Chapter 554

(House Bill 16)

AN ACT concerning

Community Colleges – Near Completers and Maryland Community College Promise Scholarships

FOR the purpose of requiring the Governor to include a certain amount in the State budget for certain fiscal years for the Maryland Higher Education Commission to establish a near completer communication campaign; requiring the Commission to develop and implement a certain web–based match program for near completers; requiring the Commission to encourage certain institutions of higher education to participate in a certain program; requiring certain institutions to provide the Commission with certain information in a certain format; requiring the Commission to make a certain determination and send certain information to near completers; requiring the Governor to include a certain amount in the State budget for certain fiscal years for the Commission to develop and implement a certain match program; establishing eligibility requirements for a certain match program; requiring the Governor to include a certain amount in the State budget for certain fiscal years for the Commission to provide certain awards to certain students subject to certain limitations; requiring certain grants to be provided on a first–come, first–served basis; requiring the Commission and certain community colleges to make certain reports to the General Assembly on or before certain dates; prohibiting certain community colleges from increasing certain tuition rates more than the higher of certain amounts beginning in a certain academic year; establishing a Maryland Community College Promise Scholarship program; requiring the Office of Student Financial Assistance in the Maryland Higher Education Commission to publicize the availability of certain scholarships; requiring the Office to annually select and offer a certain scholarship award to certain applicants; establishing the eligibility requirements for receiving a certain scholarship; requiring a certain community college to assist certain applicants with a certain application on request; requiring the scholarship award to be not more than a certain amount beginning in a certain academic year; specifying how certain financial aid shall be credited to the tuition of a scholarship recipient; specifying that initial awards shall be provided to recipients on a first–come, first–served basis, based on greatest demonstrated financial need; specifying a priority for awards in subsequent years; requiring eligible applicants who do not receive a certain award to be notified and placed on a waiting list; prohibiting a certain scholarship award from being made unless a recipient signs a certain agreement; providing for the duration of the scholarship award; authorizing the Office to extend the duration of the award under certain circumstances; establishing the requirements for a recipient to hold a scholarship award; requiring that a certain scholarship award be converted into a student loan under certain circumstances; authorizing the Office to waive or defer repayment of a certain student loan under certain circumstances; requiring the Governor to include a certain annual appropriation in the State budget for the scholarship program;
requiring the Commission to adopt certain regulations; requiring the Commission to report certain information to the General Assembly on or before certain dates; providing for the termination of certain provisions of this Act; defining certain terms; and generally relating to near completers and community college scholarships.

BY repealing and reenacting, with amendments,

**Article – Education**
Section 11–209
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – Education
Section 16–317 and 16–514; and 18–3401 through 18–3407 to be under the new subtitle “Subtitle 34. Maryland Community College Promise Scholarships”
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

**Article – Education**

11–209.

(a) In this section, “near completer” means an individual who has completed some college credits but does not have a college degree and is no longer attending an institution of higher education.

(b) (1) The Commission, in collaboration with institutions of higher education, shall create a statewide communication campaign to identify near completers in the State and to encourage near completers to re–enroll in an institution of higher education to earn a degree.

(II) FOR EACH OF FISCAL YEARS 2020 THROUGH 2024, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET $125,000 TO THE COMMISSION TO FUND A STATEWIDE COMMUNICATION CAMPAIGN.

[(c)] (2) The communication campaign shall:

[(1)] (i) Make use of a variety of marketing media, including billboards, brochures, and electronic resources;

[(2)] (ii) Provide a centralized contact point for near completers to get information about and assistance with re–enrolling;
|(3) (III) Make readily available contact information for each public institution of higher education in the State; and |

|(4) (IV) Focus on near completers who: |

|(i) 1. Earned a minimum grade point average of 2.0 on a scale of 4.0 while in college; and |

|(ii) 1. 2. A. Earned at least 45 credit hours if the individual attended a community college; or |

|2. B. Earned at least 90 credit hours if the individual attended a senior higher education institution. |

|(d) (1) The Commission shall develop and implement a plan that would provide an incentive to: |

|(i) A near completer to re-enroll and earn a degree; and |

|(ii) A college to identify and graduate near completers. |

|(2) The incentive plan shall use all available resources, including institutional funds, private sector funds, and State funds.] |

(C) (1) THE COMMISSION SHALL DEVELOP AND IMPLEMENT A CENTRALIZED WEB-BASED MATCH PROGRAM FOR NEAR COMPLETERS THAT FACILITATES THE MATCHING OF A NEAR COMPLETER WITH ANY INSTITUTION OF HIGHER EDUCATION AT WHICH THE NEAR COMPLETER WOULD BE ABLE TO COMPLETE THE DEGREE. |

(2) THE COMMISSION SHALL ENCOURAGE EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE TO PARTICIPATE IN THE MATCH PROGRAM AT NO COST TO THE INSTITUTION. |

(3) (I) AN INSTITUTION THAT PARTICIPATES IN THE MATCH PROGRAM SHALL PROVIDE THE COMMISSION WITH INFORMATION REGARDING NEAR COMPLETERS WHO ATTENDED THE INSTITUTION, AS REQUESTED BY THE COMMISSION AND IN THE FORMAT IDENTIFIED BY THE COMMISSION. |

(II) ON RECEIPT OF INFORMATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL: |

1. DETERMINE ANY MATCHES BETWEEN A NEAR COMPLETER AND INSTITUTIONS; AND
2. Send information to the near completer regarding the matches, any incentives offered for near completers by the State or by the institutions, and any other financial aid available to the near completer.

(4) For each of fiscal years 2020 through 2024, the Governor shall include in the State budget $50,000 to the Commission to develop and implement the match program for near completers described under this subsection.

(D) (1) A near completer is eligible for a grant under this section if the near completer:

   (I) Earned a minimum grade point average of 2.0 on a scale of 4.0 while in college; and

   (II) 1. Earned at least 45 credit hours if the individual attended a community college; or

         2. Earned at least 90 credit hours if the individual attended a senior higher education institution.

(2) The Governor shall include in the State budget the amount specified in paragraph (3) of this subsection to the Commission to provide to a near completer the following amount:

   (I) For a near completer who re-enrolls in a community college, up to one-third of the in-county tuition charge; or

   (II) For a near completer who re-enrolls in a public senior higher education institution, up to one-third of the resident undergraduate tuition charge.

(3) The Governor shall include the following amounts in the State budget to the Commission for near completer grants under paragraph (2) of this subsection:

   (I) For fiscal year 2020, $250,000; and

   (II) For each of fiscal years 2021 through 2024, $375,000.
(4) A grant provided under this subsection may be used only for tuition and may not be used for fees or other charges or expenses related to attending an institution of higher education.

(5) All nonloan aid received by the near completer shall be credited to the near completer’s tuition before the calculation of the grant amount provided under this subsection.

(6) Grants shall be provided on a first-come, first-served basis.

(e) The Commission and institutions of higher education may implement other near completer initiatives in addition to the campaign and incentive plan MATCH PROGRAM required under this section.

(f) By December 1, [2013] 2019, and every December 1 through 2025, the Commission shall submit a report, in accordance with § 2–1246 of the State Government Article, to the General Assembly on the details of the statewide communication campaign and the incentive plan MATCH PROGRAM, including the expected timeline for implementation of the campaign and MATCH PROGRAM and a detailed account of the expenditures under the grant program established in subsection (D) of this section.

SUBTITLE 34. MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIPS.

18–3401.

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

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

(C) “Community college” includes Baltimore City Community College.

(D) (1) “Tuition” means the basic instructional charge for courses offered at a community college.

(2) “Tuition” includes any fees for:
(I) REGISTRATION;

(II) APPLICATION;

(III) ADMINISTRATION;

(IV) LABORATORY WORK; AND

(V) OTHER MANDATORY FEES.

18–3402.

(A) THERE IS A PROGRAM OF MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIPS IN THE STATE THAT ARE AWARDED UNDER THIS SUBTITLE.

(B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE TUITION ASSISTANCE FOR STUDENTS TO ATTEND A COMMUNITY COLLEGE IN THE STATE.

(C) THE OFFICE SHALL PUBLICIZE THE AVAILABILITY OF MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIPS.

18–3403.

(A) (1) A STUDENT MUST APPLY ANNUALLY TO THE COMMISSION TO RECEIVE A MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP AWARD.

(2) THE OFFICE ANNUALLY SHALL SELECT ELIGIBLE APPLICANTS AND OFFER A MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP AWARD TO EACH SELECTED APPLICANT TO BE USED FOR TUITION AT A COMMUNITY COLLEGE OF THE APPLICANT’S CHOICE.

(B) AN APPLICANT IS ELIGIBLE FOR A MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIP IF THE APPLICANT:

(1) IS A RESIDENT OF THE STATE FOR THE 12-MONTH PERIOD IMMEDIATELY BEFORE ENROLLING IN A COMMUNITY COLLEGE ELIGIBLE FOR IN–STATE TUITION;

(2) ENROLLS AS A CANDIDATE FOR A VOCATIONAL CERTIFICATE, A CERTIFICATE, OR AN ASSOCIATE’S DEGREE AT A COMMUNITY COLLEGE IN THE STATE WITHIN 2 YEARS AFTER GRADUATING FROM A HIGH SCHOOL IN THE STATE OR SUCCESSFULLY COMPLETING A GED IN THE STATE;
(3) Has earned an overall high school grade point average of at least 2.3 on a 4.0 scale or its equivalent;

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

   (I) $100,000 $90,000 $100,000 if the applicant is single or resides in a single–parent household; or

   (II) $150,000 $125,000 $150,000 if the applicant is married or resides in a two–parent household;

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

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

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

(C) (1) An applicant who receives any other educational grants or scholarships that cover the applicant’s full cost of attendance at the community college is ineligible to 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.

18–3404.

(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 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) (1) 1. **Awards** Initial awards shall be provided to
recipients on a first-come, first-served basis 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.

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

(1) *Reside exclusively in the State* 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) *Maintain residency and 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.

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

(I) 23 years after first enrolling as a candidate for a
vocational certificate, a certificate, or an associate’s degree at a
community college in the State; or

(II) The date that the individual is awarded a
vocational certificate or an associate’s degree.

(2) The Office may extend the duration of an award for an
allowable interruption of study if the recipient provides to the Office
SATISFACTORY EVIDENCE OF EXTENUATING CIRCUMSTANCES THAT PREVENT THE RECIPIENT FROM CONTINUOUS ENROLLMENT.

(3) EACH RECIPIENT MAY HOLD THE AWARD IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION ONLY IF THE RECIPIENT:

(I) CONTINUES TO BE A RESIDENT OF THE STATE ELIGIBLE FOR IN–STATE TUITION;

(II) CONTINUES TO ENROLL IN AND COMPLETE AT LEAST 12 CREDITS PER SEMESTER OR ITS EQUIVALENT AS DETERMINED BY THE OFFICE;

(III) MAINTAINS A CUMULATIVE GRADE POINT AVERAGE OF AT LEAST 2.5 ON A 4.0 SCALE OR ITS EQUIVALENT FOR THE REMAINDER OF THE AWARD OR, FAILING TO DO SO, PROVIDES TO THE OFFICE SATISFACTORY EVIDENCE OF EXTENUATING CIRCUMSTANCES;

(IV) MAKES SATISFACTORY PROGRESS TOWARD A VOCATIONAL CERTIFICATE, A CERTIFICATE, OR AN ASSOCIATE’S DEGREE;

(V) CONTINUES TO MEET THE INCOME LIMITATIONS UNDER § 18–3403(B)(4) OF THIS SUBTITLE; AND

(VI) CONTINUES TO TIMELY SUBMIT AN APPLICATION UNDER § 18–3403(B)(6).

(E) (1) IF THE RECIPIENT DOES NOT PERFORM THE SERVICE OBLIGATION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION, THE SCHOLARSHIP AWARD SHALL BE CONVERTED INTO A STUDENT LOAN.

(2) THE OFFICE MAY WAIVE OR DEFER REPAYMENT OF THE STUDENT LOAN IF THE RECIPIENT PROVIDES SATISFACTORY EVIDENCE OF EXTENUATING CIRCUMSTANCES THAT PREVENT THE RECIPIENT FROM FULFILLING THE SERVICE OBLIGATION.

18–3405.

THE GOVERNOR SHALL INCLUDE AN ANNUAL APPROPRIATION OF AT LEAST $10,000,000 $15,000,000 IN THE STATE BUDGET FOR THE COMMISSION TO DISBURSE MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIPS UNDER THIS SUBTITLE.

18–3406.
(A) The Commission shall adopt regulations necessary to implement the provisions of this subtitle.

(B) The regulations shall include the terms and conditions for repayment of any award amount that is converted to a loan under § 18–3404 of this subtitle.

18–3407.

On or before December 1, 2020, and each December 1 thereafter, the Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on the implementation of the Maryland Community College Promise Scholarship Program, including:

(1) The number of applicants who received a Maryland Community College Promise Scholarship in the academic year;

(2) The number of scholarship recipients enrolled in an associate’s degree program;

(3) The number of scholarship recipients enrolled in a vocational certificate program;

(4) The number of scholarship recipients enrolled in a certificate program;

(5) The amount of the award made to each scholarship recipient; and

(6) The number of eligible applicants, if any, who were placed on a waiting list and the amount of demonstrated financial need, in the aggregate, of those applicants;

(7) The number of scholarship recipients who earned an associate’s degree within 2, 3, or 4 years after receiving an award;

(8) The number of scholarship recipients who earned a vocational certificate within 1, 2, or 3 years after receiving an award;

(9) The number of scholarship recipients who transferred to a 4–year institution in the State; and
(10) **THE ACTUAL AND POTENTIAL IMPACT OF THE PROGRAM ON ENROLLMENT RATES AT COMMUNITY COLLEGES AND 4–YEAR PUBLIC INSTITUTIONS IN THE STATE.**

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article – Education**

16–317.


16–514.


SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. Section 2 of this Act shall remain effective for a period of 3 years and, at the end of June 30, 2021, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 8, 2018.