

Department of Legislative Services  
 Maryland General Assembly  
 2014 Session

FISCAL AND POLICY NOTE

House Bill 536 (Delegate Rosenberg, *et al.*)  
 Ways and Means

Nancy Grasmick Teacher Award and Walter Sondheim Jr. Public Service  
 Internship Scholarship - Qualifications

This bill expands eligibility for the Janet L. Hoffman Loan Assistance Repayment Program (LARP), the Nancy Grasmick Teacher Award under LARP, and the Walter Sondheim Jr. Public Service Internship Scholarship Program. The bill also mandates that the Governor include \$270,000 in the State budget for the Sondheim scholarship in both fiscal 2016 and 2017.

The bill takes effect July 1, 2014.

Fiscal Summary

**State Effect:** General fund expenditures increase by \$270,000 in FY 2016 and 2017 for the Sondheim scholarship administered by the Shriver Center at the University of Maryland Baltimore County (UMBC), which is sufficient funding for 90 additional \$3,000 scholarships for FY 2016 and 2017. Expanding *eligibility* for LARP does not require additional spending. However, in order for *awards* to be made to all applicants currently on the waiting list and newly eligible applicants, general fund expenditures would need to increase beginning in FY 2015. Any such impact is not shown below. UMBC and the Maryland Higher Education Commission (MHEC) can handle any administrative costs using existing resources. **This bill establishes a mandated appropriation for FY 2016 and 2017.**

(in dollars)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	270,000	270,000	0	0
Net Effect	\$0	(\$270,000)	(\$270,000)	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

**Local Effect:** None.

**Small Business Effect:** None.

---

## **Analysis**

### **Bill Summary:**

#### *Janet L. Hoffman Loan Assistance Repayment Program*

The bill expands eligibility for LARP so that an individual who attended a college or university outside the State is eligible if the individual graduated from a high school in the State.

#### *Nancy Grasmick Teacher Award within LARP*

Specifically, it expands eligibility for LARP so that a recipient of the Nancy Grasmick Teacher Award may receive an award if the individual attended specified institutions of higher education outside the State.

#### *Walter Sondheim Jr. Public Service Internship Scholarship Program*

The bill renames the Walter Sondheim Jr. Public Service *Summer* Internship Scholarship Program to be the Walter Sondheim Jr. Public Service Internship Scholarship Program, and it provides for spring and fall internship scholarships in addition to summer internships.

The bill also expands eligibility for the Walter Sondheim Jr. Public Service Internship Scholarship Program by allowing a junior, senior, or graduate student who attends an institution of higher education outside the State to participate if the student graduated from a high school in the State. Likewise, a junior who attends an institution of higher education in Maryland is also eligible.

An institution of higher education in the State or outside the State may nominate eligible students to participate in the program on or before (1) January 1 of each year for summer and fall internships and (2) October 1 of each year for spring internships. Subject to available funds for eligible students who have agreed to serve in a public service internship, the Shriver Center must award scholarships on or before (1) January 15 of each year for spring internships; (2) May 1 of each year for summer internships; and (3) August 1 of each year for fall internships.

**Current Law/Background:** LARP provides loan repayment assistance in exchange for certain service commitments to help ensure that underserved areas of the State have sufficient numbers of primary care physicians, dentists, and professionals serving underserved areas of the State or low-income families. The program is subdivided into LARP, the Maryland Dent Care Loan Assistance Repayment Program, and the Maryland Loan Assistance Repayment Program for Physicians. Individuals must be employed full time in State or local government or in a nonprofit organization that assists low-income, underserved residents or underserved areas in the State.

### *LARP*

Eligible employment fields include lawyers, nurses, nurse faculty members, physical and occupational therapists, social workers, speech pathologists, physician assistants, and teachers who have received a resident teacher certificate from the Maryland State Department of Education (MSDE) after completing an approved alternative teaching preparation program.

According to statute, the Office of Student Financial Assistance may adopt regulations to establish the maximum starting income for eligibility, the maximum total income for eligibility, and the limit on the total amount of assistance provided.

Priority is given to individuals who have graduated from an institution of higher education in the last three years. Priority employment fields established by law are legal services and nursing. Priority for awards is also given to applicants who are employed as nurse faculty members or applicants who teach in schools designated as federal Title I, schools identified for improvement by MSDE, or designated critical shortage subject fields. Awards are capped at \$10,000 per year.

Chapter 496 of 2012 established the Nancy Grasmick Teacher Award within LARP for Maryland public school teachers who have taught in Maryland for at least two years in (1) science, technology, engineering, or math subjects or (2) a school in which at least 75% of the students are enrolled in the free and reduced-price meal program. A teacher must also have received the highest performance evaluation rating for the most recent year available.

The Governor's proposed fiscal 2015 budget includes \$1.5 million in general funds for LARP. MHEC reports that, in fiscal 2013, 124 awards were made, and the average award amount was \$6,143. In fiscal 2013, 164 applicants were placed on the waiting list due to lack of funds.

*Walter Sondheim Jr. Public Service Summer Internship Scholarship Program*

Chapter 490 of 2007 established the Walter Sondheim Jr. Public Service Summer Internship Scholarship Program to assist college and graduate students to explore public service career opportunities through summer internships. Priority for participation in the program must be given to eligible students who (1) are residents of the State; (2) have demonstrated interest in careers in public service; and (3) assist in providing legal services to low-income State residents, social work services to low-income State residents, nursing services in nursing shortage areas, or other services in the public or nonprofit sectors in which there is a shortage of qualified practitioners to low-income or underserved residents or areas of the State.

The Shriver Center at UMBC administers the program and serves as a clearinghouse for public and nonprofit entities that wish to hire summer interns from the program. The Shriver Center may award scholarships for \$3,000 under the program each year, subject to the availability of funds.

The Shriver Center advises that the Walter Sondheim Jr. Public Service Summer Internship Scholarship Program has been able to award summer internship scholarships to approximately 45 students annually in recent years out of approximately 200 eligible applicants. The program is supported with State general fund appropriations to UMBC.

---

**Additional Information**

**Prior Introductions:** A similar bill, HB 329 of 2013, received a hearing in the House Ways and Means Committee, but no further action was taken. Its cross file, SB 889, received an unfavorable report from the Senate Education, Health, and Environmental Affairs Committee.

**Cross File:** None.

**Information Source(s):** Department of Budget and Management, Maryland Higher Education Commission, University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - February 20, 2014  
ncs/rhh

---

Analysis by: Caroline L. Boice

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510

