(1978 Volume and 1979 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article - Education

18-304.

- (A) A general State scholarship may be used:
- (1) At a degree granting institution of higher education, an eligible institution with a terminal certificate program that provides transfer credit for an accredited baccalaureate program, or a hospital diploma school for training registered nurses if the curriculum is approved by the State Board for Higher Education; and
- (2) For educational expenses as defined by the State Scholarship Board, including:
 - (i) Tuition and fees; and
 - (ii) Room and board.
- (B) A GENERAL STATE SCHOLARSHIP MAY BE USED AT A SCHOOL IN ANOTHER STATE IF:
- (1) THERE IS A RECIPROCAL AGREEMENT AS PROVIDED IN SECTION 18-308 OF THIS SUBTITLE; AND
- (2) THE SCHOOL MEETS REQUIREMENTS OF SUBSECTION (A)(1) OF THIS SECTION.

18-308.

- (A) IN THIS SECTION "SCHOOL" MEANS AN INSTITUTION THAT MEETS THE REQUIREMENTS OF SECTION 18-304 (A)(1) OF THIS SUBTITLE.
- (B)--IF-ANOTHER-STATE-PROVIDES-FINANCIAL-ASSISTANCE--TO
 A--STUDENT--WHO--ATTENDS--A--SCHOOL-IN-THIS-STATE;-THE-STATE
 SCHOLARSHIP-BOARD-MAY-ENTER-INTO--A--REGIPROCAL--SCHOLARSHIP
 AGREEMENT--WITH--THAT-STATE;-HOWEVER;-THE-STATE-SCHOLARSHIP
 BOARD--SHALL-GIVE--PRIORITY--TO--ENTERING--INTO--REGIPROCAL
 AGREEMENTS-WITH-CONTIGUOUS-AND-NEARBY-STATES;
- (B) THE STATE SCHOLARSHIP BOARD MAY ENTER INTO RECIPROCAL SCHOLARSHIP AGREEMENTS WITH OTHER STATES. HOWEVER THE BOARD SHALL GIVE PRIORITY TO ENTERING INTO RECIPROCAL AGREEMENTS WITH CONTIGUOUS AND NEARBY STATES.
- (C) IF SCHOLARSHIPS ARE AWARDED FOR TO STUDENTS FOR USE IN SCHOOLS IN OTHER STATES, THE TOTAL VALUE OF ALL OF THESE AWARDS MAY NOT BE MORE THAN 10 PERCENT OF THE TOTAL