

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 789 (Senator M. Washington)
 Education, Energy, and the Environment

Higher Education - Hunger-Free Campus Grant Program - Alterations

This bill expands eligibility for “hunger-free campus” designation by the Maryland Higher Education Commission (MHEC) to *private* institutions of higher education. However, these private institutions are prohibited from being eligible to receive grant funding under the Hunger-Free Campus Grant Program. Further, the bill increases the amount the Governor must include in the annual budget bill for the Hunger-Free Campus Grant Program to \$250,000 (rather than \$150,000) beginning in fiscal 2027. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: No effect in FY 2026. General fund expenditures increase by \$100,000 annually beginning in FY 2027. Likewise, beginning in FY 2027, to the extent eligible institutions choose to apply for and receive new or additional grants, higher education revenues and expenditures increase correspondingly. **This bill increases a mandated appropriation beginning in FY 2027.**

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Higher Ed Rev.	\$0	-	-	-	-
GF Expenditure	\$0	\$100,000	\$100,000	\$100,000	\$100,000
Higher Ed Exp.	\$0	-	-	-	-
Net Effect	\$0	(\$-)	(\$-)	(\$-)	(\$-)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: To the extent eligible local community colleges choose to apply for and receive new or additional grants, local community college revenues and expenditures increase correspondingly beginning in FY 2027.

Small Business Effect: None.

Analysis

Current Law: Chapters 579 and 580 of 2021 established the Hunger-Free Campus Grant Program for public institutions of higher education administered by MHEC. MHEC must allocate grant funding to any public institution or regional higher education center (RHEC) that pledges a matching contribution to be used to implement the goals of the program and is designated as a hunger-free campus, according to the standards set in statute. The Governor must include \$150,000 annually in the budget for the program. MHEC must incorporate a plan for addressing any basic needs insecurity of higher education students into the 2026-2030 State Plan for Higher Education.

The purpose of the program is to:

- address student hunger;
- leverage more sustainable solutions to address basic food needs on campus;
- raise awareness of services currently offered on campus that address basic food needs; and
- build strategic partnerships at the local, State, and national levels to address food insecurity among students.

Public Two-Year Institutions – Qualifications

MHEC must designate as a hunger-free campus any public two-year campus that:

- establishes a hunger task force that meets specified qualifications;
- designates a staff member responsible for assisting students in enrolling in the Supplemental Nutrition Assistance Program (SNAP) or connecting students with available outreach partners that can assist students in enrolling in the program;
- designates a staff member responsible for informing students participating in federal work-study programs that they are eligible for SNAP;
- participates in an awareness day campaign activity and plans at least one campus awareness event during the National Hunger and Homelessness Awareness Week;
- provides at least one food pantry on campus, or enables students in need to receive food through a separate, stigma-free arrangement;
- conducts a standardized annual student survey on hunger and submits the results to MHEC; and
- submits an annual report detailing its efforts to address student hunger to MHEC.

Public Four-Year Institutions and Regional Higher Education Centers – Qualifications

In addition to the requirements for public two-year institutions, to qualify as a hunger-free campus, a public four-year institution or RHEC must (1) provide options for students to utilize SNAP benefits at campus retailers or provide students with information on the names and locations of off-campus retailers that accept the benefits and (2) develop and maintain a meal-sharing program that allows students to donate their unused meal plan credits to be distributed to students in need for use in campus dining halls or at an on-campus food pantry, if applicable. MHEC must designate as a hunger-free campus any public four-year campus or RHEC that meets all of the requirements.

Meal-sharing Program at Public Four-Year Institutions

Each public four-year institution of higher education may develop its own procedures for a meal-sharing program. Institutions must make specified information about the meal-sharing program publicly available.

Maryland Higher Education Commission

MHEC must determine the amount of each grant issued under the Hunger-Free Campus Grant Program and adopt regulations necessary to implement the statutory requirements. The regulations must allow grant recipients to use grant funds flexibly to implement the goals of the program, including giving recipients the ability to (1) support emergency assistance; (2) hire staff to manage initiatives related to the program; and (3) use grant funds for operational activities related to the program.

Current Grant Program Guidelines

According to MHEC guidelines for the existing Hunger-Free Campus Grant Program, MHEC awards grant funding to any Maryland public institution of higher education or RHEC that has been designated as a hunger-free campus and pledges a 25% matching contribution (which may be in-kind or matching funds) to be used to implement the goals of the program.

Regional Higher Education Centers

An RHEC is a facility at which at least two institutions of higher education offer classes, consisting of a variety of program offerings and multiple degree levels. RHECs are designed to ensure access to higher education in underserved areas of the State. They provide baccalaureate and graduate programs in places where students do not have access to higher education due to geographical distance, commute time, or the limited capacity of local four-year institutions.

State/Local Fiscal Effect: Beginning in fiscal 2027, general fund expenditures increase by \$100,000 annually, which accounts for the current annual mandated appropriation of \$150,000. More public institutions (*i.e.*, public four-year institutions, Baltimore City Community College, and local community colleges) or RHECs may choose to meet the requirements of current law to be designated as hunger-free campuses, given the greater amount of funding available under the grant program. Likewise, those that already participate may receive larger grant awards. Although the matching contribution amount is not specified in statute, as MHEC guidelines require a 25% matching contribution, any institutions that participate in the program must still provide the requisite match.

Regardless, the amount of funding received by each institution, RHEC, or community college depends on the number that qualify as hunger-free campuses and how MHEC decides to distribute the grants. *For illustrative purposes only*, if all 13 traditional public four-year institutions, 7 RHECs, and all 16 community colleges were to qualify and the additional funding under the bill were to be distributed equally, each campus could receive an additional \$2,777 annually and would have to provide almost \$700 as a matching contribution. This illustrative estimate excludes current mandated funding.

Additional Comments: Under the bill, private institutions of higher education may be designated as a “hunger-free campus” by MHEC; however, these private institutions are prohibited from being eligible to receive grant funding under the Hunger-Free Campus Grant Program.

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; Maryland Independent College and University Association; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2025
caw/ljm

Analysis by: Caroline L. Boice

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