

Department of Legislative Services
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FISCAL AND POLICY NOTE
First Reader

Senate Bill 899 (Senator Augustine)
Education, Energy, and the Environment

Education - High School Class Rankings and Guaranteed Admissions to Public Senior Institutions of Higher Education

This bill establishes, beginning in the 2026-2027 academic year, that students meeting specified criteria qualify for guaranteed admission to a public four-year higher education institution. Even so, to be eligible, students must complete prerequisite courses, apply by the institution's deadline, and indicate their qualification. They must also rank in the top 10% of their class, be a National Merit Scholarship finalist (or equivalent), or, if homeschooled, score in at least the 90th percentile on a nationally accepted entrance exam. Guaranteed admission to the University of Maryland, College Park Campus (UMCP) has stricter criteria as students must apply sooner and rank in the top 5% of their class or score in at least the 98th percentile on a nationally accepted entrance. Each student who applies to multiple institutions must designate one institution as their choice for guaranteed admission. Institutions may verify information and revoke offers for specified reasons. Public and nonpublic high schools must rank students in the top 5% and 10%, beginning with the 2025-2026 grade 12 cohort. The bill does not guarantee placement in a specific program or college. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: Likely minimal fiscal effect on public institutions of higher education as they may develop admissions policies that meet the bill's requirements of the bill while minimizing the impact. However, a significant effect on higher education revenues and expenditures is possible if there is a significant increase or decrease in Maryland students enrolling at any public four-year institution, as explained below. It is assumed that Baltimore City Community College's enrollment is not materially affected.

Local Effect: For most local school systems, expenditures are likely to be minimal and absorbable. However, some school systems may incur meaningful one-time programming

costs in FY 2026 to develop or modify data systems that calculate the top 5% and 10% of students and to mark this information on student transcripts. It is assumed that local community college enrollment and revenues are not materially affected.

Small Business Effect: None.

Analysis

Bill Summary:

Class Rank Method

High school classes with at least 15 students must rank students based solely on cumulative GPA at the end of grade 11. Rankings must identify the top 5% and 10% of students. For classes with fewer than 20 students, only the highest-ranked student is designated in the top 5%, and the second highest-ranked student is designated in the top 10%.

High schools must notify students who rank in the top 10% of their class upon completion of the ranking process. A student's top 5% or 10% ranking must be recorded on their high school transcript and used to determine eligibility for guaranteed admission to a public four-year higher education institution.

The percentage designations for high school class rankings are solely for determining eligibility for guaranteed admissions to a public four-year higher education institution. Local boards of education and high schools may use alternative methods to calculate top 5% and 10% rankings for other purposes.

Institutions of Higher Education

Each public four-year institution of higher education must establish a process for accepting eligible high school students who apply for admission to the institution under a guaranteed admission policy in accordance with the bill.

Current Law: "Constituent institutions" means the following public four-year institutions: (1) University of Maryland, which is a strategic partnership between two distinct campuses within the University System of Maryland (USM), the University of Maryland, Baltimore Campus (UMB) and UMCP; (2) University of Maryland Baltimore County; (3) University of Maryland Eastern Shore; (4) University of Maryland, Global Campus; (5) Bowie State University; (6) Coppin State University; (7) Frostburg State University; (8) Salisbury University; (9) Towson University; and (10) University of Baltimore (UBalt).

Admissions Requirements

There are no laws in Maryland directly related to what an institution may consider for admissions standards. However, according to the Maryland Fair Access to Education Act of 2017 (Chapter 2 of 2018), an institution of higher education that receives State funds is generally prohibited from using an undergraduate admissions application that contains questions about the criminal history of the applicant.

According to USM [Policy III-4.00 – Policy on Undergraduate Admissions](#), admission to the constituent institutions of USM must be determined without unlawful discrimination based on race, color, religion, national origin, gender identity and expression, age, sex, sexual orientation, disability, marital status, genetic information, veteran’s status, or other legally protected characteristic. The undergraduate student population of USM institutions should draw from all areas of the State and reflect the diversity of the State’s population. The policy sets forth the minimum criteria for admission to a USM institution. Each institution must publish its own decision criteria, which may be more rigorous than the minimum criteria and must be consistent with State and federal laws.

In general, according to the policy, which was last updated June 2022, the minimum qualifications for regular admission to a USM institution are (1) a high school diploma or its equivalent; (2) a high school GPA of a C or better; (3) a score on the SAT or ACT, if required by the institution, or the institution may be test optional; and (4) achievement at the appropriate level of competencies in the core content associated with specified courses. A grade of a C or better in required courses normally demonstrates the minimum level of preparation for college-level work.

Each institution may admit, up to a maximum of 15% of its entering freshman class, students who do not meet the minimum qualifications outlined in the policy but who show potential for success in postsecondary education. Each institution must develop written guidelines concerning individual admission. For those instances in which applicants have not completed all required courses for admission, each institution must establish a method of assessment by which a student can demonstrate competence, equivalent to having passed a required high school course, to qualify for admission.

State Fiscal Effect: Although higher education revenues and expenditures may be affected, potentially significantly, as explained below, it is assumed that institutions implement the bill in a manner that minimizes the fiscal impact. Thus, the bill likely has minimal fiscal effect on public institutions of higher education. This estimate is based on the information and assumptions discussed below.

Beginning in the 2026-2027 academic year, eligible students who meet the bill’s criteria qualify for guaranteed admission to a public four-year higher education institution.

However, students must apply by the institution's deadline, designate one institution as their choice, and meet prerequisite coursework requirements. Institutions may verify eligibility and revoke offers under specified conditions, and the bill does not guarantee placement in a specific program or major.

In 2024, there were 60,789 grade 12 students in Maryland public schools and an estimated 8,100 students graduating from nonpublic schools, for a total of approximately 68,889 students statewide. Based on these figures, the top 10% is approximately 6,900 students and the top 5% is approximately 3,400 students. However, the exact number of students who qualify depends on the number of students who qualify based on the class rank method established in the bill, the number of students who complete prerequisite coursework, apply to public four-year institutions, and select a designated institution.

At UMCP, where eligibility under the bill is limited to the top 5% of high school graduates or students scoring in the 98th percentile on a nationally accepted entrance exam, the number of students eligible under the bill will be significantly lower than at other public institutions.

In fall 2023, these public four-year institutions enrolled a total of 18,200 first-time full-time students, with about 13,400 being Maryland residents. The number of first-time full-time students at each institution varied, ranging from 24 at UBalt to approximately 4,200 at UMCP (excluding UMB, which had zero).

If all 6,900 students in the top 10% of Maryland's grade 12 cohort were to choose to enroll at a single institution, that institution would face significant capacity challenges. However, the impact is mitigated by the stricter guaranteed admission criteria at UMCP, which limits eligibility to the top 5% or students scoring in the 98th percentile on a nationally accepted entrance exam. While larger institutions may have more flexibility to absorb additional students, smaller institutions, such as St. Mary's College of Maryland, which typically enrolls a small first-year class, may still struggle to accommodate an influx of guaranteed admission students.

In response to the high demand from Maryland students, institutions may implement policies to regulate acceptance rates. These policies might involve measures such as increasing tuition and fees, adjusting acceptance rates for other qualified Maryland students not in the top 5% or 10% of their high school class, reducing scholarship awards, refraining from offering housing, or introducing other relevant measures. Considering the tuition premium paid by out-of-state students (nearly \$30,600 at UMCP for the 2025-2026 academic year), it is assumed that institutions strive to maintain enrolling out-of-state students. However, this may be difficult to achieve if too many Maryland students are anticipated to enroll.

To meet demand, popular institutions under the bill may need to explore alternative means of accommodating students, such as offering online courses, increasing class sizes, or scheduling courses at unconventional times.

If measures are not taken to reduce demand or are not successful, enrollment of Maryland students at UMCP likely increases. In 2024, UMCP advised that it costs approximately \$28,000 more than in-state tuition to support each additional student beyond the enrollment plan. Thus, higher education expenditures could increase significantly to educate and house more students. To the extent additional Maryland students enroll in an institution without displacing out-of-state students, higher education revenues increase from tuition payments. If out-of-state students are displaced, higher education revenues decrease as UMCP collects less tuition from in-state residents than from out-of-state students.

Public four-year institutions must develop and implement a process to verify student eligibility, which may require updates to admissions systems and policies. However, these expenditures are likely one-time costs in fiscal 2026 and absorbable within existing resources.

Additional Comments: As UMB does not enroll any students in its undergraduate programs who have not completed a minimum of 60 credits, the impact of the bill on this institution is unclear.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 5 of 2024.

Designated Cross File: None.

Information Source(s): Maryland State Department of Education; Maryland Higher Education Commission; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Anne Arundel County Public Schools; Baltimore City Public Schools; Frederick County Public Schools; Montgomery County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

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Analysis by: Caroline L. Boice

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