

TESTIMONY

**Senate Education, Health, and Environmental Affairs
Committee
Senate Budget & Taxation Committee**

*SB 1173 – Higher Education Degree and Job Certification Without Debt
Act of 2017*

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Tina Bjarekull, President

March 16, 2017

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On behalf of Maryland's independent colleges and universities, I write to support with amendments Senate Bill 1173 – Higher Education Degree and Job Certification Without Debt Act of 2017.

MICUA strongly supports provisions of Senate Bill 1173 that increase the State's commitment to need-based student aid. The legislation increases the maximum award for the State's Education Excellence Award (EEA) Program and mandates certain increases in State appropriations for the Program. Maryland ranks 32nd in the nation in terms of need-based grant dollars as a percent of the total population. The EEA maximum award has not increased in decades and the State's appropriations for the Program have not kept pace with demand. In each of the past three years, almost 20,000 EEA applicants have been placed on a waiting list. The State prioritizes applicants based on Expected Family Contribution (EFC). At one time, the State's EFC cutoff was \$10,709. Last year, the EFC cutoff was \$2,900. To put this number into context, the EFC cutoff for the Pell Grant Program exceeds \$5,000.

The legislation also expands the State's Near Completer Program by requiring the Maryland Higher Education Commission (MHEC) to establish a web-based system to facilitate matching near completers with institutions of higher education and encourage colleges and universities in the State to participate in the program. In addition, the legislation establishes a grant for near completers who enroll at a public institution of higher education.

For several years, MHEC has been managing a "One Step Away State Grant Program," which provides competitive grants to institutions of higher education to identify, contact, re-enroll, and graduate near-completer students. To participate in the program, institutions must

provide in-kind or matching funds in an amount equal to at least one-third of the total cost of the project. Two MICUA member institutions – Notre Dame of Maryland University and Washington Adventist University – each received \$60,000 grants for the “One Step Away” program. Each institution used the State matching grants to provide scholarships and support services to returning students to help them complete their degrees. Collectively the two schools re-enrolled 80 near completers as a result of these efforts.

MICUA respectfully requests an amendment to allow near completers who enroll at MICUA member institutions to receive a State grant for tuition costs with certain limitations. Based on MICUA’s proposed amendment, a grant to a student attending an independent college or university could not exceed one-third of the tuition charged at a 4-year public institution in the State. The proposed cap on the Near Completer grant is similar to statutory cap placed on the Guaranteed Access grant. The proposed amendment follows:

On page 4, in line 27, strike “OR”; and in line 30, strike “CHARGE” and substitute “CHARGE; OR

(III) FOR A NEAR COMPLETER WHO RE-ENROLLS IN A PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION, UP TO ONE-THIRD OF THE RESIDENT UNDERGRADUATE TUITION CHARGE NOT TO EXCEED THE RESIDENT UNDERGRADUATE TUITION CHARGE AT THE 4-YEAR PUBLIC INSTITUTION OF HIGHER EDUCATION WITH THE HIGHEST ANNUAL TUITION.

Several other provisions of this legislation do not impact independent colleges and universities. The Association takes no position on these provisions.

Thank you for the opportunity to provide this written testimony in support of Senate Bill 1173.