



Karen B. Salmon, Ph.D.
State Superintendent of Schools

BILL: Senate Bill 762 **DATE:** March 10, 2020

SUBJECT: Education – High School **COMMITTEE:** Education, Health, and
Graduation Requirements – Environmental Affairs
Application for Financial Aid

POSITION: Information Only

CONTACT: Tiffany Johnson Clark
410-260-6028 (Annapolis)
tiffany.clark1@maryland.gov

EXPLANATION:

The Maryland State Department of Education (MSDE) is providing information for consideration regarding **Senate Bill 762 – Education – High School Graduation Requirements – Application for Financial Aid**. Senate Bill (SB) 762 requires the MSDE to make completion of the Free Application for Federal Student Aid (FAFSA) or completion of the Maryland State Financial Aid Application (MSFAA) a graduation requirement beginning in the 2021-2022 school year. The MSDE would also be required to promulgate regulations for the requirements and the exceptions included in SB 762. Additionally, under this bill the MSDE would be required to include in the regulations the guidelines to ensure that students have adequate support in completing the FAFSA. This requirement to include verification of the completed FAFSAs and verification of the opt-out options will affect the operations of the MSDE data collection system. Consequently, the MSDE estimates that the implementation of SB 762 will have an operational impact on the agency.

To complete the Free Application for Federal Student Aid (FAFSA), a student needs to provide:

- A Social Security Number.
- An Alien Registration Number (if not a U.S. citizen).
- Federal income tax returns, W-2s, and other records of money earned.
- Bank statements and records of investments (if applicable).
- Records of untaxed income (if applicable).
- An FSA ID to sign in electronically.

A student who is a dependent will need this information for his or her parents as well. The FAFSA is filed electronically, so access to a computer and the internet is also necessary. Senate Bill 762 would require forced disclosure of personally identifiable information that belongs to the parent(s), but which would have to be shared with the school system. Students and parents may be obligated to show a completed FAFSA, which could result in disclosure of information that is in violation of the Family Educational Rights and Privacy Act (FERPA). Additionally, the opt-out clause in the proposed legislation puts the burden on the student or family to opt out.

High school counselors across Maryland currently work with students and parents to help them complete the FAFSA through parent nights and evening sessions with parents and students. In most local school systems, school counselors invite representatives from higher education to present these workshops since they are experts in financial aid. School counselors share information on free FAFSA sessions with all students and advertise FAFSA deadlines and media sites.

Furthermore, there is an existing program—the Maryland College Application Campaign (MCAC), which is a partnership between the MSDE, the Maryland Higher Education Commission, and College Goal Maryland—that has sought to increase the number of Maryland students completing college applications. Since 2014, the MCAC supported 31,000 seniors in 166 high schools across the State to complete their college applications. In addition, some families have received support with the FAFSA process. The MCAC provides materials and support to schools and local school systems, notably the Maryland College Application Campaign Site Coordinator Guidebook.

Finally, the MSDE estimates that SB 762 may have a significant operational and fiscal impact on local school systems. Principals would be responsible for certifying that graduating students have met all requirements. Supporting students in meeting a new requirement and recording waivers in cases when that is permitted will require additional staff resources. In 2019, there were 59,228 students in grade 12 in Maryland public schools. An extra graduation requirement for students would increase the workload for school counselors and/or other school staff tasked with implementing SB 762, potentially requiring local school systems to hire additional personnel dedicated to helping students and families meet the requirements or document waivers. Larger school systems may also determine that a coordinator in the central office is needed to support school level services. Additional costs could include outreach services to help parents and guardians with understanding of the financial aid process and completion of the FAFSA. All services and materials will need to be bi-lingual.

We respectfully request that you consider this information as you deliberate **SB 762**. For further information, please contact Tiffany Johnson Clark at 410-260-6028 or tiffany.clark1@maryland.gov.