

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
Third Reader

Senate Bill 967 (Senator Zucker, *et al.*)

Education, Energy, and the Environment

Appropriations

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Higher Education - Part-Time Senatorial and Delegate Scholarships - Alterations

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This bill authorizes the Maryland Higher Education Commission (MHEC) to waive the minimum semester hour requirements (*i.e.*, six semester hours) for part-time senatorial or delegate scholarships on request of an applicant with a documented disability. **The bill takes effect July 1, 2024.**

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Fiscal Summary

**State Effect:** MHEC can waive semester hour requirements on request, as specified in the bill, with existing resources. Authorizing recipients to enroll in fewer semester hours does not alter overall spending on senatorial or delegate scholarships. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:**

*Senatorial Scholarships*

Until June 30, 2019, each senator could award \$138,000 in scholarship funds each year. Beginning on July 1, 2019, that amount grows by the increase in tuition and mandatory fees over the previous year at the University System of Maryland (USM) institution with the highest annual expenses for a full-time resident undergraduate student other than the

University of Maryland Global Campus (UMGC) and the University of Maryland, Baltimore Campus (UMB).

To qualify for an award, an individual must be eligible for in-state tuition, be domiciled in the legislative district from which the applicant seeks an award, and demonstrate a definite financial need. Each senator must consider an applicant's financial need. Applicants must be accepted for admission 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 in an eligible institution. In certain situations, an individual may need to take a competitive examination administered by the MHEC Office of Student Financial Assistance (OSFA) to qualify for an award. An award under the program may not be less than \$400 and may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMGC and UMB.

Except under certain circumstances, a scholarship may be held for up to four years of full-time study or eight years of part-time study. Full-time scholarship recipients may hold the scholarship for up to four years of full-time study provided the student continues to be eligible for in-state tuition and takes at least 12 semester hours of courses as an undergraduate or 9 semester hours of courses as a graduate student each semester leading to a degree. Part-time scholarship recipients may hold the scholarship, appropriately prorated, for up to eight years of part-time study if the recipient continues to be eligible for in-state tuition and takes at least six semester hours of courses each semester leading to a degree.

#### *Senatorial Scholarships – Eligible Institutions*

A senatorial scholarship may be used at any undergraduate, graduate, or professional school in the State or at select in-state private career schools that offer two-year certificate programs that can transfer to a baccalaureate degree, including (1) at a degree-granting institution of higher education, if the curriculum is approved by MHEC; (2) at a hospital diploma school for training registered nurses; or (3) to attend as a full-time student a private postsecondary proprietary institution that is accredited by a national accrediting association approved by the U.S. Department of Education.

Each senator may award at most 10% of scholarship funds to applicants planning to attend accredited undergraduate, graduate, or professional institutions outside of the State. Those students must be studying an academic area that is not offered in a program that is accredited by a national accrediting association approved by the U.S. Department of Education in any institution in the State or be a person with a hearing impairment who will be studying at an institution outside the State that makes special provisions for persons with a hearing impairment. A senatorial scholarship may also be used at an out-of-state

institution of higher education if the applicant is an individual who is on active duty with the U.S. military and domiciled in the State.

### *Delegate Scholarships*

During a term in office, each delegate may award the equivalent of four four-year, full-time scholarships or two part-time scholarships for each full-time scholarship available. A part-time scholarship may not be for more than twice as many years as a full-time scholarship. Each recipient of a part-time scholarship must carry at least six semester hours of courses each semester in a program leading to a degree.

A delegate may select scholarship recipients on any basis he or she considers appropriate. The annual amount of a scholarship for any one recipient may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMGC and UMB. A scholarship award may be used to pay tuition and mandatory fees at a Maryland institution of postsecondary education or, when the desired program of study or appropriate accommodations are not available in Maryland, an out-of-state institution. Instead of awarding the scholarships himself or herself, a delegate may authorize MHEC to award funding to eligible applicants under the Delegate Howard P. Rawlings Educational Excellence Awards program.

### *Delegate Scholarships – Eligible Institutions*

A delegate scholarship may be used at a public or private nonprofit institution of higher education in the State that possesses a certificate of approval from MHEC or, an accredited undergraduate, graduate, or professional institution outside the State under certain circumstances. To use a scholarship at an institution outside the State, an individual must either (1) be studying an academic area that is not offered in a program that is accredited by a national accrediting association approved by the U.S. Department of Education in any institution in the State; (2) be disabled and studying at an institution outside the State that makes special provisions for disabled students that are not available to the applicant at an institution in the State; or (3) be on active duty with the U.S. military and domiciled in the State. The scholarship may also be used at a private career school within the State that is approved by MHEC and that is accredited by a national accrediting association that is approved by the U.S. Department of Education. A recipient of a delegate scholarship who is currently enrolled, or was enrolled within the last two years, in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure may use the scholarship to reimburse specified educational expenses, including tuition, mandatory fees, and room and board.

**State Expenditures:** MHEC advises that the agency already has an appeal and waiver process in place for scholarships that could be used to implement the waivers specified by

the bill. Additionally, the Maryland College Aid Processing System already has the functionality to waive or override requirements.

For senatorial scholarships, the bill does not alter the total dollar amount a senator may award each year. For delegate scholarships, the bill similarly does not alter the overall number of scholarships a delegate may award during a term in office. Therefore, allowing recipients to enroll in fewer semester hours likely has no direct effect on senatorial or delegate scholarship spending.

**Additional Comments:** Waiving the semester hour requirements for part-time senatorial or delegate scholarship recipients does not change other existing requirements in current law. For example, under the bill, a part-time senatorial scholarship recipient is still limited to eight years of part-time study. In addition, under the bill, a delegate may still only award two part-time scholarships for each full-time scholarship available.

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### **Additional Information**

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

**Designated Cross File:** HB 901 (Delegate Wolek, *et al.*) - Appropriations.

**Information Source(s):** Maryland Higher Education Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2024  
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Analysis by: Michael E. Sousane

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510