

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 262 (Senators Kagan and Jennings)
Education, Health, and Environmental Affairs

Higher Education – Senatorial and Delegate Scholarships – Qualifications and
Limitations

This bill prohibits a senator or delegate from awarding a senatorial or delegate scholarship to a relative unless (1) the President of the Senate or the Speaker of the House, respectively, give permission and (2) the senator or delegate discloses the award to the Joint Committee on Legislative Ethics. The bill also bars an applicant from applying for a senatorial or delegate scholarship from more than one legislative district. Additionally, at the time of application, an applicant for a delegate scholarship must be domiciled in the legislative district from which the applicant seeks an award. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: The Maryland Higher Education Commission (MHEC) can handle the changes to senatorial and delegate scholarship programs with existing resources. Restricting eligibility for senatorial and delegate scholarships does not alter spending, as senators and delegates receive a set amount of scholarship money to award, which is not changed by the bill. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: “Relative” means a (1) spouse; (2) parent or stepparent; (3) sibling or stepsibling; (4) child, stepchild, foster child, or ward; (5) mother-in-law or father-in-law; (6) son-in-law or daughter-in-law; (7) grandparent; or (8) grandchild.

Senatorial Scholarships

Until June 30, 2019, each senator could award \$138,000 in scholarship funds each year. Beginning on July 1, 2019, that amount grows by the increase in tuition and mandatory fees over the previous year at the University System of Maryland (USM) institution with the highest annual expenses for a full-time resident undergraduate student other than the University of Maryland Global Campus (UMGC) and the University of Maryland, Baltimore Campus (UMB).

To qualify for an award, an individual must be a resident of Maryland and demonstrate a definite financial need. In addition, a senatorial scholarship may be awarded to an individual who is on active duty with the U.S. military and domiciled in the legislative district of the State from which the applicant seeks an award. Each senator must consider an applicant's financial need. An award under the program may not be less than \$400 and may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMGC and UMB. Except under certain circumstances, a scholarship may be held for up to four years of full-time study or eight years of part-time study.

A senatorial scholarship may be used at any undergraduate, graduate, or professional school in the State or at select in-state private career schools that offer two-year certificate programs that can transfer to a baccalaureate degree, including (1) at a degree-granting institution of higher education, if the curriculum is approved by MHEC; (2) at a hospital diploma school for training registered nurses; or (3) to attend as a full-time student a private postsecondary proprietary institution that is accredited by a national accrediting association approved by the U.S. Department of Education.

Each senator may award at most 10% of scholarship funds to applicants planning to attend accredited undergraduate, graduate, or professional institutions outside of the State. Those students must be studying an academic area that is not available in the State or be a person with a hearing impairment who will be studying at an institution outside the State that makes special provisions for persons with a hearing impairment. A senatorial scholarship may also be used at an out-of-state institution of higher education if the applicant is an individual who is on active duty with the U.S. military and domiciled in the State.

The scholarship may be used for educational expenses as defined by the Office of Student Financial Assistance within MHEC, including tuition and mandatory fees and room and board. If on-campus housing is available, a senatorial scholarship may not be used to pay for off-campus housing. A recipient of a senatorial scholarship who is currently enrolled, or was enrolled within the last two years, in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure may use

the scholarship to reimburse specified educational expenses, including tuition, mandatory fees, and room and board.

Delegate Scholarships

During a term in office, each delegate may award the equivalent of four four-year, full-time scholarships or two part-time scholarships for each full-time scholarship available. A delegate may select scholarship recipients on any basis he or she considers appropriate. The annual amount of a scholarship for any one recipient may not exceed the tuition and mandatory fees at the USM institution with the highest annual tuition and fees, not including UMGC and UMB. A scholarship award may be used to pay tuition and mandatory fees at a Maryland institution of postsecondary education or, when the desired program of study or appropriate accommodations are not available in Maryland, an out-of-state institution. Instead of awarding the scholarships himself or herself, a delegate may authorize MHEC to award funding to eligible applicants under the Delegate Howard P. Rawlings Educational Excellence Awards program.

A delegate scholarship may be used at an in-state institution of higher education whose primary campus is located in Maryland and whose authority to grant degrees is conferred in Maryland for a program of undergraduate, graduate, or professional studies. If the applicant will be studying in an academic area that is not available in the State or under certain circumstances where the applicant is disabled, the scholarship may be used at an accredited undergraduate, graduate, or professional studies institution outside the State. The scholarship may also be used at a private career school within the State that is approved by MHEC and that is accredited by a national accrediting association that is approved by the U.S. Department of Education. A recipient of a delegate scholarship who is currently enrolled, or was enrolled within the last two years, in a certificate or license program, course, or sequence of courses at a community college that leads to certification or licensure may use the scholarship to reimburse specified educational expenses, including tuition, mandatory fees, and room and board.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Higher Education Commission; Department of Legislative Services

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