

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 385
Appropriations

(Delegate Krimm)

Frederick County - Higher Education - Joseph A. Sellinger Program

This bill restricts State aid from the Joseph A. Sellinger Program provided to a private nonprofit institution of higher education located in Frederick County to be used only to provide financial aid awards to students attending the institution who graduated from a high school located in Maryland. Further, in awarding this financial aid, priority must be given to students who graduated from a high school located in Frederick County. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None. The bill directs how two nonprofit institutions (Hood College and Mount St. Mary's University) must spend specified State aid.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Hood College and Mount St. Mary's University are the only two institutions eligible for the Sellinger funding formula in Frederick County.

Joseph A. Sellinger Program

The State provides financial assistance to eligible private nonprofit institutions located in Maryland through the Joseph A. Sellinger formula. Thirteen institutions meet the statutory criteria to receive funding. Funds are distributed to each institution based on each

institution's proportion of the total full-time equivalent enrollment at eligible institutions. The Governor's proposed fiscal 2021 budget includes \$91.1 million in Sellinger aid, with \$2.9 million for Hood College and \$4.0 million for Mount St. Mary's University. The funding is distributed proportionately based on the full-time equivalent students the prior fiscal year. Approximately 89% of Sellinger program funding was used for financial aid for Maryland students in fiscal 2019.

The Maryland Independent College and University Association reports that in fiscal 2019 Hood College and Mount St. Mary's University used \$3.6 million of their Sellinger funds to provide financial aid to Maryland students. The remaining Sellinger funds, (approximately \$250,000) were used for career exploration, including internships, experiential learning, and recruitment fairs with local businesses and industries.

In addition to Sellinger grants, Hood College and Mount St. Mary's University awarded \$36 million in institutional grants and scholarships to Maryland students. The average grant award to a Maryland student was \$23,242. Hood College and Mount St. Mary's University match the State's Guaranteed Access grant, thereby providing debt-free college for Maryland's lowest-income students.

Exhibit 1 shows the percentage of students at Hood College and Mount St. Mary's University based on headcount that are from Frederick County and Maryland.

Exhibit 1
Enrollment Headcount Percentage by Place of Residence
2018

| | <u>Hood</u> <u>College</u> | <u>Mount St. Mary's</u> <u>University</u> |
|------------------|---|--|
| Frederick County | 38% | 16% |
| Maryland | 74% | 57% |

Note: The place of residence is defined as the permanent residence at the time of application to the campus.

Source: Maryland Higher Education Commission; Department of Legislative Services

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Higher Education Commission; Maryland Independent College and University Association; Department of Legislative Services

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