

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 704
Appropriations

(Delegate Wivell, *et al.*)

Education, Energy, and the Environment

Higher Education - Maryland Graduate and Professional Scholarship Program -
Eligible Institutions

This bill expands eligibility for the Maryland Graduate and Professional Scholarship Program to include individuals attending the Meritus School of Osteopathic Medicine. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: Expanding eligibility for the Maryland Graduate and Professional Scholarship does not necessitate additional spending, as discussed below. The Maryland Higher Education Commission (MHEC) can make needed administrative changes with existing resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A recipient of a graduate and professional scholarship must be a Maryland resident, demonstrate a financial need, and attend one of several specified graduate and professional schools. Scholarships range from \$1,000 to \$5,000 per school year and may not be received for more than eight semesters.

MHEC must allocate funds from the Graduate and Professional Scholarship Program to institutions of higher education based on the proportion of State residents enrolled in

eligible programs at each institution. Institutions then distribute the scholarship funds to eligible students.

State Expenditures: Funding for the Graduate and Professional Scholarship Program is as provided in the annual State budget. Therefore, expanding *eligibility* does not necessitate additional spending. The fiscal 2026 budget as passed by the General Assembly includes \$1.2 million in funding for the program. In fiscal 2024, the program made \$336,000 in awards to 289 applicants. MHEC advises that, since funding is allocated to each institution of higher education based on the proportion of State residents enrolled in eligible programs, adding another institution without additional funding will result in decreased funding allocations among currently eligible institutions.

Additional Information

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

Designated Cross File: SB 597 (Senators Corderman and McKay) - Education, Energy, and the Environment.

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

Fiscal Note History: First Reader - February 7, 2025
km/clb Third Reader - March 7, 2025
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