

SENATE BILL 240

F2

9lr1545
CF HB 268

By: **Senator Edwards**

Introduced and read first time: January 25, 2019

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 5, 2019

CHAPTER _____

1 AN ACT concerning

2 **Maryland Community College Promise Scholarship Program – Alterations to**
3 **the Award of Scholarship Funds**

4 FOR the purpose of ~~requiring the Office of Student Financial Assistance in the Maryland~~
5 ~~Higher Education Commission to select eligible applicants for the Maryland~~
6 ~~Community College Promise Scholarship program, to the extent practicable, at each~~
7 ~~community college based on each community college's proportionate share of a~~
8 ~~certain number of students;~~ specifying that if an award recipient is eligible for a local
9 promise scholarship, an award under the program shall be credited to the tuition of
10 a scholarship recipient before the award of a local promise scholarship; defining a
11 certain term; and generally relating to the award of scholarship funds under the
12 Maryland Community College Promise Scholarship program.

13 BY repealing and reenacting, with amendments,
14 Article – Education
15 Section ~~18-3601, 18-3603,~~ and ~~18-3604~~ 18-3604(b)
16 Annotated Code of Maryland
17 (2018 Replacement Volume and 2018 Supplement)

18 BY repealing and reenacting, without amendments,
19 Article – Education
20 Section 18-3602(a) and (b)
21 Annotated Code of Maryland
22 (2018 Replacement Volume and 2018 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Education**

4 18–3601.

5 (a) In this subtitle the following words have the meanings indicated.

6 (b) “Annual adjusted gross income” means the total of the combined adjusted
7 gross income of the applicant and the applicant’s parents, or the applicant and the
8 applicant’s spouse if the applicant is married, as reported on the most recent federal or
9 State income tax return.

10 (c) “Community college” includes Baltimore City Community College.

11 **(D) “LOCAL PROMISE SCHOLARSHIP” MEANS A COMMUNITY COLLEGE**
12 **SCHOLARSHIP PROGRAM IN EFFECT ON JULY 1, 2018, THAT PROVIDES A**
13 **SCHOLARSHIP TO ANY HIGH SCHOOL SENIOR WHO IS ELIGIBLE FOR ENROLLMENT**
14 **AT THE COMMUNITY COLLEGE.**

15 **[(d)] (E)** (1) “Tuition” means the basic instructional charge for courses offered
16 at a community college.

17 (2) “Tuition” includes any fees for:

18 (i) Registration;

19 (ii) Application;

20 (iii) Administration;

21 (iv) Laboratory work; and

22 (v) Other mandatory fees.

23 18–3602.

24 (a) There is a program of Maryland Community College Promise Scholarships in
25 the State that are awarded under this subtitle.

26 (b) The purpose of the program is to provide tuition assistance for students to
27 attend a community college in the State.

28 ~~18–3603.~~

1 ~~(a) (1) A student must apply annually to the Commission to receive a~~
2 ~~Maryland Community College Promise Scholarship award.~~

3 ~~(2) The Office annually shall select eligible applicants and offer a Maryland~~
4 ~~Community College Promise Scholarship award to each selected applicant to be used for~~
5 ~~tuition at a community college of the applicant's choice.~~

6 ~~(3) TO THE EXTENT PRACTICABLE, THE OFFICE SHALL SELECT~~
7 ~~ELIGIBLE APPLICANTS AT EACH COMMUNITY COLLEGE BASED ON EACH COMMUNITY~~
8 ~~COLLEGE'S PROPORTIONATE SHARE OF THE FULL-TIME EQUIVALENT ENROLLMENT~~
9 ~~OF STUDENTS AT ALL COMMUNITY COLLEGES DURING THE PREVIOUS ACADEMIC~~
10 ~~YEAR.~~

11 ~~(b) An applicant is eligible for a Maryland Community College Promise~~
12 ~~Scholarship if the applicant:~~

13 ~~(1) Is eligible for in-State tuition;~~

14 ~~(2) Enrolls as a candidate for a vocational certificate, a certificate, or an~~
15 ~~associate's degree at a community college in the State within 2 years after graduating from~~
16 ~~a high school or successfully completing a GED in the State;~~

17 ~~(3) Has earned an overall high school grade point average of at least 2.3 on~~
18 ~~a 4.0 scale or its equivalent;~~

19 ~~(4) Has an annual adjusted gross income of not more than:~~

20 ~~(i) \$100,000 if the applicant is single or resides in a single-parent~~
21 ~~household; or~~

22 ~~(ii) \$150,000 if the applicant is married or resides in a two-parent~~
23 ~~household;~~

24 ~~(5) Enrolls in at least 12 credits per semester at the community college;~~
25 ~~and~~

26 ~~(6) (i) Timely submits a Free Application for Federal Student Aid~~
27 ~~(FAFSA) or any other applications for any State or federal student financial aid, other than~~
28 ~~a student loan, for which the applicant may qualify; or~~

29 ~~(ii) Is ineligible to submit a FAFSA, qualifies for in-State tuition~~
30 ~~under § 15-106.8 of this article, and timely submits an application for any State student~~
31 ~~financial aid, other than a student loan, for which the applicant may qualify.~~

32 ~~(e) (1) An applicant who receives any other educational grants or scholarships~~
33 ~~that cover the applicant's full cost of attendance at the community college is ineligible to~~
34 ~~receive an award under this subtitle.~~

~~(2) An applicant who has earned a bachelor's degree or an associate's degree is ineligible to receive an award under this subtitle.~~

~~(d) On request the community college shall assist an applicant to submit a FAFSA or any other applications for State or federal student financial aid.~~

18-3604.

~~(a) Beginning in the 2019-2020 academic year, the annual scholarship award shall be not more than \$5,000 per recipient, or actual tuition, whichever is less.~~

(b) (1) **[Any] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, ANY** student financial aid, other than a student loan, received by the recipient shall be credited to the recipient's tuition before the calculation of any award amount provided under this subtitle.

(2) (i) 1. Initial awards shall be provided to recipients based on greatest demonstrated financial need.

2. Priority for awards in subsequent years shall be given to prior year recipients who remain eligible for the program.

(ii) Eligible applicants who do not receive an award under this subtitle shall be notified and placed on a waiting list.

(3) IF A RECIPIENT IS ELIGIBLE FOR A LOCAL PROMISE SCHOLARSHIP, AN AWARD PROVIDED UNDER THIS SUBTITLE SHALL BE CREDITED TO THE RECIPIENT'S TUITION BEFORE THE AWARD OF THE LOCAL PROMISE SCHOLARSHIP.

~~(e) An award under this subtitle may be made only if a recipient signs an agreement at the time of the initial award to:~~

~~(1) Use an address in the State on the recipient's State income tax return and commence full-time employment in the State within 1 year after completion of the vocational certificate, certificate, or associate's degree;~~

~~(2) Continue to use an address in the State on the recipient's State income tax return and maintain employment in the State for at least 1 year for each year that the scholarship was awarded; and~~

~~(3) Have the scholarship award converted into a student loan payable to the State if the recipient fails to fulfill the service obligation required in items (1) and (2) of this subsection.~~

1 ~~(d) (1) Subject to paragraphs (2) and (3) of this subsection, each recipient may~~
2 ~~hold the award until the earlier of:~~

3 ~~(i) 3 years after first enrolling as a candidate for a vocational~~
4 ~~certificate, a certificate, or an associate's degree at a community college in the State; or~~

5 ~~(ii) The date that the individual is awarded an associate's degree.~~

6 ~~(2) The Office may extend the duration of an award for an allowable~~
7 ~~interruption of study if the recipient provides to the Office satisfactory evidence of~~
8 ~~extenuating circumstances that prevent the recipient from continuous enrollment.~~

9 ~~(3) Each recipient may hold the award in accordance with paragraph (1) of~~
10 ~~this subsection only if the recipient:~~

11 ~~(i) Continues to be eligible for in-State tuition;~~

12 ~~(ii) Continues to enroll in and complete at least 12 credits per~~
13 ~~semester or its equivalent as determined by the Office;~~

14 ~~(iii) Maintains a cumulative grade point average of at least 2.5 on a~~
15 ~~4.0 scale or its equivalent for the remainder of the award or, failing to do so, provides to the~~
16 ~~Office satisfactory evidence of extenuating circumstances;~~

17 ~~(iv) Makes satisfactory progress toward a vocational certificate, a~~
18 ~~certificate, or an associate's degree;~~

19 ~~(v) Continues to meet the income limitations under § 18-3603(b)(4)~~
20 ~~of this subtitle; and~~

21 ~~(vi) Continues to timely submit an application under § 18-3603(b)(6)~~
22 ~~of this subtitle.~~

23 ~~(e) (1) If the recipient does not perform the service obligation required under~~
24 ~~subsection (e) of this section, the scholarship award shall be converted into a student loan.~~

25 ~~(2) The Office may waive or defer repayment of the student loan if the~~
26 ~~recipient provides satisfactory evidence of extenuating circumstances that prevent the~~
27 ~~recipient from fulfilling the service obligation.~~

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
29 1, 2019.