

**House Appropriations Committee**  
***House Bill 734 (Lierman) Higher Education – Student Financial Assistance – Alterations  
and Appropriation***

Sara C. Fidler, President  
[sfidler@micua.org](mailto:sfidler@micua.org)  
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On behalf of the member institutions of the Maryland Independent College and University Association (MICUA) and the 58,000 students we serve, I thank you for the opportunity to provide this written testimony in support of [House Bill 734 \(Lierman\) Higher Education – Student Financial Assistance – Alterations and Appropriation](#). This bill requires the Maryland Higher Education Commission to utilize the annual family income determination used when the student prequalified for a Guaranteed Access Grant (GAG) when making an award. The bill also increases the maximum award amount for an Educational Assistance Grant to be \$7,000 instead of \$3,000 and allows the recipient of a GAG who becomes ineligible due to an income change to remain eligible for the full award term with a reduced amount of funding.

Every one of MICUA’s thirteen State-aided institutions participates in the Guaranteed Access Partnership Program (GAPP). GAPP is a public-private partnership that helps students close the affordability gap in order to attend a private nonprofit institution of higher education in the State. Students who receive a GAG from the State are eligible for a matching grant from a MICUA institution. Since 2017 when the program was established, GAPP has matched over \$45 million to nearly 2,400 Maryland students.

The modifications to the GAG program made by this bill will have a substantial positive impact on student retention and completion. In some instances, when a recipient loses a GAG due to income ineligibility, they may choose to withdraw from the institution. Allowing a student to receive a reduced GAG award amount is a significant improvement over a firm cutoff (the “GA cliff”) for the award. Data from our MICUA institutions indicates that many students who lose eligibility for their GAG because of an income change remain Pell grant eligible – meaning these are still the lowest-income students. Maintaining the GAG, even at a reduced award level, allows these students to continue pursuing their academic goals, and graduate with a baccalaureate degree.

The MICUA colleges and universities are committed to helping students obtain the financial assistance they need to access their choice of institution of higher education. We use 85%-90% of our Sellinger funding for financial aid for Maryland students, and in Fiscal 2021, we awarded over \$300 million in institution-based financial aid. We have seen increased financial need in recent years, especially during the pandemic, and this bill will help alleviate some of the economic pressures on our students.

We appreciate the effort that the sponsors have made to ensuring that students receive and retain the financial aid resources they need to pursue their undergraduate education. If you have any questions or would like additional information, please contact Angela Sherman, Vice President for Academic Affairs, [asherman@micua.org](mailto:asherman@micua.org).

***For all of these reasons, MICUA requests a favorable Committee report for House Bill 734.***