

SB 799_MACC_FAV_B.Phillips.pdf

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Position: FAV



Senate Budget and Tax Committee
TESTIMONY

Submitted by Dr. Brad Phillips, Executive Director

March 10, 2022

SB 799 – Community College Tuition and Residency Waivers - Funding

POSITION: Favorable

The Maryland Association of Community Colleges, representing Maryland's 16 public two-year institutions of postsecondary education, offer our support for SB 799 – Community College Tuition and Residency Waivers – Funding.

This legislation requires an annual \$10 M appropriation to reimburse Maryland's community college for state-mandated tuition and residency waivers. Tuition waivers at our community colleges have gradually increased over the past decade. In academic year 2019-2020, approximately 12,000 students were provided a waiver at a Maryland community college.

The statutory mandated waivers go to extremely needy populations in our State, such as:

- Foster care students
- Unaccompanied homeless youth
- Students with disabilities, and
- Senior citizens

Helping this population of students is critical to Maryland yet waiving their cost of attendance is not a sustainable policy to provide the types of support services these populations need and deserve. Waiving tuition does not mean that the cost of educating a student goes away. Unfortunately, these costs must be absorbed by other students through tuition increases or by underfunding programs and student services.

The current tuition waiver policies force the colleges to absorb the educational expenses, which is a model that is contradictory to goal of providing access to these students. With this legislation, we can support these students, with additional services such as interpreters, tutors, and counseling that can supplement their academic goals.

In addition, individuals from the following groups are eligible for in-county or in-state tuition waivers:

- USA Armed Forces or National Guard and their families
- Public school teachers taking a required course
- Children of State or local public safety employees killed in the line of duty, and
- Students enroll in health workforce shortage areas and nursing students may qualify for reimbursement of out of-county fees

I'm not suggesting that we repeal these waivers, but I am asking that we begin to create sustainable public policy for Maryland's community colleges by creating a \$10 M annual appropriation to reimburse the institutions who are serving these populations of our students.

MACC requests a favorable report on SB 799.

SB0799 -- Community College Tuition and Residency

Uploaded by: Brian Levine

Position: FAV



Senate Bill 799 -- *Community Colleges Tuition and Residency Waiver*
Senate Budget and Taxation Committee
March 10, 2022
Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 799 -- *Community College Tuition and Residency Waivers - Funding*. Senate Bill 799 requires \$10 million of annual funding, starting in Fiscal Year 2024, for the Maryland Higher Education Commission to fund State-mandated tuition and residency waivers for community colleges.

Community colleges play an integral role in Maryland's economy. These institutions address workforce and labor market issues through training, skills development, and providing a gateway to four-year colleges and universities. MCCC members have identified the attraction and retention of quality employees as their number one issue. Community colleges are a key to unlock a well-prepared and high-quality workforce that meets the needs of employers.

MCCC does not oppose current tuition waivers for community colleges. It is vital that community colleges are accessible to every Marylander. What is at issue are the unintended consequences of tuition waivers, which have expanded in recent years and created financial challenges for community colleges. When community colleges forgo tuition for students with waivers the costs are borne by the community college itself.

Senate Bill 799 provides funding for community colleges to replace forgone tuition while continuing to provide waivers that improve access for all students. The bill's funding will allow community colleges to remain affordable and enhance its programming to better meet the needs of Maryland's workforce.

For these reasons, the Montgomery County Chamber of Commerce supports Senate Bill 799 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

*Brian Levine / Vice President of Government Affairs
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SB 799 HCC Testimony.pdf

Uploaded by: James Klauber

Position: FAV



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Office of the President

**Hagerstown Community College
Senate Bill 799 – Reimbursement of State Mandated Tuition and Residency Waivers**

**Senate Budget and Taxation Committee
Senator Guy Guzzone, Chair
3/10/22**

**Testimony Submitted by
Dr. James Klauber**

Members of the Senate Budget and Tax Committee, thank you for accepting my testimony on Senate Bill 795. Hagerstown Community College is in support of this legislation.

What state legislator or even college president doesn't want to help those who valiantly serve our country or come from challenging backgrounds of abuse, human trafficking, etc... when those individuals want to go to college? Of course! Everyone wants to help. For those very good reasons, the Maryland General Assembly has extended tuition waivers for many of our citizens who attend college on their pathway out of an unfortunate situation not of their own making or have dutifully served their state and country in some capacity.

The challenge is that colleges have never been reimbursed for the lost revenue from those legislatively mandated tuition waivers. Yes, colleges got the state funding and local funding for FTE. However, the tuition cost, which is not insignificant, was borne by tuition paying students. This presents a serious equity problem within the colleges.

Approximately 45% of all tuition paying students are on full Pell assistance at Hagerstown Community College. Our students are not of means. While they may not qualify for a waiver, they do come from challenging circumstances. Each year, HCC passes almost \$50,000 in student waiver costs on to tuition paying students. Those are tuition costs that could be avoided.

We support this legislation as it will fund the lost revenue from legislatively mandated tuition waivers. No one wants to deny these waivers to students entitled to receive them. This is a good and positive policy in our state. This bill will complete the circle and see that others students are not forced to carry the additional cost.

Yours truly,

Dr. James Klauber
President

SB0799-BT_MACo_SUP.pdf

Uploaded by: Kevin Kinnally

Position: FAV



Senate Bill 799

Community College Tuition and Residency Waivers – Funding

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 10, 2022

From: Brianna January and Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 799. This bill would provide state funds for a current unfunded statutory mandate for community colleges to provide in-state tuition waivers for specified categories of students.

Counties are proud to support our community colleges as they serve as a critical piece of Maryland's higher education infrastructure. However, current law requires community colleges to charge lower in-state tuition for students that the State has mandated as eligible for in-state tuition, without any State funding to support the loss of revenue community colleges are experiencing because of this unfunded mandate.

This has proven burdensome for community colleges and the local governments that support them, as they are often faced with cutting programmatic and operational budgets to make up for the lost revenue caused by the unfunded mandate of State-required in-state tuition waivers.

Counties have long sought a solution to this issue and SB 799 would be a good step in the right direction. The bill would, in essence, fund the currently unfunded mandate of in-state tuition by requiring an annual appropriation in the State budget for the Maryland Higher Education Commission of \$10,000,000 to fund State-mandated community college tuition and residency waivers.

Not only would the bill address the current unfunded mandate, but it would also be a strong demonstration of the State's commitment to an equitable distribution of support for our community colleges. For these reasons, MACo **SUPPORTS** SB 799 and urges a **FAVORABLE** report.

CSM Murphy SB799 Favorable.pdf

Uploaded by: Maureen Murphy

Position: FAV



BUDGET AND TAXATION COMMITTEE

March 10, 2022

TESTIMONY

**Submitted by
Dr. Maureen Murphy, President**

SB799: Community College Tuition and Residency Waivers – Funding

Position: Favorable

I am writing in support of Senate Bill 799, which recognizes the unintended consequences of well-meaning legislation.

Students in foster care or homeless, active duty military members and their families, the children of public safety employees, senior citizens, students receiving Social Security disability, members of the Maryland National Guard. All of these students deserve a break, and they've received one through a variety of laws which grant them waivers from tuition and fees at community colleges.

Community colleges provide affordable, high quality educational programs for the students they serve; however, the effect of waivers such as those referenced in SB799 without any revenue offset is that savings for one set of students can become increased tuition for another set.

Community colleges provide opportunities for social and economic mobility for students who would otherwise have no chance, and the qualifying students who receive waivers for tuition and fees benefit even more. The funds provided by SB799 would offset much of the cost of these waivers and help keep tuition low for non-qualifying students.

SB799 creates a revenue stream to help offset some community college losses while preserving the intent of helping vulnerable populations.

I urge you to give Senate Bill 799 a favorable report.

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SB 799 Comm College Tuition and Residency Waivers

Uploaded by: Barbara Wilkins

Position: INFO



Maryland

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AND MANAGEMENT

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Lieutenant Governor

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Secretary

MARC L. NICOLE
Deputy Secretary

SENATE BILL 799 Community College Tuition and Residency Waivers – Funding (Guzzone)

STATEMENT OF INFORMATION

DATE: March 10, 2022

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 799 mandates an annual appropriation in the amount of \$10 million to fund State-mandated community college tuition and residency waivers for select populations.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the \$10 million mandated appropriation provision that impacts the FY 2024 and subsequent budgets.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

**For additional information, contact Barbara Wilkins at (410) 260-6371
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