



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

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## **SENATE BILL 538 Community College Tuition and Residency Waivers – Funding (Guzzone)**

### **STATEMENT OF INFORMATION**

**DATE:** February 3, 2021

**COMMITTEE:** Senate Budget & Taxation

**SUMMARY OF BILL:** SB 538 mandates an annual appropriation in the amount of \$10 million to reimburse the community colleges for tuition or residency waivers in one of eight specified categories, which include: foster care recipient or unaccompanied homeless youth; U.S. armed forces active duty member or veteran, spouse or child of active duty member, or a National Guard member; son or daughter of state or local public safety employee; senior citizen; individual with a disability; student enrolled in an education program leading to licensure in nursing; public school teacher; or student enrolled in a health manpower shortage program. Funds are distributed by the Maryland Higher Education Commission to the community colleges on a pro rata basis.

**EXPLANATION:** Currently, the State reimburses the community colleges for tuition waivers involving out of county students enrolled in Statewide and Health Manpower Shortage programs. Funding is at the level provided in the State budget, rather than a mandated appropriation amount. Annual funding has been approximately \$6 million.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. The impact of the COVID-19 pandemic is a significant budgetary vulnerability, making the addition of new, permanent funding mandates premature.

The highest priority of the Administration is to work with the 2021 General Assembly in enacting the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496/HB 612 RELIEF Act). The RELIEF Act provides \$1 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic. Senate amendments add an additional \$520 million in spending, and include \$15 million for aid to community colleges.

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