

Response to DLS Fiscal Note on SB864/HB982

The DLS fiscal note characterizes the cost of SB864/HB982 as “potentially significant” but does not cite a specific number or range. Applying the statistics that DLS itself references from the [Maryland Longitudinal Data System Center](#) (MLDS), we calculate the likely annual cost of lowering the age threshold from 13 to 8 years old to be around **\$153,000-\$204,000**.

The path from foster care placement to college enrollment is narrow. Starting with the 185 youth ages 8-12 who left care in FY2025, the realistic number who will ever use a new tuition waiver is approximately **16 students annually per cohort**.

Stage	Input	Result	Source
Youth leaving care (ages 8–12), FY2025	n/a	185	DHS FY2025 Data
Graduate high school	x 47%	~87	MSDE 2025 Report Card
Attend college (any)	x 57%	~50	MLDS Table 1 (Waiver Eligible)
Attend in-state	x 92%	~46	MLDS Table 1 (Waiver Eligible)
Attend community college	x 75%	~35	MLDS Table 2 (Waiver Eligible)
Attend 4-year institution	x 15%	~7	MLDS Table 2 (Waiver Eligible)
Actually claim the waiver, attends in-state college (Take-up rate)*	x 34%	~16	MLDS Table 4
NEW WAIVER RECIPIENTS PER COHORT		~16	

*From 2011-2021 the Tuition Waiver for Foster Care Recipients was awarded to 34% of eligible foster youth per MLDS data

Estimated Cost

Applying the 2024 actual waiver cost of \$2,387 per community college recipient (MHEC, cited in fiscal note) and the full \$11,192 headline rate for 4-year institutions (MHEC, cited in fiscal note), using the 34% take-up rate:

Cost Component	Students	Tuition Rate	Cost / Cohort
Community college (75% of 46 in-state × 34%)	~12	\$2,387 (MHEC actual avg.)	~\$28,600
4-year institution (15% of 46 in-state × 34%)	~2	\$11,192 (full headline rate)	~\$22,400
TOTAL COST PER NEW COHORT			~\$51,000

At steady state, 3-4 cohorts are enrolled simultaneously (consistent with MLDS average enrollment age of 19.85 and degree attainment age of 24.23). Total annual cost at steady state: approximately \$153,000–\$204,000.¹

Even at the high end, the annual cost is under \$250,000, spread out across Maryland’s 17 public four-year universities and 16 community colleges. No individual institution will see more than a handful of new waiver recipients per year. The per-campus fiscal impact is negligible.

¹ **Steady-state methodology:** Each annual cohort of newly eligible youth produces approximately 16 waiver claimants at a cost of ~\$51,000. Because the waiver covers enrollment for up to 10 years (or until a bachelor’s degree is earned), students from multiple prior cohorts remain active in any given year. The 3–4 cohort multiplier is derived from MLDS Table 7, which shows an average age at first college enrollment of 19.85 and an average age at degree attainment of 24.23, a span of approximately 4.4 years. This means at any given time, roughly 3–4 annual cohorts of students are simultaneously drawing on the waiver, producing a steady-state annual cost of $\$51,000 \times 3-4 = \$153,000-\$204,000$. This estimate assumes relatively steady enrollment progression. MLDS data shows 52–56% of foster youth are retained to a second year of college (Table 5), meaning some students exit the system earlier than the 4.4-year average and some persist longer. These effects are partially offsetting. The 3–4 multiplier is therefore a reasonable central estimate, though actual annual costs may vary modestly year to year as cohort sizes and enrollment patterns fluctuate.