETERMINE THE STUDENTS WHO SHALL BE OFFERED A GUARANTEED**
 17 **ACCESS GRANT RENEWAL AWARD BY THE INSTITUTION.**

18 **(II) THE INSTITUTION SHALL SEND THE FINANCIAL AID AWARD**
 19 **NOTIFICATION TO A STUDENT TO OFFER THE STUDENT A GUARANTEED ACCESS**
 20 **GRANT RENEWAL AWARD.**

21 **(3) THE OFFICE SHALL REIMBURSE EACH INSTITUTION FOR THE**
 22 **GUARANTEED ACCESS GRANT RENEWAL AWARDS MADE IN ACCORDANCE WITH**
 23 **PARAGRAPH (1) OF THIS SUBSECTION.**

24 **(F) THE OFFICE SHALL ADOPT REGULATIONS TO IMPLEMENT THIS**
 25 **SECTION.**

26 18-304.

27 (a) In this section, “academic year” means:

28 (1) The fall, spring, and summer semesters; and

29 (2) Any semester shorter in length than the term of a regular semester.

30 (b) (1) [Except as provided in § 18-307 of this subtitle, the Office] AN
 31 INSTITUTE OF HIGHER EDUCATION ~~THAT COMPLIES WITH § 18-303.3 OF THIS~~

1 ~~SUBTITLE~~ shall determine the amount of each [Delegate Howard P. Rawlings Educational
2 Excellence] **GUARANTEED ACCESS** Award based on the financial need of the applicant.

3 (2) In determining the amount of financial need, the [Office] **INSTITUTION**
4 **OF HIGHER EDUCATION** shall consider regional cost-of-living differences.

5 (3) In determining the percent of financial need used to calculate an award
6 for a community college student receiving a [Delegate Howard P. Rawlings Educational
7 Excellence] **GUARANTEED ACCESS** Award, the [Commission] **INSTITUTION OF HIGHER**
8 **EDUCATION** shall use [the following percentages:

9 (i) For fiscal year 2007, not less than 55%; and

10 (ii) For fiscal year 2008 and each fiscal year thereafter,] not less than
11 60%.

12 (c) (1) Except as provided in paragraphs (2) and (3) of this subsection, a
13 Delegate Howard P. Rawlings Educational Excellence Award may be awarded in \$100
14 increments.

15 (2) (i) The amount of an Educational Assistance Grant made to a
16 student in the student's first 2 academic years of enrollment may not be less than \$400 or
17 more than \$3,000.

18 (ii) Beginning in the third academic year of enrollment and for each
19 academic year thereafter:

20 1. If the student successfully completed at least 30 credits in
21 the prior academic year, the amount of an Educational Assistance Grant made to a student
22 may not be less than \$400 or more than \$3,000; or

23 2. If the student successfully completed at least 24 but less
24 than 30 credits in the prior academic year, the award amount shall be equal to the amount
25 the student would have otherwise received multiplied by the ratio of the number of credits
26 successfully completed divided by 30.

27 (3) (i) All applicants who fulfill the requirements established in §
28 18-303(a) and (b) of this subtitle shall receive a Guaranteed Access Grant.

29 (ii) Except as provided in subparagraph (iv) of this paragraph, the
30 amount of a Guaranteed Access Grant made to a student in the student's first 2 academic
31 years of enrollment shall be equal to 100 percent of the student's financial need as
32 determined by the [Office] **INSTITUTION OF HIGHER EDUCATION**, not to exceed the
33 equivalent annual expenses of a full-time resident undergraduate at the 4-year public
34 institution of higher education within the University System of Maryland, other than the

1 University of Maryland Global Campus and University of Maryland, Baltimore Campus,
2 with the highest annual expenses for a full-time resident undergraduate.

3 (iii) Except as provided in subparagraph (iv) of this paragraph,
4 beginning in the third academic year of enrollment and for each academic year thereafter:

5 1. If the student successfully completed at least 30 credits in
6 the prior academic year, the award amount shall be equal to 100 percent of the student's
7 financial need as determined by the [Office] INSTITUTION OF HIGHER EDUCATION, not
8 to exceed the equivalent annual expenses of a full-time resident undergraduate at the
9 4-year public institution of higher education within the University System of Maryland,
10 other than the University of Maryland Global Campus and University of Maryland,
11 Baltimore Campus, with the highest annual expenses for a full-time resident
12 undergraduate; or

13 2. If the student successfully completed at least 24 but less
14 than 30 credits in the prior academic year, the award amount shall be equal to 100 percent
15 multiplied by the ratio of the number of credits successfully completed divided by 30.

16 (iv) If a recipient of a Guaranteed Access Grant becomes ineligible
17 because of a change in family income, the recipient shall remain eligible for the full award
18 for the full award term applicable to the recipient under this subtitle if the recipient
19 remains eligible to receive a federal Pell Grant.

20 **(D) EACH INSTITUTION OF HIGHER EDUCATION SHALL INCLUDE IN ~~AN~~**
21 **~~AWARD LETTER~~ THE FINANCIAL AID AWARD NOTIFICATION TO A STUDENT THE**
22 **AVAILABILITY OF THE EDUCATIONAL ASSISTANCE AWARD ADMINISTERED BY THE**
23 **OFFICE, INCLUDING:**

24 **(1) A DESCRIPTION OF THE OFFICE AND THE EDUCATIONAL**
25 **ASSISTANCE AWARD;**

26 **(2) INFORMATION ON EDUCATIONAL ASSISTANCE AWARD**
27 **TIMELINES; AND**

28 **(3) A POINT OF CONTACT AT THE OFFICE FOR STUDENTS.**

29 **[(d)] (E)** Beginning in fiscal year 2024 and each fiscal year thereafter, the
30 Governor shall include in the annual budget bill an appropriation of at least \$112,000,000
31 for Delegate Howard P. Rawlings Educational Excellence Awards made under this subtitle.

32 18-307.

33 (a) **(1)** Except as provided in subsection ~~(d)~~ **(C)** of this section, the Office shall
34 compile and certify lists for the entire State that rank applicants by financial need **FOR**
35 **THE EDUCATIONAL ASSISTANCE AWARD.**

1 **(2) ~~AFTER AWARDS FROM INSTITUTIONS OF HIGHER EDUCATION~~**
2 **~~HAVE BEEN MADE AND ACCEPTED FOR THE GUARANTEED ACCESS GRANT, THE THE~~**
3 **OFFICE SHALL AWARD ELIGIBLE STUDENTS THE EDUCATIONAL ASSISTANCE**
4 **AWARD BASED ON FINANCIAL NEED FROM ANY REMAINING FUNDING FOR THE**
5 **DELEGATE HOWARD P. RAWLINGS EDUCATIONAL EXCELLENCE AWARDS.**

6 (b) All funds for annual initial grants **FOR THE EDUCATIONAL ASSISTANCE**
7 **AWARD** shall be awarded from the statewide list on the basis of greatest financial need.

8 (c) [(1) On or before April 15 each year, the Office shall send a notification to
9 each individual who applied for a Delegate Howard P. Rawlings Educational Excellence
10 Award indicating:

11 (i) Whether or not the student is a recipient of an award; and

12 (ii) If applicable, the amount awarded to the student.

13 (2) On or before May 1 of each year, the Office shall send each Senator and
14 each Delegate a list of individuals in each legislative district to whom Delegate Howard P.
15 Rawlings Educational Excellence Awards are awarded.

16 (d)] (1) (i) If State funds are available for this purpose, institutions of
17 higher education in the State may provide Delegate Howard P. Rawlings Educational
18 Excellence Awards to students who otherwise meet the requirements for receiving a
19 Delegate Howard P. Rawlings Educational Excellence Award but who apply after the
20 March 1 deadline or have other extenuating circumstances.

21 (ii) Each year the Commission shall transfer at least \$2 million of
22 the funds available under § 18–107(b) of this title for the purposes of this subsection.

23 (2) The Commission shall:

24 (i) Establish guidelines for the awarding of Delegate Howard P.
25 Rawlings Educational Excellence Awards by the institutions of higher education to the
26 students;

27 (ii) Adopt regulations necessary for the implementation of this
28 subsection.

29 (3) (i) The Commission shall allocate available funds to institutions of
30 higher education based on the proportion of State residents enrolled at each institution who
31 receive federal Pell Grants.

1 (ii) An institution of higher education that receives funds under this
2 paragraph shall provide the Commission with an annual audit describing the disposition
3 of the funds.

4 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
5 Assembly that:

6 (1) beginning in fiscal year 2026, the Governor shall include funding for
7 financial aid offices at public institutions of higher education to implement Section 2 of this
8 Act; and

9 (2) the Maryland Higher Education Commission shall work with the
10 Segmental Advisory Council and the Financial Assistance Advisory Council to establish
11 regulations to implement Section 2 of this Act, including award deadlines and procedures
12 for renewal awards.

13 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
14 effect July 1, 2025.

15 SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section
16 4 of this Act, this Act shall take effect July 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.