

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 643
Appropriations

(Delegate Guyton, *et al.*)

Higher Education - Janet L. Hoffman Loan Assistance Repayment Program -
Eligibility

This bill expands eligibility for the Nancy Grasmick Public School Professional Award within the Janet L. Hoffman Loan Assistance Repayment Program (LARP) to include veterinary practitioners and veterinary technicians who received a graduate, professional, or undergraduate degree from any accredited veterinary college or university. Veterinary practitioners and technicians must also have provided veterinary services (or veterinary technician services) as an employee in the State for a period not less than five years or as a volunteer for a minimum of 100 hours per year for a period not less than three years at an animal shelter that is owned by (1) a local government; (2) an organization contracted to perform animal control services for a local government; or (3) an organization that shelters animals and was a recipient of the Maryland Spay and Neuter Grants Program during the prior year. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: Expanding *eligibility* for the Nancy Grasmick Public School Professional Award does not require additional spending, as discussed below. Maryland Higher Education Commission (MHEC) expenditures increase minimally for software upgrades and to alter program publicity as discussed below. Revenues are not affected.

Local Effect: None. However, the bill may encourage additional veterinarians and veterinary technicians to work or volunteer in local shelters.

Small Business Effect: None.

Analysis

Current Law:

Loan Assistance Repayment Program – Generally

The LARPs operated by the State of Maryland provide loan repayment assistance in exchange for specific service commitments – mostly to ensure underserved areas and populations in the State have access to essential professionals. These programs include the Janet L. Hoffman LARP, Maryland Dent-Care LARP, Maryland LARP for Physicians and Physician Assistants, Maryland LARP for Nurses and Nursing Support Staff, and Maryland LARP for Police Officers and Probation Agents. There is also a program for farmers that has not received funding.

Individuals must have received a graduate, professional, or undergraduate degree from a college or university in the State or a school of law or have received a Resident Teacher Certificate from the Maryland State Department of Education (MSDE) after completing an approved alternative teaching preparation program. Except for the Maryland LARP for Police Officers and Probation Agents and the Maryland LARP for Farmers, they must also be employed in State or local government or in a nonprofit organization. For the Janet L. Hoffman LARP, the Maryland Dent-Care LARP, and the Maryland LARP for Physicians and Physician Assistants, employment must also assist low-income, underserved residents or underserved areas in the State. For the Maryland LARP for Police Officers and Probation Agents, individuals must obtain employment as a police officer or probation agent in the State for at least two years. For the Maryland LARP for Farmers, individuals must have been a farmer for at least 5 years, but not more than 10 years since obtaining the degree.

The State's LARP for Foster Care Recipients provides loan assistance repayment that is not based on any specific professional designation. Instead, the program assists in the repayment of higher education loans owed by foster care recipients with the goal of increasing higher education access.

Janet L. Hoffman Loan Assistance Repayment Program

The Janet L. Hoffman LARP is administered by the Office of Student Financial Assistance to assist in the repayment of any higher education loan owed by an individual who:

- *either* (1) receives a graduate, professional, or undergraduate degree from a college or university in the State, a law school, or, for mental health professionals only, any accredited college or university *or* (2) receives a Resident Teacher Certificate from MSDE after completing an approved alternative teaching preparation program;

- obtains eligible employment;
- receives an income less than the maximum eligible total income levels established by the office, including any additional sources of income; and
- satisfies any other criteria established.

Eligible employment fields include lawyers, degree- or diploma-holding registered nurses, licensed clinical therapists, physical and occupational therapists, social workers, speech pathologists, teachers, and specified school health professionals. A licensed clinical alcohol and drug counselor, a licensed clinical marriage and family therapy counselor, or a licensed clinical professional counselor whose practice is located in a high-need geographic area of the State as determined by the Maryland Department of Health may receive assistance under the program.

For the Janet L. Hoffman LARP, awards are determined by an applicant's overall reported educational debt at the time of application. Award funds are distributed annually over a three-year period as long as the recipient remains eligible and continues to submit the required annual employment, lender, and tax documentation by the deadline.

Nancy Grasmick Public School Professional Award

Chapter 496 of 2012 established the Nancy Grasmick Teacher Award within Janet L. Hoffman LARP for Maryland. Chapter 627 of 2023 expanded eligibility to include mental health professionals (including school psychologists, resource psychologists, psychologist coordinators, social workers, social worker supervisors, school counselors, or mental health coordinators) and renamed the program the Nancy Grasmick Public School Professional Award. Chapters 250 and 251 of 2024 further expanded the program to include public school nurses.

Accordingly, the award is available to public school teachers, mental health professionals, and school nurses who have provided services in Maryland public schools for at least two years, either by teaching, offering mental health services, or serving as a school nurse. For teachers, this service must include teaching in (1) science, technology, engineering, or mathematics subjects or (2) a school in which at least 75% of the students are enrolled in the free and reduced-price meal program. For mental health professionals, this may include time as an employee of either a local school system or a local health department through an agreement with a local board of education. Eligible school nurses include those who (1) have two years of experience in providing health services in a public school and (2) are employed by a local school system or local health department to provide health services through an agreement with a local board of education. A teacher must also have received a performance evaluation rating for the most recent year available. Eligible loans for repayment include the loans of an individual who (1) receives a graduate, professional, or undergraduate degree from a college or university in the State or a school of law; (2) for

mental health professionals only, receives a graduate, professional, or undergraduate degree from any accredited college or university; or (3) receives a resident teacher certificate from MSDE after completing an alternative teaching preparation program approved by the State Superintendent of Schools.

Spay and Neuter Grants Program

Chapters 561 and 562 of 2013 established and Chapter 92 of 2022 subsequently extended the Spay/Neuter Fund through September 30, 2032. The fund has the purpose of reducing animal shelter overpopulation and cat and dog euthanasia rates by financing grants to local governments and animal welfare organizations for programs that most efficiently facilitate and promote the provision of spay and neuter services for cats and dogs in the State. The fund receives revenue from a fee imposed on each registered brand name or product name of dog or cat food. The current fee, which will remain in effect until the fund's termination date, is \$100. Fees are paid by the person registering the pet food, in accordance with Maryland Department of Agriculture guidelines.

State Expenditures: Expanding eligibility does not necessarily require additional spending; however, to make additional awards, an estimated \$5,800 per award is necessary. In fiscal 2024, 85 awards totaling \$493,500 were made under the Janet L. Hoffman LARP. Thus, average awards were approximately \$5,800 per individual.

The fiscal 2026 budget as introduced includes approximately \$4.1 million in funding for the program. In fiscal 2025, the program received \$7.1 million and in fiscal 2024, the program received \$6.4 million. Any additional grants made beginning in fiscal 2026 may increase expenditures by approximately \$5,800 per individual to the extent existing appropriated funds are insufficient to cover additional awards. Otherwise, individuals can be added to the Janet L. Hoffman LARP waiting list with no additional resources.

MHEC advises enhancing the existing Maryland College Aid Processing System (MDCAPS) to include veterinarians under the Nancy Grasmick Public School Professional Award requires approximately \$8,000 in one-time costs in fiscal 2026 to enhance MDCAPS.

Additional Comments: As drafted, the bill expands the Nancy Gramick *Public School Professional Award* to include a profession entirely outside the realm of public education. Absent an amendment to change the statutory definition of the Grasmick Public School Professional Award or instead add veterinarians to the larger umbrella Janet L. Hoffman LARP, veterinary recipients of a Janet L. Hoffman LARP must be known as a Nancy Grasmick Public School Professional Scholar. This analysis assumes that the distinction between allowing specified veterinarians to receive a Nancy Grasmick Public School Professional Award instead of a Janet L. Hoffman LARP award, while at odds with

terminology used in statute, has no fiscally meaningful bearing on the effect of the bill. The Nancy Grasmick Public School Professional Award is a subset of awards under the Janet L. Hoffman LARP, and both awards are subject to maximum funding as provided on an annual basis in the State budget.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 900 and HB 1398 of 2024.

Designated Cross File: SB 318 (Senators Lewis Young and Corderman) - Education, Energy, and the Environment.

Information Source(s): Maryland Higher Education Commission; Maryland Department of Agriculture; University System of Maryland; Maryland Association of Counties; Maryland Municipal League; Baltimore, Charles, and Garrett counties; City of Laurel; Town of La Plata; Department of Legislative Services

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