

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 232 (Chairman. Ways and Means Committee)
(Departmental - Higher Education Commission)

Ways and Means

Higher Education - Educational Excellence Award Program

This departmental bill provides that the Maryland Higher Education Commission may carry forward unused funds appropriated for the Educational Excellence Award Program from one fiscal year to the next. Funds carried over may not exceed 5% of the total annual appropriation. Currently, any unexpended funds revert back to the general fund.

Fiscal Summary

State Effect: Decrease in general fund revenues of approximately \$175,000 annually. Corresponding increase in general fund expenditures.

Local Effect: None.

Small Business Effect: The Maryland Higher Education Commission has determined that this bill will have minimal or no impact on small businesses (attached). Legislative Services concurs with this assessment.

Fiscal Analysis

State Effect: The Governor's proposed fiscal 1999 budget includes \$31,300,451 in general funds for the Educational Excellence Awards Program. As a result of this bill, up to 5% of that amount, or \$1.57 million, could be carried forward for use by students in fiscal 2000. However, from fiscal 1995 through 1997, an average of only \$174,533 was reverted back to the general fund from this program each year. Amounts reverted are primarily related to students declining awards. Accordingly, it is estimated that general fund revenues could decrease by about \$175,000 annually, with a corresponding increase in general fund expenditures for scholarships.

Information Source(s): Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 1998
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