

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**

Senate Bill 36 (Senator Simonaire)  
Education, Health, and Environmental Affairs

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**Legislative Scholarships Integrity Act of 2008**

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This bill prohibits Senators and Delegates from awarding legislative scholarships to their children, stepchildren, and grandchildren. In addition, members of the General Assembly may not knowingly award legislative scholarships to the children, stepchildren, and grandchildren of other members of the General Assembly who represent the same legislative district. If a member awards a scholarship in violation of this prohibition, the scholarship recipient may continue to use the award until the end of the school year and the Office of Student Financial Assistance (OSFA) must send a letter to the member and the recipient stating that the award may not be renewed. Senatorial and delegate scholarships that are awarded by OSFA, rather than by Senators and Delegates, are not subject to the prohibition. The prohibition also does not apply to the foster children or wards of members.

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**Fiscal Summary**

**State Effect:** Assuming that close monitoring of the awards made by Senators and Delegates would not be necessary, the bill would not impact State finances. OSFA could notify Senators, Delegates, and scholarship recipients of any violations with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law:** There are eligibility requirements for senatorial and delegate scholarships, but there are no statutory prohibitions against a legislator awarding a legislative scholarship to a family member or the relative of another legislator serving the district. OSFA must announce publicly the names of all senatorial scholarship recipients, but there is no equivalent requirement for delegate scholarships.

**Background:** As early as 1924, some version of senatorial scholarships appeared in the Maryland Code. At that time, scholarship recipients were appointed by local boards of school commissioners (*i.e.*, school boards), with the advice and consent of the local Senators. Scholarship recipients were required to teach in Maryland for two years after their college graduations. Delegate scholarships were established later, and by 1959 each Delegate was authorized to grant a scholarship for the University of Maryland, College Park to one resident of the Delegate's district. By the mid-1970s, the use of delegate scholarships was no longer limited to the University of Maryland, College Park.

Through the history of legislative scholarships, there has never been a specific statutory prohibition against awarding scholarships to children, grandchildren, or family members. Anecdotally, the Maryland Higher Education Commission (MHEC) reports that it has received phone calls, typically from Common Cause or similar groups focused on open government, informing the commission about legislators who have awarded scholarships to family members. MHEC does not attempt to verify these claims.

**State Fiscal Effect:** The bill would not impact the annual appropriations for senatorial and delegate scholarships.

MHEC advises that it currently has no way of tracking awards that may be made to the relatives of legislators. Assuming that the bill would not require close scrutiny of awards made by Senators and Delegates, the bill could be implemented with existing personnel and resources. If more intense scrutiny of scholarship awardees would be required, MHEC may need additional personnel to monitor the awards.

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## Additional Information

**Prior Introductions:** SB 739 of 2007 would have prohibited members of the General Assembly from awarding legislative scholarships to a more broad definition of relatives that included spouses, siblings, and in-laws as well as children and grandchildren. Different versions of the bill passed in the House and Senate but the differences were not reconciled in time for final passage.

**Cross File:** HB 72 (Delegate McConkey) – Ways and Means.

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

**Fiscal Note History:** First Reader - January 28, 2008  
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