



March 12, 2021

## **INCOME CONTINGENT REPAYMENT OF TUITION PROPOSAL CONSIDERED**

On March 9<sup>TH</sup> in the House Appropriations Committee members heard testimony on House Bill 1172. The bill requires the Maryland Higher Education Commission to establish and implement the Pay It Forward Program at USM's Historically Black Institutions (HBIs). The purpose of the fund is to facilitate the payment of tuition and fees of students and monitor the repayment of those funds paid on their behalf. The USM urged an unfavorable report.

The USM acknowledges the need to provide affordable options for students to finance their education. The income-contingent model has proven less than effective for the same reasons it did 50 years ago – no up-front funding to hold institutions harmless, no compulsory requirement that all students participate, and over-representation of students who would otherwise be Pell-eligible and qualified to receive other grant or scholarship support.

The main issue is that Maryland's HBIs continue to fulfill their mission to expand educational access for all citizens. Like many HBIs, the key issue is a smaller endowment that hinders the ability to provide financial aid to students. The disproportionately high student loan debts carried by students of color is a barrier to financial freedom and exacerbates the nation's wealth gap. Under the income-contingent repayment model, loan debt grows deeper and the wealth gap wider.

Lastly, House Bill 1172 imposes burdensome restraints on the use of funding from private entities who would be in direct contractual relationships with students, prompting a chilling effect on endowment donations, grants and other philanthropic revenue. The language limits an institution's ability to determine students most in need. The bill shifts the focus away from expanding educational access to the restriction of funds to students who might otherwise qualify for institutional scholarships. It stipulates the creation of additional programmatic requirements that do nothing to eliminate the core issue of student loan debt.

The USM argued that the downsides of the bill far outweigh any intended benefit to the students most in need.

## **HUNGER-FREE CAMPUS PROPOSAL HEARD IN HOUSE AND SENATE**

In committee hearings held Tuesday in the Senate and Thursday in the House the USM provided testimony on Senate Bill 767/House Bill 891. The legislation establishes the Hunger-Free Campus Grant Program for public institutions of higher education administered by the Maryland Higher Education Commission (MHEC).

The USM believes the bill would offer opportunities for institutions to serve the needs of its students. A recent study found that, All USM institutions have food pantries, emergency funds, and/or other programs to help students meet their most basic need while they are matriculating at our institutions. The program and grant outlined in SB 767 would help enhance the institutions' efforts.

USM offered a few points for consideration:

- Regional Higher Education Centers (RHEC) should be included in the bill and/or institutions that receive the hunger-free designation should have to ensure resource access is equitable among all of their students, many of whom are studying at a RHEC.
- Institutions should have access to the report and data generated, as it will improve the degree to which institutions can meet students' needs.
- Some colleges and universities do not have dining halls. Therefore, the section(s) referring to dining halls and meal plans should indicate "if applicable."

Food insecurity as a predictor retention should be a concern for all universities, especially those serving large numbers of students in higher-risk populations.

## **BILL HEARINGS**

### **HB1337 (SB0800)**

Inmate Training and Job Act of 2021  
Delegate Proctor  
In the House - Hearing 3/15 at 1:30 p.m.  
Judiciary

### **HB1208**

Task Force to Study Academic Credit for Prior Learning in Higher Education  
Delegate Solomon  
In the House - Hearing 3/16 at 1:30 p.m.  
Appropriations

### **HB1295**

University System of Maryland – Student Fees – Review and Retention  
Delegate Ivey  
In the House - Hearing 3/16 at 1:30 p.m.  
Appropriations

### **SB0709 (HB0892)**

Economic Development - Maryland Technology Infrastructure Pilot Program – Establishment  
Senator Edwards  
In the Senate - Hearing 3/16 at 1:00 p.m.  
Finance

## **ISSUE UPDATES**

SB 127-Institutions of Higher Education-Use of Criminal History in Admission Modifications  
***Passed the Senate***

This bill prohibits an institution of higher education that receives State funds from disqualifying an applicant from undergraduate admission based on the applicant's criminal history obtained from a third-party admissions application. Further, an institution may not make inquiries into and consider information about a student's criminal history for the purpose of admission, including to deny or limit a student's admission into a particular academic program. The bill takes effect July 1, 2021.

SB 155 (HB 216)-Tuition Exemption for Foster Care Recipients and Homeless Youth  
***Both bills have passed to the opposite chamber***

This bill expands the definition of "homeless youth" who are eligible to receive a tuition waiver at a public institution of higher education by removing the requirements that the youth (1) be "unaccompanied" and (2) qualify as an independent student under federal law. The bill also alters the method by which a financial aid administrator determines that an individual is a homeless youth for the purpose of a tuition waiver.

SB 283 (HB 156) Student Military Voter Empowerment Act  
***Both bills have passed to the opposite chamber***

This bill establishes various requirements relating primarily to voter registration and voting by military and overseas voters and students at institutions of higher education in the State, including (1) a process for a military or overseas voter to submit a federal post card application electronically; (2) designation of a student voting coordinator and development and implementation of a student voting plan at each public institution of higher education; (3) expansion of the placement of links to the State Board of Elections' (SBE) online voter registration system on online portals used by higher education students to register for course work; and (4) a specified SBE web page relating to registration and voting by students enrolled in institutions of higher education. The bill also requires that local boards of elections obtain input from large residential institutional communities when establishing precinct boundaries and designating polling places. The bill takes effect June 1, 2021.

SB 433 (HB 173) Institutions of Higher Education-State Funding-Revision  
***Both bills have passed to the opposite chamber***

This bill specifies that State appropriations calculated under the Senator John A. Cade Funding Formula for local community colleges and the Baltimore City Community College (BCCC) funding formula include appropriations, regardless of where they are budgeted, designated for the general operation of four-year public institutions of higher education, including personnel-related appropriations. The bill takes effect July 1, 2021.

SB778 (HB 1279) Regional Institution Strategic Enterprise Zone Program-Alterations

***Senate bill passed 2<sup>nd</sup> reading***

This bill alters the existing Regional Institution Strategic Enterprise (RISE) Zone Program by (1) establishing for qualified businesses a rental assistance grant program and enhanced biotechnology investment incentive and cybersecurity investment incentive tax credits; (2) limiting to 500 acres the maximum size of a zone; (3) limiting existing income tax and property tax credits to businesses that locate in a RISE zone before January 1, 2023; (4) expanding the purposes of the program; and (5) terminating program tax credits and benefits effective January 1, 2028. The bill generally takes effect June 1, 2021.

HB 38 (SB 49)-State Government-Department of Information Technology-Cybersecurity

***House bill passed House***

This bill expands the responsibilities of the Secretary of Information Technology to include advising and consulting with the Legislative and Judicial branches of State government regarding a cybersecurity strategy and, in consultation with the Attorney General, (1) advising and overseeing a consistent cybersecurity strategy for units of State government, including institutions of higher education, and (2) developing guidance on consistent cybersecurity strategies for counties, municipal corporations, school systems, and all other political subdivisions of the State. None of the Secretary's new responsibilities may be construed as establishing a mandate for any of these local government entities.

HB 73 (SB 710) State and Local Government and Public Institutions of Higher Education-Teleworking

***House bill passed the House***

This bill requires the Judicial and Legislative branches of State government to each maintain a telework program and alters the statewide telework program that must be maintained by the Executive Branch of State government. Each local government entity must also maintain a similar telework program. Each unit of State government must report to the General Assembly on their telework program by December 1 of each year, as specified. The bill establishes legislative intent to encourage and assist private-sector employers in developing and implementing telework programs.

HB 98-Maryland Higher Education Outreach and College Access Pilot Program-Alterations

***Passed the House***

This bill makes the Maryland Higher Education Outreach and College Access (Pilot) Program permanent by repealing the termination date and making other conforming changes. The Maryland Higher Education Commission (MHEC) must continue to submit an annual report about the program. Beginning in fiscal 2023, the Governor must include \$200,000 annually in the State budget for the program. The bill takes effect July 1, 2021.

HB 246 (SB 554)-Higher Education - Returned Peace Corps Volunteers - In-State Tuition

***House bill passed House***

This bill exempts a returned Peace Corps volunteer domiciled in the State from paying nonresident tuition at a public institution of higher education in the State.

HB 460 (SB 886)-Transfer with Success Act

***House bill passed the House***

Requires the Maryland Higher Education Commission (MHEC) to require a receiving public institution of higher education that denies the transfer of a credit or course to an enrolled student to notify the sending public institution and the enrolled student, as specified, including the rationale for the denial. The transfer coordinator or institutional designee of the sending institution must conduct a review, in conjunction with the receiving institution's designee, within a time period MHEC determines to be appropriate. Each public institution of higher education must submit an annual report to MHEC listing any denials of transfer of a credit or a course and the reasons for the denials.

HB 466 (SB 405)-Higher Education-Student Identification Cards-Required Information  
***House bill passed House***

This bill requires institutions of higher education to provide the telephone number for Maryland's Helpline directly on student identification cards (or a sticker affixed to the card), if the institution provides such a card. Additionally, the bill permits institutions to provide numbers for the National Suicide Prevention Lifeline, Crisis Text Line, or an on-campus crisis center on student identification cards. The bill does not require institutions to reissue or reprint student identification cards in use on the effective date of the bill or to reprint cards that were printed but not issued before the effective date of the bill. The bill takes effect July 1, 2021.

HB 670 (Speaker)- Police Reform and Accountability Act of 2021  
***Passed 3<sup>d</sup> reader***

Police Reform legislation has been amended to authorize MHEC to create a loan program for police officers.

HB 756 (SB 922)-Office of Legislative Audits-Acceptance and Investigation of Allegations of Fraud, Waste, and Abuse  
***House Bill passed the House***

This bill generally expands the authority and responsibilities of the Office of Legislative Audits (OLA) with respect to investigations of acts or allegations of fraud, waste, or abuse of State resources. OLA may compel, by subpoena or otherwise, the production of public and private records and the appearance of witnesses under oath for purposes of an investigation. OLA may coordinate an investigation with the Office of the Attorney General (OAG), the Office of the State Prosecutor (OSP), and other State and local law enforcement units and prosecutorial agencies. A law enforcement unit must cooperate and share information with the employees of OLA as needed to further an investigation. Additionally, OLA must maintain a fraud hotline for the reporting of allegations of fraud, waste, and abuse of State resources. Each unit of State government must post and distribute specified information prepared by OLA relating to the reporting of fraud, waste, and abuse of State resources and report to OLA instances of possible criminal