

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 30 (Senator Ferguson)
Rules

Senatorial and House of Delegates Scholarship Programs - Abolition

This bill abolishes the General Assembly's scholarship programs and stipulates that the Governor may not include any new appropriations for the scholarships, with the exception of funding renewals of awards made before October 1, 1996. Any unexpended appropriation not needed to meet scholarship award commitments made prior to October 1, 1996 must be transferred to the general fund.

Fiscal Summary

State Effect: General fund expenditures would decrease by \$2.6 million in FY 1998. Future year savings grow as the number of scholarship renewals declines. Revenues would not be affected.

(\$ in millions)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
GF Expenditures	0.0	(2.6)	(4.8)	(7.0)	(9.2)
Net Effect	\$0.0	\$2.6	\$4.8	\$7.0	\$9.2

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Expenditures: The bill provides that scholarships will be awarded under the current legislative scholarship programs until October 1, 1996, so scholarship funds would not be affected in fiscal 1997. The Governor's proposed 1997 budget includes an allowance of \$8.8 million for the senatorial and delegate programs.

Future year expenditures decrease by an estimated \$2.6 million in fiscal 1998 and by a greater amount in each subsequent year. Because award recipients remain eligible for five years, the amount of general funds needed to fund renewals declines each year as fewer recipients remain eligible. Future year expenditures could decrease by a greater amount to the extent that the anticipated number of renewals are not realized.

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

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Analysis by: Sue Friedlander
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710