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**House Appropriations Committee**

**Testimony by**

**Dr. Brad Phillips, Executive Director**

**February 28, 2023**

**HB 923 – Higher Education - Appointment of Secretary and Student Financial Assistance**

**POSITION: Favorable**

The Maryland Association of Community Colleges (MACC), representing Maryland's 16 community colleges, supports this legislation and thanks Delegates Barnes, Solomon, and Smith for their sponsorship of this legislation that allows for the decentralization of the Maryland Community College Promise program.

Maryland's Community College Promise Program has a tremendous impact on helping students attend college. Removing administrative barriers will help fulfill the statutory goals imagined when the program was signed into law. Decentralizing the program will significantly streamline the awarding process and allow for timely decisions, such as when the student decides to enroll and when they might know what financial aid resources are available. Decentralization allows community college financial aid officers to directly assist students and apply Promise funds accordingly. Currently, Maryland allows for two financial aid programs to be decentralized as they are only awarded to community college students, the Part-Time Grant, and the Decentralized Educational Assistance Grant (also designed for students who missed the March 1st deadline). In their evaluation of the Office of Student Financial Assistance, the Office of Program Evaluation and Government Accountability (OPEGA) recommends decentralizing several state financial aid programs so colleges can award funding directly to students. This legislation aligns with OPEGA's recommendation.

This legislation allows each community college to make awards to students in continuing education courses leading to licensure and certification in critical workforce shortage areas, something the program is designed to accomplish. It should be noted that most continuing education courses are not eligible for a Pell Grant or State need-based assistance. Continuing education courses operate on a rolling basis, and each college has unique offerings, making MHEC incapable of determining how to award students.

MACC would like to work with the sponsors of this legislation on some friendly amendments that could even further enhance the Promise Program to create a more universal opportunity for students to reach their educational goals. We have provided 8 suggestions that would make Promise a premier financial aid program and are listed below. These changes would result in capturing what is best in 4 State financial aid programs and consolidating them into one decentralized program that would serve full-time, part-time, and students who are seeking licensure and certification programs in our continuing education offerings. The State's current Howard P. Rawlings Educational Excellence awards only serves 3,200 students out of all students enrolled at Maryland's community colleges for the 2022-2023 academic year. The need is too great at our colleges to maintain the current course and this legislation could provide

incredible opportunities for our students and help us reverse a long trend in declining enrollment.

- Remove Maryland's community colleges from the Howard P. Rawlings Educational Excellence Awards (EEA) that is comprised of both the Guaranteed Access Grant (GAG), the Educational Assistance Grant (EAG), and the Campus-Based Educational Assistance Grant (CBEAG).
- In exchange, shift/move/increase the Maryland Promise Scholarship by \$10 million to establish a single financial aid program geared towards serving community college students.
- Link the EEA and the Promise by requiring any percent increase in one program to automatically increase the other program by the same percent.
- Have the changes phase-in so current students who are receiving an EEA can continue to receive the award. This also allows community colleges the time to transition to a fully decentralized model by the 2024-2025 Academic Year.
- Provide for the community colleges to have the flexibility to use a minimum of 5% of the Promise Scholarship for low-income students to cover the cost of attendance (COA) that is currently calculated for the GAG.
- Provide eligibility for all students who graduated from a Maryland high school by removing the initial GPA requirement but maintain a 2.25 GPA standard for renewal awards.
- Allow an alternative method for verifying income eligibility other than the FAFSA for students in continuing education courses leading to licensure and certification and remove the March 1 deadline for FAFSA filing.
- Allow the colleges to award Promise to full-time and part-time students (taking a minimum of 6 credits) as well as those in a sequence of credit and/or non-credit courses that lead to licensure or certification.

Thank you for your consideration of this bill, our amendment, and all your efforts to meet the needs of the students we serve.

MACC requests a favorable position with amendments to HB 923.