

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 939 (Delegate Levi, *et al.*)
Rules and Executive Nominations

General Assembly Members - Use of Funds - Grant Writers

This bill allows a member of the General Assembly to use up to \$3,000 in excess funds allocated for maintaining a district office to finance a grant writer for a nonprofit organization under specified circumstances.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: None.

Small Business Effect: Potential minimal benefit for small nonprofit organizations.

Analysis

Bill Summary: A member of the General Assembly is allowed to use up to \$3,000 in excess funds allocated for maintaining a district office to finance a grant writer for a nonprofit organization. The nonprofit organization must be located in the State, have an annual budget of \$500,000 or less, and be qualified to receive tax deductible contributions under the Internal Revenue Code.

The grant writer funded under the bill must write the grant proposal on behalf of a collaboration of two or more nonprofit organizations, and be certified by the Grant Professionals Certification Institute (GPCI) or the Certified Fundraising Executive Program (CFRE).

Two or more members may combine excess funds to finance a grant writer, but the total amount of combined funds may not exceed \$10,000.

Current Law/Background: Public resources may be used by members of the General Assembly only for public purposes, except for incidental uses of public resources for nonpublic purposes.

Members of the General Assembly receive \$18,265 annually for district office expenditures. The publication *Guidelines for Compensation and Expenses for Legislators* explains in detail the expenses that may be paid from the district office expense allowance. Generally, district office funds may be used for office rent, secretarial and clerical services, the *Annapolis Report* newsletter for constituents, newspapers, telephones used only for legislative business, supplies, postage, utilities, and approved furniture and equipment.

GPCI was established by the American Association of Grant Professionals as a means of ensuring the credibility, integrity, and independence of the certification process. As of January 2010, there were seven GPCI-certified professional grant writers in Maryland, and several hundred in the United States.

CFRE certifies fundraising professionals based on their demonstrated knowledge, skills, and commitment to standards of ethical and professional practice. It administers a voluntary certification process based on current and valid standards that measure competency in the practice of philanthropic fundraising. There are 4,527 CFRE-certified professional fundraisers in the United States.

State Fiscal Effect: In past years, the Department of Legislative Services encumbered any excess funds from members' district office allocations. In recent years, excess funds have reverted to the general fund, but the extent of the reversions has been minimal as most members spend their full allocation.

Small Business Effect: Any nonprofit organization that receives public funds under the bill is subject to an audit by the Office of Legislative Audits.

Additional Information

Prior Introductions: None.

Cross File: SB 915 (Senator Harrington) – Rules.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2010
mlm/lgc

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510