

HOUSE BILL 167

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0lr0975

By: **Delegate Kerr**

Introduced and read first time: January 15, 2020

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education – State Payments to Private Institutions – Unserved Student**
3 **Populations**

4 FOR the purpose of requiring the State to provide a certain payment to certain eligible
5 private nonprofit institutions of higher education toward the tuition and fees of
6 certain eligible students; requiring certain eligible students to pay a certain amount
7 to a private nonprofit institution of higher education under certain circumstances
8 and subject to a certain limitation; and generally relating to access to private
9 nonprofit institutions of higher education.

10 BY repealing and reenacting, without amendments,
11 Article – Education
12 Section 10–101(a), (k), and (m)
13 Annotated Code of Maryland
14 (2018 Replacement Volume and 2019 Supplement)

15 BY adding to
16 Article – Education
17 Section 17–104.1
18 Annotated Code of Maryland
19 (2018 Replacement Volume and 2019 Supplement)

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

22 **Article – Education**

23 10–101.

24 (a) In this division the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(k) (1) “Private nonprofit institution of higher education” means an institution of higher education that:

(i) Benefits no person through any part of its net earnings;

(ii) Is legally authorized to operate as a nonprofit organization by each state in which it is physically located;

(iii) Is determined by the Internal Revenue Service to be an organization to which contributions are tax-deductible in accordance with 26 U.S.C. 501(c)(3); and

(iv) Generally limits enrollment to graduates of secondary schools and awards degrees at the associate, baccalaureate, or graduate level.

(2) “Private nonprofit institution of higher education” includes an independent institution of higher education.

(3) “Private nonprofit institution of higher education” does not include an institution engaging in a reportable incident unless the Commission has determined that the incident does not constitute private inurement.

(m) “Public senior higher education institution” means:

(1) The constituent institutions of the University System of Maryland and the University of Maryland Center for Environmental Science;

(2) Morgan State University; and

(3) St. Mary’s College of Maryland.

17-104.1.

(A) A STUDENT IS ELIGIBLE UNDER THIS SECTION IF THE STUDENT:

(1) HAS COMPLETED AN ASSOCIATE DEGREE PROGRAM AT A COMMUNITY COLLEGE IN THE STATE THAT PROVIDES TRANSFER CREDIT FOR AN ACCREDITED BACCALAUREATE PROGRAM;

(2) IS ELIGIBLE FOR IN-STATE TUITION; AND

(3) (I) RESIDES FURTHER THAN 30 MILES FROM A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION; OR

(II) RESIDES MORE THAN A 40-MINUTE COMMUTE FROM A

1 PUBLIC SENIOR HIGHER EDUCATION INSTITUTION.

2 (B) A PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION IS
3 ELIGIBLE UNDER THIS SECTION IF THE PRIVATE NONPROFIT INSTITUTION OF
4 HIGHER EDUCATION:

5 (1) IS ELIGIBLE FOR STATE AID UNDER § 17-103 OF THIS SUBTITLE;
6 AND

7 (2) (I) IS LOCATED NOT FARTHER THAN 30 MILES FROM WHERE
8 THE ELIGIBLE STUDENT RESIDES; OR

9 (II) IS LOCATED NOT MORE THAN A COMMUTE OF 40 MINUTES
10 FROM WHERE THE ELIGIBLE STUDENT RESIDES.

11 (C) IF AN ELIGIBLE PRIVATE NONPROFIT INSTITUTION OF HIGHER
12 EDUCATION ENROLLS AN ELIGIBLE STUDENT UNDER THIS SECTION, THEN:

13 (1) THE STATE SHALL PROVIDE TO THE PRIVATE NONPROFIT
14 INSTITUTION OF HIGHER EDUCATION, AS PAYMENT TOWARD TUITION AND FEES FOR
15 THE ELIGIBLE STUDENT, AN AMOUNT EQUAL TO 100% OF THE STATE'S GENERAL
16 FUND PER FULL-TIME EQUIVALENT STUDENT APPROPRIATION TO THE 4-YEAR
17 PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THIS STATE FOR THE SAME FISCAL
18 YEAR AS CALCULATED IN § 17-104 OF THIS SUBTITLE; AND

19 (2) THE STUDENT SHALL PAY THE BALANCE OF TUITION AND FEES AT
20 THE PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION, NOT TO EXCEED
21 THE AVERAGE PUBLIC 4-YEAR UNDERGRADUATE TUITION AND FEES AS PUBLISHED
22 IN THE CURRENT MARYLAND HIGHER EDUCATION COMMISSION DATA BOOK.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2020.