

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 690 (Senators Bailey and Smith)  
Education, Energy, and the Environment

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Higher Education - Scholarships for Correctional Officers

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This bill expands eligibility for the Maryland Police Officers and Probation Agents Scholarship Program to include correctional officers and renames the program accordingly. Correctional officers are subject to the same eligibility requirements and service obligation requirements established under current law for police officers and probation agents. **The bill takes effect July 1, 2025.**

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Fiscal Summary

**State Effect:** Expanding *eligibility* for the Maryland Police Officers and Probation Agents Scholarship has no effect on spending. Maryland Higher Education Commission (MHEC) general fund expenditures increase by \$6,000 in FY 2026 for system enhancements to the Maryland College Aid Processing System (MDCAPS). Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** Chapter 59 of 2021, the Maryland Police Accountability Act of 2021, established the Maryland Police Officers Scholarship Program, which was subsequently expanded (and renamed) by Chapter 100 of 2023 to include probation agents. The Maryland Police Officers and Probation Agents Scholarship Program provides tuition assistance for students (1) attending a degree program at an “eligible institution” that would further their intent to be a police officer or probation agent after graduation or (2) who are currently police officers or probation agents attending a degree program at an “eligible

institution” that would further their career. The Office of Student Financial Assistance (OSFA) in MHEC must (1) publicize the availability of the scholarship; (2) annually select eligible students and offer a scholarship to each student selected to be used at an eligible institution of the student’s choice; and (3) to the extent practicable, award scholarships under the program in a manner that reflects ethnic, gender, racial, and geographic diversity.

A recipient of a scholarship must (1) be a Maryland resident or have graduated from a Maryland high school; (2) be accepted for admission or currently enrolled at an eligible institution as a full-time or part-time undergraduate or graduate student, as specified; (3) sign a letter of intent to perform the service obligation on completion of the recipient’s required studies; and (4) satisfy any additional criteria MHEC may establish. A current police officer or probation agent that meets the eligibility criteria is also eligible for a scholarship. A recipient of a scholarship must repay MHEC the funds received if the recipient does not (1) satisfy the degree requirements of the course of study or program or fulfill other specified requirements or (2) perform the service obligation to work as a police officer or probation agent for at least five years during the eight-year period after graduation.

The annual scholarship award must be 50% of the equivalent annual tuition and mandatory fees of a resident undergraduate student at the eligible institution. The Governor must annually include in the budget bill an appropriation of at least \$5.0 million to MHEC to award scholarships, and MHEC must use (1) \$2.5 million for scholarships to students intending to become police officers or probation agents after graduation and (2) \$2.5 million for scholarships to existing police officers or probation agents to attend an eligible institution and remain a police officer or probation agent after graduation.

For the Maryland Police Officers and Probation Agents Scholarship Program, “eligible institution” means a public senior (four-year) higher education institution or community college in the State.

Chapter 59 also established the Maryland Loan Assistance Repayment Program for Police Officers to assist in the repayment of a higher education loan owed by a police officer who meets specified requirements. Chapter 100 expanded the program to also include probation agents and renamed the program accordingly. OSFA must distribute funds from the program to assist in the repayment of a “higher education loan” owed by a police officer or probation agent who (1) receives a graduate, professional, or undergraduate degree from a public college or university in the State; (2) obtains “eligible employment”; and (3) satisfies any other criteria established by the office. The Governor must include an annual appropriation of at least \$5.0 million in the State budget for the program.

**State Expenditures:** Expanding eligibility does not necessarily require additional spending; however, to make additional awards, an estimated \$3,500 per award is necessary.

In fiscal 2024, 34 awards totaling \$118,519 were made under the Maryland Police Officers and Probation Agents Scholarship. Thus, average awards were approximately \$3,500 per individual.

The fiscal 2026 budget as introduced includes \$5.0 million in funding for the Maryland Police Officers and Probation Agents Scholarship. Originally, \$5.0 million was allocated for the scholarship program in fiscal 2025; however, the Board of Public Works approved a \$1.1 million reduction for cost containment at its July 17, 2024 meeting. The fiscal 2026 budget as introduced also includes a \$3.7 million reduction to the fiscal 2025 appropriation. In total, these changes lower the fiscal 2025 appropriation to \$200,000. The program received \$5.0 million in fiscal 2024.

The additional number of scholarships under the bill cannot be reliably estimated at this time. However, given the small number of awards made to police officers and probation agents under the existing program, the effect of adding correctional officers to the program is likely minimal. Nevertheless, to the extent existing appropriations are insufficient to cover the cost of additional awards to correctional officers, individuals can be added to the Maryland Police Officers and Probation Agents Scholarship waiting list with no additional resources.

MHEC advises that enhancing MDCAPS to include correctional officers under the Maryland Police Officers and Probation Agents Scholarship requires approximately \$6,000 in one-time costs in fiscal 2026.

**Additional Comments:** The Budget Reconciliation and Finance Act ((BRFA), Senate Bill 321 and House Bill 352) of 2025 proposes to reduce the two \$5.0 million mandated appropriations for the Maryland Police Officer and Probation Agents Scholarship Program and Loan Assistance Repayment Program to \$200,000 in mandated appropriations for each program annually beginning in fiscal 2026.

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### **Additional Information**

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

**Designated Cross File:** None.

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

**Fiscal Note History:** First Reader - February 26, 2025  
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