



**Appropriations Committee  
Senate Bill 567  
Public Institutions of Higher Education – Student Withdrawal Policy  
Reimbursement of Tuition and Fees  
March 20, 2024  
Favorable**

Chair Barnes, Vice Chair Chang, and members of the committee, thank you for the opportunity to offer testimony on Senate Bill 567. The bill requires institutions to adopt a policy authorizing students to withdraw for extenuating circumstances such as illness, injury, hospitalization, and mental health and wellness. The University System of Maryland (USM) supports students, and mental health is taken as seriously as physical health, and our campuses support this step. The bill makes clearer the return of tuition and fees paid. We all want students with mental health or physical health concerns to be impacted as little as possible financially and in terms of their educational opportunities.

USM institutions work closely with students experiencing challenges with physical and mental health to help them complete their studies or return to campus after a hiatus. All USM campuses have policies to allow students experiencing extraordinary circumstances to withdraw from the institution. The decision for any member of our community to withdraw from an institution is not one that should be taken lightly. First, the well-being of the student is the priority. Proper medical assessment by a licensed physician, diagnosis, and a plan of treatment can help the student ease their struggle. That work, on the part of the student and their health provider, outweighs everything else. Generally, campus staff and faculty work closely with students experiencing challenges with physical and mental health to help them complete their studies or return to campus after a hiatus.

The federal government requires that when a Title IV aid recipient (Direct Stafford/Plus loan, Carl Perkins Loan, Pell Grant and SEOG) withdraws from a university during a period of enrollment in which the recipient began attendance, the university must calculate the percentage of Title IV assistance the student did not earn and return those funds to the federal government. Once 60 percent of the enrollment period has elapsed, 100 percent of the aid is determined to be earned, and no aid has to be returned. If a student withdraws at that point, and tuition was paid by federal aid or state aid, the student will not be “reimbursed” because the student did not technically pay.

Thank you for allowing the USM to share our position on Senate Bill 567.

