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 Maryland General Assembly
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FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1082
 Appropriations

(Delegate Solomon, *et al.*)

Education, Health, and Environmental Affairs

Higher Education – Denial of Transfer Credit – Notice and Report
 (Transfer With Success Act)

This bill requires the Maryland Higher Education Commission (MHEC) to require a receiving institution that denies transfer credit to an enrolled student to notify the sending institution and the enrolled student, as specified, including the rationale for the denial. The transfer coordinator or institutional designee of the sending institution must conduct a review, in conjunction with the receiving institution’s designee, within a time period MHEC determines to be appropriate. Each public institution of higher education must submit an annual report to MHEC listing any denials of transfer credit and the reasons for the denials. The bill applies only to public institutions of higher education, and MHEC must include the new requirements in its transfer procedures for public institutions. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: *Based on one set of assumptions*, public four-year higher education revenues and expenditures are not materially affected. *Based on further assumptions*, Baltimore City Community College (BCCC) revenues and expenditures are not materially affected. However, higher education operations are affected, as explained below. To the extent BCCC is required to make changes to courses, BCCC expenditures increase, potentially significantly.

Local Effect: *Based on one set of assumptions*, local community college revenues and expenditures are not materially affected. However, local community college operations are affected, as explained below. To the extent local community colleges are required to make changes to courses, local community college expenditures increase, potentially significantly.

Small Business Effect: None.

Analysis

Current Law: MHEC must establish procedures for transfer of students between public segments of postsecondary education. MHEC must recommend cooperative programs among segments of postsecondary education to assure appropriate flexibility in the higher education system. In conjunction with the governing boards of institutions, MHEC must establish standards for articulation agreements.

MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide transfer agreement whereby at least 60 credits of general education, elective, and major courses that a student earns at any community college in the State toward an associate of arts or associate of science degree must be transferable to any public four-year higher education institution in the State for credit toward a bachelor's degree.

In addition, MHEC, in collaboration with the public institutions of higher education, was required to develop and implement, by July 1, 2016, a statewide reverse transfer agreement whereby at least 30 credits that a student earns at any public four-year institution in the State toward a bachelor's degree are transferable to any community college in the State for credit toward an associate's degree.

MHEC and each public institution of higher education must develop and implement incentives for students to obtain an associate's degree before enrolling in a public four-year institution of higher education.

MHEC may recommend procedures and guidelines for consideration by the governing boards of institutions of postsecondary education on improvement and coordination of student financial assistance programs and other subjects of general interest and concern to the higher education community in the State.

Maryland Student Transfer Policy

Transfers between institutions of higher education in Maryland are covered by the [Maryland Student Transfer Policy](#), which governs the transfer of credits and other requirements. The policy is intended to help a student progress from a community college to a public four-year institution without loss of time or duplication of courses.

Maryland community college students who have completed an associate's degree or students who have completed 56 semester hours of credit with a cumulative GPA of 2.0 or higher on a scale of 4.0 may not be denied direct transfer to a Maryland public four-year institution unless the number of students seeking admission exceeds the number that can be accommodated.

Courses taken at a Maryland community college as part of a recommended transfer program are ordinarily applicable to related programs at a Maryland public institution granting the baccalaureate degree.

The general education program a student takes at one public college or university transfers without further review to another public institution without the need for a course-to-course match. That is, courses that are designated as general education by a sending institution transfer as general education even if the receiving institution does not offer that specific course or has not designated that course as general education.

Courses designated as meeting the general education requirements at any Maryland public college must be applicable to the general education requirements at any other Maryland public college or university.

Credits earned in or transferred from an associate degree-granting institution are limited to approximately one-half the baccalaureate degree program requirement, capped at 70 credits, and to the first two years of the undergraduate educational experience.

Credit Hours for Degrees

MHEC must establish minimum requirements for issuing certificates, diplomas, and degrees by institutions of postsecondary education. The standard number of credits for a baccalaureate degree from a public four-year higher education institution is 120 credit hours. The standard number of credits required for an associate's degree from a public community college is 60 credit hours. There are specified exceptions to these standards.

Student Transfer Advisory Committee

The Student Transfer Advisory Committee (STAC) was codified in statute by Chapter 327 of 2012 for a 10-year period; thus, it terminates June 30, 2022. Previously, a permanent STAC had been required in regulations but had not been meeting for several years. STAC is expected to review and analyze (1) matriculation and student support services, including admission and advising practices and (2) any other student transfer-related issues referred to it by MHEC. STAC is supposed to report by December 1 in odd-numbered years.

Background: As shown in **Exhibit 1**, in fall 2018 almost 10,000 students transferred from a community college to a public four-year institution. Based on headcount enrollment, those students represented approximately 7% of undergraduate enrollment at public four-year institutions. Unfortunately, it is a well-established fact that students who begin post-secondary education at a community college are less likely to earn a bachelor's degree

than similar undergraduates who begin at a four-year institution. One reason is loss of credits during the transfer process.

Exhibit 1
Number of Community College Students Transferring to
Public Four-year Institutions
Fall 2018

<u>Institution</u>	<u>Transfer Students</u>
University System of Maryland Institutions	
University of Maryland, College Park Campus	2,100
University of Maryland, Baltimore Campus	207
Bowie State University	320
Towson University	2,357
University of Maryland Eastern Shore	131
Frostburg State University	465
Coppin State University	149
University of Baltimore	315
Salisbury University	794
University of Maryland University College ¹	1,627
University of Maryland Baltimore County	1,153
 Other Public Four-year Institutions	
Morgan State University	264
St. Mary's College of Maryland	113
 Total	 9,995

¹ University of Maryland University College is now known as University of Maryland Global Campus.

Note: Figures reflect undergraduate students who were enrolled in Maryland community colleges in fall 2017 and subsequently enrolled in a Maryland four-year public institution in fall 2018.

Source: Maryland Higher Education Commission

A 2014 research study examining the community college path to a bachelor's degree in *Educational Evaluation and Policy Analysis* found that 14% of transfer students in the study had less than 10% of their community college credits transfer to their four-year institution. Approximately 28% of students lost between 10% and 89% of their credits, and 58% of students were able to transfer more than 90% of their college credits. According to

the study, those students who lose credits have significantly lowered chances of earning a bachelor's degree. Students who have all or almost all their credits transferred have a greater chance (2.5 times more) of earning a bachelor's degree than students with less than half their credits transferred. Students who have between one-half and 89% of their credits accepted by their four-year institution have a 74% higher chance of earning a bachelor's degree. This outcome is after controls were added to the study, such as the student's pretransfer GPA.

Articulation System for Maryland Colleges and Universities

The University System of Maryland (USM) maintains a computerized information system called the Articulation System for Maryland Colleges and Universities ([ARTSYS](#)) that facilitates the transfer of students from Maryland community colleges to USM institutions and other participating institutions. ARTSYS provides course-to-course equivalency, recommended transfer programs, transcript evaluation, and various search features including course identification number, general education classification, course title, and major. ARTSYS provides important information to students regarding transfer to four-year institutions in Maryland. ARTSYS can be used to find community college courses that have been deemed equivalent to those courses at the four-year institutions.

University of Maryland, College Park Campus

The University of Maryland, College Park Campus (UMCP) advises that all students, whether transfer or native, are required to retake previously taken courses that do not meet UMCP's gateway requirement. That is, UMCP does not accept credit for transfer courses that UMCP faculty do not view as academically equivalent or as appropriate preparation for higher level courses in which the student would later enroll.

For example, a student who earns a score of 3 on Advanced Placement (AP) Biology would typically receive credit for this course at a community college but would not receive credit at UMCP (as UMCP requires a score of 4 or higher for credit), obliging a freshman with a score below 4 to take the course at UMCP. Thus, UMCP also does not allow a community college transfer student who received credit for receiving a 3 on AP Biology to transfer that credit to UMCP.

Other examples of credits that may not transfer are coursework that the community college has accepted from other institutions prior to the student entering the community college; learning credit accepted by the community college (*e.g.*, AP, International Baccalaureate (IB), College Level Examination Program (CLEP)); community college coursework UMCP does not currently accept (*e.g.*, vocational); CLEP, AP, and IB scores lower than the UMCP threshold; experiential courses; credit for military coursework; Maryland Fire and Rescue

Institute courses; credit by exam for outside institutions; and courses in which students did not earn an applicable grade (*e.g.*, earning a “D” in a gateway course).

Towson University

Towson University advises that it does not accept for transfer the following types of courses: technical or vocational courses (*e.g.*, culinary, Excel, mortuary science); remedial courses (*e.g.*, pre-algebra, developmental reading); and courses that are considered personal or study skills (*e.g.*, personal finance, academic development).

State Fiscal Effect: *Based on one set of assumptions*, higher education expenditures and revenues are not materially affected. Specifically, the following assumptions were used in making this determination.

- The bill only applies to transfers between community colleges in the State and public four-year institutions in the State. Public four-year institutions are the receiving institutions and public two-year institutions are the sending institutions, as the current law refers to transfer between the public segments of higher education.
- Notification by the receiving institution for denial of transfer to an enrolled student can be done with existing resources within the normal communication with the student.
- Notification by the receiving institution for denial of transfer to the sending institution and a review must be done only once for each course and not for each student who has taken the course.
- It is sufficient, in most cases, for the coordinator at the receiving institution to send an email with a list of courses denied transfer with the rationale for denial to the coordinator at the sending institution.
- The rationale for denial can be as simple as stating that the course fits into a set nontransferable category. For example, denial categories could include technical/vocational, unacceptable grade, remedial course, personal skills course, and does not meet gateway requirements.
- For cases that require a more extensive review to discover the reason for denial of transfer, it is assumed that MHEC will allow the reviews to occur in a time period that allows for the use of existing resources at both the sending and receiving institutions.

To the extent that these assumptions are not realized, public four-year higher education expenditures increase, potentially significantly for computer programming costs and personnel.

MHEC can coordinate the reporting requirements and any changes to regulations using existing resources. However, to provide any broader guidance to institutions and students regarding transfer issues would require additional staff.

Based on further assumptions, BCCC expenditures and revenues are not materially affected. The following assumptions were used in making this determination.

- All of the assumptions listed above for public four-year institutions are followed.
- Only one internal review per course is required.
- Reviews can simply find that the reason for the denial given by the receiving institution is correct.
- Changes to the courses denied for transfer are not required.

To the extent that these assumptions are not realized, BCCC higher education expenditures increase, potentially significantly, for computer programing costs and personnel.

Local Fiscal Effect: *Based on the assumptions explained above, local community college revenues and expenditures are not materially affected. However, to the extent local community colleges are required to make changes to courses, local community college expenditures increase, potentially significantly. Any such costs cannot be reliably estimated.*

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Higher Education Commission; University System of Maryland; Morgan State University; St. Mary's College of Maryland; *Educational Evaluation and Policy Analysis*; Department of Legislative Services

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