

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 886

(Senator Watson)

Education, Energy, and the Environment

Appropriations

**Higher Education - Edward T. Conroy Memorial Scholarship Program -
Surviving Spouses of Service Members**

This bill expands the circumstances under which surviving spouses of members of the U.S. Armed Forces are eligible to apply for the Edward T. Conroy Memorial Scholarship Program. Under the bill, a surviving spouse is eligible if the service member (1) died as a result of military service after December 7, 1941, or (2) was declared to be a prisoner of war or missing in action as a result of the Vietnam conflict. As under current law, a surviving spouse of a service member who suffered a service-connected 100% permanent disability continues to be eligible, regardless of the date of disability. An applicant must be a resident of Maryland at the time of application or the time of the disabling or fatal event. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: Although the number of additional awards cannot be reliably estimated, expanding eligibility increases general fund expenditures and Edward T. Conroy and Jean B. Cryor Scholarship Fund special fund revenues and expenditures by an estimated \$7,700 per award annually, as discussed below.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The Edward T. and Mary A. Conroy Memorial Scholarship Program makes awards to specified public safety personnel and their eligible dependents to attend an

eligible postsecondary institution in the State for five years of full-time study or eight years of part-time study. The Jean B. Cryor Memorial Scholarship Program makes the same type of financial assistance available to the child or surviving spouse of a public or nonpublic school employee who, as a result of an act of violence, died in the line of duty or is 100% disabled due to an injury sustained in the line of duty. There is an Edward T. Conroy and Jean B. Cryor Scholarship Fund.

Scholarships may be used at private or public four-year institutions, community colleges, or private career schools and they may be used for undergraduate or graduate study. Under current law, to apply for a Conroy or a Cryor scholarship, the following individuals are required to be a resident of Maryland at the time of application or the disabling or fatal event:

- the child of a member of the U.S. Armed Forces who, after December 7, 1941, died or suffered a service-connected 100% permanent disability;
- the surviving spouse of a member of the U.S. Armed Forces who suffered a service-connected 100% permanent disability;
- the child of a member of the U.S. Armed Forces who was declared to be a prisoner of war or missing in action as a result of the Vietnam conflict;
- an individual who was a prisoner of war as a result of the Vietnam conflict;
- a veteran who suffers a service-related disability of 25% or greater and has exhausted all federal veterans' educational benefits;
- the child or surviving spouse of a victim of the September 11, 2001 terrorist attacks; and
- the child or surviving spouse of a school employee who, as a result of violence, died in the line of duty or suffered a 100% permanent disability in the line of duty.

Individuals who are not required to be a resident of Maryland at the time of application or the disabling or fatal events under current law include (1) the child or surviving spouse of any State or local public safety officer killed in the line of duty; (2) a disabled public safety employee; or (3) the child or surviving spouse of a disabled public safety employee who sustains an injury in the line of duty that renders the public safety employee 100% disabled.

To be eligible, an applicant also must be accepted for admission or enrolled in the regular undergraduate, graduate, or professional program at an eligible institution or be enrolled in a two-year terminal certificate program in which the course work is acceptable for transfer credit for an accredited baccalaureate program.

Postsecondary institutions include public, private nonprofit, and for-profit institutions of higher education, as well as private career schools. Prior to Chapter 23 of 2022, which specified the eligibility of private career schools in statute, private career schools were not

necessarily considered eligible institutions due to other parameters of the scholarship programs. Postsecondary institutions verify eligibility and award the scholarships to eligible students. In October and February of each year, each postsecondary institution reports to the Maryland Higher Education Commission (MHEC) the number of students eligible for a Conroy or a Cryor scholarship. After verifying the number of eligible students for both programs, MHEC allocates the funds for awards to the postsecondary institutions. If funds cannot be allocated in the fiscal year in which awards are made, priority must be given to allocating funds for those awards in the following fiscal year.

Awards are subject to both a ceiling and a floor. They may not exceed the equivalent annual tuition and mandatory fees of a full-time undergraduate Maryland resident at a four-year institution within the University System of Maryland (USM) – other than the University of Maryland, Baltimore Campus (UMB) and the University of Maryland Global Campus (UMGC) – with the highest annual expenses for a full-time resident undergraduate. They may not be less than either \$3,000 or the equivalent annual tuition and mandatory fees of a resident of the institution attended by the recipient of the scholarship, whichever is the least. Chapter 23 also mandates at least \$4.0 million in funding for the Edward T. Conroy and Jean B. Cryor Scholarship Fund beginning in fiscal 2024.

State Expenditures: Expanding eligibility for the Edward T. Conroy Memorial Scholarship Program is expected to increase the number of annual award recipients, potentially meaningfully, primarily due to the inclusion of a surviving spouse of a service member who died as a result of military service after December 7, 1941. The exact number of eligible individuals is unknown, but according to U.S. Department of Defense [data](#), between 800 and 2,500 active-duty service members have died each year between 1980 and 2021. The number of surviving spouses of service members who were declared a prisoner of war or missing in action as a result of the Vietnam Conflict who will apply for the scholarship is assumed to be minimal, given their likely ages.

Expanding eligibility increases expenditures by an estimated \$7,700 per award annually, based on current scholarships. However, each scholarship award may be up to the tuition and mandatory fees of a full-time undergraduate Maryland resident at the four-year public institution with the highest annual expenses for a full-time resident undergraduate within USM, other than UMB and UMGC. As noted above, Chapter 23 mandates at least \$4.0 million for the Edward T. Conroy and Jean B. Cryor Scholarship Fund beginning in fiscal 2024; however, funding still must be allocated based on the number of eligible individuals and could exceed \$4.0 million in future years.

In fiscal 2022, the annual appropriation to the program was \$2.4 million. Due to demand for the program, the annual appropriation was not sufficient to cover all eligible recipients, and approximately \$1.1 million was transferred from the Need-Based Student Financial Assistance Fund to cover all eligible recipients. In fiscal 2022, MHEC awarded

454 scholarships with an average award amount of approximately \$7,700. As required, the fiscal 2024 budget, as introduced, includes an appropriation of \$4.0 million to the Edward T. Conroy and Jean B. Cryor Scholarship Fund.

MHEC advises that, in the current academic year (2022-2023 or fiscal 2023), a total of more than \$3.3 million was invoiced for summer/fall 2022 semesters, which created a deficit amount for the fall 2022 semester and left no funds available for winter/spring 2023 semesters. Despite a higher funding level in fiscal 2024 and beyond, it is likely that the appropriation will be fully exhausted by individuals currently eligible for scholarships. Accordingly, expanding eligibility likely causes the program to exceed the \$4.0 million annual mandated appropriation; thus, general fund expenditures likely increase by \$7,700 per award annually. Awards must be made to all eligible students for both programs. After verifying the number of eligible students for both programs, MHEC allocates the funds for awards to the postsecondary institutions. If funds cannot be allocated in the fiscal year in which awards are made, priority must be given to allocating funds for those awards in the following fiscal year.

MHEC must update existing regulations to reflect the bill's changes but can do so with existing resources. Further, MHEC's Office of Student Financial Assistance may experience additional workload associated with increased inquiries relating to the program changes, which can be handled with existing staff.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 629 (Delegate Crosby, *et al.*) - Appropriations.

Information Source(s): Maryland Higher Education Commission; University System of Maryland; Morgan State University; Department of Legislative Services

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