



Maryland Independent College and University Association

140 SOUTH STREET
ANNAPOLIS, MD 21401

PHONE: 410-269-0306
FAX: 410-269-5905
www.micua.org

TESTIMONY

House Appropriations Committee

HB 936 – Higher Education – Financial Aid Reductions - Notice

Tina Bjarekull, President

March 1, 2018

MEMBERS

Capitol Technology University

Goucher College

Hood College

Johns Hopkins University

Loyola University Maryland

Maryland Institute College of Art

McDaniel College

Mount St. Mary's University

Notre Dame of Maryland University

St. John's College

Stevenson University

Washington Adventist University

Washington College

AFFILIATE MEMBERS

Ner Israel Rabbinical College

St. Mary's Seminary & University

Thank you for the opportunity to submit testimony in opposition to *HB 936- Higher Education – Financial Aid Reductions – Notice*. This bill requires public senior and private nonprofit higher education institutions to provide notice of whether a student's acceptance of additional gift aid may result in a reduction of institutional gift aid and how much gift aid a student may accept before institutional gift aid is reduced. This notification must be provided within 30 days of a student's acceptance and before a student's gift aid is reduced.

Every MICUA member institution that reduces institutional aid under any circumstances provides notice to students about its policy at the time that the institutional aid is offered. Nevertheless, the requirements of this bill are nearly impossible to implement.

The 30-day notice requirement is particularly burdensome and impractical. The bill requires institutions to calculate how much gift aid a student may accept before institutional gift aid is reduced. Many students do not apply for financial aid until much later in the process. Even if a student has applied for State and federal financial aid, award eligibility and grant amounts may not be known for months after acceptance. In short, this is not a calculation that can be accurately done at the time of acceptance.

Furthermore, the cohort of accepted students is not the same as the cohort of admitted students and making the calculation at the time of acceptance would be specious at best.

HB 936 will not help students make more informed choices and if anything, will slow down the financial aid packaging process resulting in a significant delay to students receiving accurate financial aid award packages.

MICUA respectfully requests an unfavorable report for HB 936.