

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1630
 Ways and Means

(Delegate Vallario, *et al.*)

Education, Health, and Environmental Affairs

Higher Education - James Proctor Scholarship Program - Established

This bill establishes the James Proctor Scholarship Program to award scholarships for tuition and fees to State residents who attend a public historically black college or university (HBCU) in the State. Each HBCU must administer the program on its campus and must adopt policies to establish (1) eligibility requirements; (2) award amounts; (3) procedures and schedule for the payment of scholarship awards; and (4) any other policies. The Governor may include an appropriation for the scholarships in the State budget. The scholarships must be last dollar scholarships. The funds appropriated must be divided and distributed equally to each HBCU.

Fiscal Summary

State Effect: Beginning in FY 2020, general fund expenditures increase by an *estimated* \$400,000 annually for the scholarship. Scholarship revenues and expenditures increase by an estimated \$100,000 per HBCU (not shown below). HBCUs can establish scholarship policies and distribute the scholarships using existing resources.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	400,000	400,000	400,000	400,000
Net Effect	\$0	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The following HBCUs receive the scholarship funding:

- Bowie State University (BSU);
- Coppin State University;
- Morgan State University; and
- University of Maryland Eastern Shore.

Current Law/Background:

James E. Proctor Jr.

James Proctor served in the Maryland House of Delegates from 1990 until his death in 2015. His many responsibilities included being vice-chair of the House Appropriations Committee, House chair of the Spending Affordability Committee, and Legislative Black Caucus chair of the HBCU committee. Prior to serving on the House of Delegates, he was a teacher and principal in Prince George's County. He earned his bachelor's and master's degrees from BSU. He also served in the U.S. Air Force from 1961 to 1962. In April 2017, BSU's Center for Learning and Technology was named the James E. Proctor Jr. Building in honor of Delegate Proctor. At the same time, a scholarship fund was started in his name. His wife, Delegate Elizabeth G. (Susie) Proctor, also a BSU graduate, was appointed to his seat following his death.

State Fiscal Effect: General fund expenditures increase by an *estimated* \$400,000 annually beginning in fiscal 2020. This funding is not mandated but, for the purposes of this estimate, it is assumed that a reasonable scholarship of this type would require each of the four HBCUs in the State to receive \$100,000 for a total of \$400,000 annually. The actual expenditures and funding for the scholarship will depend on the amount of funding the Governor includes in the budget for the scholarship each year, which may be more or less than \$400,000 annually. The bill requires that any funds appropriated must be divided and distributed equally to each HBCU.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Higher Education Commission; University System of Maryland; Morgan State University; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2018
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