

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 285

(Senators Carozza and Bailey)

Judicial Proceedings and Education, Energy,
and the Environment

Appropriations

Higher Education - Scholarships for Correctional Officers

This bill expands eligibility for the Maryland Police Officers and Probation Agents Scholarship Program to include correctional officers and renames the program accordingly. Correctional officers are subject to the same eligibility requirements and service obligation requirements established under current law for police officers and probation agents. The bill also expands scholarship eligibility to include individuals enrolled in certificate programs. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: Expanding *eligibility* for the Maryland Police Officers and Probation Agents Scholarship has no effect on spending. Maryland Higher Education Commission (MHEC) general fund expenditures increase by \$20,000 in FY 2027 for system enhancements to the Maryland College Aid Processing System (MDCAPS). Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

Maryland Police Officers and Probation Agents Scholarship Program

Chapter 59 of 2021, the Maryland Police Accountability Act of 2021, established the Maryland Police Officers Scholarship Program, which was subsequently expanded (and renamed) by Chapter 100 of 2023 to include probation agents. The Maryland Police

Officers and Probation Agents Scholarship Program provides tuition assistance for students (1) attending a degree program at an “eligible institution” that would further their intent to be a police officer or probation agent after graduation or (2) who are currently police officers or probation agents attending a degree program at an “eligible institution” that would further their career. The Office of Student Financial Assistance (OSFA) in MHEC must (1) publicize the availability of the scholarship; (2) annually select eligible students and offer a scholarship to each student selected to be used at an eligible institution of the student’s choice; and, (3) to the extent practicable, award scholarships under the program in a manner that reflects ethnic, gender, racial, and geographic diversity.

A recipient of a scholarship must (1) be a Maryland resident or have graduated from a Maryland high school; (2) be accepted for admission or currently enrolled at an eligible institution as a full-time or part-time undergraduate or graduate student, as specified; (3) sign a letter of intent to perform the service obligation on completion of the recipient’s required studies; and (4) satisfy any additional criteria MHEC may establish. A current police officer or probation agent that meets the eligibility criteria is also eligible for a scholarship. A recipient of a scholarship must repay MHEC the funds received if the recipient does not (1) satisfy the degree requirements of the course of study or program or fulfill other specified requirements or (2) perform the service obligation to work as a police officer or probation agent for at least five years during the eight-year period after graduation.

The annual scholarship award must be 50% of the equivalent annual tuition and mandatory fees of a resident undergraduate student at the eligible institution. The Governor must annually include in the budget bill an appropriation of at least \$2.0 million to MHEC to award scholarships.

For the Maryland Police Officers and Probation Agents Scholarship Program, “eligible institution” means a public senior (four-year) higher education institution or community college in the State.

Maryland Loan Assistance Repayment Program for Police Officers

Chapter 59 also established the Maryland Loan Assistance Repayment Program for Police Officers to assist in the repayment of a higher education loan owed by a police officer who meets specified requirements. Chapter 100 expanded the program to also include probation agents and renamed the program accordingly. OSFA must distribute funds from the program to assist in the repayment of a “higher education loan” owed by a police officer or probation agent who (1) receives a graduate, professional, or undergraduate degree from a public college or university in the State; (2) obtains “eligible employment”; and (3) satisfies any other criteria established by the office. The Governor must include an annual appropriation of at least \$2.0 million in the State budget for the program.

State Expenditures: Expanding eligibility for the Maryland Police Officers and Probation Agents Scholarship Program does not necessarily require additional spending; however, to make additional scholarship awards, an estimated \$3,400 per award is necessary. In fiscal 2025, 42 awards totaling \$143,723 were made under the Maryland Police Officers and Probation Agents Scholarship. Thus, average awards were approximately \$3,400 per individual. This amount may be lower to the extent additional individuals enrolled in certificate programs require lower average award amounts (in accordance with the lower credit hours needed for a certificate versus a regular degree program).

The fiscal 2027 budget as introduced includes \$2.0 million for the Maryland Police Officers and Probation Agents Scholarship Program. The introduced budget also includes a contingent reduction of \$1.5 million for the scholarship program, which, if implemented, would reduce fiscal 2027 funding to \$500,000. The fiscal 2026 budget as enacted included \$2.0 million in funding for the scholarship program; however, the fiscal 2027 budget as introduced reflects an additional reduction of \$1.5 million for the scholarship program in fiscal 2026, which would reduce fiscal 2026 funding to \$500,000. By comparison, the program received \$500,000 in fiscal 2025 and \$5.0 million in fiscal 2024.

The additional number of scholarships under the bill cannot be reliably estimated at this time. Given the small number of awards made to police officers and probation agents under the existing program, the effect of adding correctional officers to the program is likely minimal. However, the additional demand for scholarships to attend certificate programs is unknown, but may be meaningful. Nevertheless, to the extent existing appropriations are insufficient to cover the cost of additional awards to correctional officers, individuals can be added to the Maryland Police Officers and Probation Agents Scholarship waiting list with no additional resources.

MHEC advises that enhancing MDCAPS to include correctional officers under the Maryland Police Officers and Probation Agents Scholarship requires approximately \$20,000 in one-time costs in fiscal 2027.

MHEC advises that the agency is operating without additional administrative capacity to handle the new responsibilities presented by expanded scholarship programs. MHEC therefore advises that the agency requires one new full-time administrative specialist to handle tasks such as eligibility verification, loan documentation review, service tracking, payment processing, interagency coordination, and annual reporting. MHEC also advises that the agency did not receive additional staffing following the initial creation of the scholarship. While the Department of Legislative Services (DLS) acknowledges that expansion of the program entails additional operational and administrative impacts to MHEC, DLS advises that the bill merely expands existing programs, rather than establishing novel responsibilities for MHEC. DLS therefore advises that the bill itself does not necessitate additional staffing.

Additional Comments: Current law (Education Article § 18-3805) defines the annual scholarship amount as 50% of the equivalent annual tuition and mandatory fees of a resident undergraduate student at the eligible institution. Because this definition is unchanged, the scholarship amount for a student enrolled in a certificate program remain tied to undergraduate tuition levels, which may not align with the cost structure of certificate programs.

In addition, Education Article § 18-3803(b)(2) requires that a recipient be accepted or enrolled as a full-time or part-time undergraduate or graduate student. Depending on institutional classification, an individual enrolled solely in a certificate program may not meet this requirement.

As a result, depending on how MHEC implements the program, these inconsistencies may limit or complicate the award of scholarships to students enrolled in certificate programs.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 690 of 2025.

Designated Cross File: HB 852 (Delegate Sample-Hughes, *et al.*) - Appropriations.

Information Source(s): Maryland Higher Education Commission; Department of Juvenile Services; Department of Public Safety and Correctional Services; Department of Legislative Services

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