

**Department of Legislative Services**  
Maryland General Assembly  
2022 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

Senate Bill 79

(Senator Bailey)

Education, Health, and Environmental Affairs

Appropriations

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**Higher Education - Senatorial and Delegate Scholarships - Program  
Accreditation**

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This emergency bill allows a senatorial or delegate scholarship to be used at an out-of-state institution when an academic area is not offered at an accredited program in the State. Specifically, the *program* must be accredited by a national accrediting association approved by the U.S. Department of Education.

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**Fiscal Summary**

**State Effect:** The Maryland Higher Education Commission (MHEC) can allow a senatorial or delegate scholarship to be used at an out-of-state institution under the conditions specified in the bill using existing resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:**

*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.

#### *Senatorial Scholarships – Eligible Institutions*

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.

According to regulations, a senatorial scholarship may be used at an out-of-state institution if the out-of-state institution makes special provisions for a hearing-impaired student if comparable special provisions are not available to that student at a Maryland institution or if the out-of-state institution *offers a program that is not offered at an institution in Maryland* and other specified conditions are met. Current law and regulations do not specify that an in-state program must be accredited by a national accrediting association approved by the U.S. Department of Education.

### *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.

### *Delegate Scholarships – Eligible Institutions*

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. 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.

According to regulations, a delegate scholarship may be used at an out-of-state institution if the out-of-state institution makes special provisions for a disabled student if comparable special provisions are not available to that student at a Maryland institution or *if the out-of-state institution offers a program that is not offered at an institution in Maryland* and other specified conditions are met. Current law and regulations do not specify that an in-state program must be accredited by a national accrediting association approved by the U.S. Department of Education when a recipient opts to use a delegate scholarship at an out-of-state institution.

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### **Additional Information**

**Prior Introductions:** SB 249 of 2021, a similar bill, passed the Senate and passed second reading in the House, but no further action was taken.

**Designated Cross File:** None.

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

**Fiscal Note History:** First Reader - February 6, 2022  
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