

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 292

(Chair, Education, Health, and Environmental Affairs  
Committee)(By Request - Departmental - Higher  
Education Commission)

Education, Health, and Environmental Affairs

Appropriations

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**Institutions of Postsecondary Education - Falsified Transcripts, Diplomas, and  
Grade Reports - Penalties**

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This departmental bill prohibits a person from falsely altering a transcript, diploma, or grade report of an institution of postsecondary education. A person also may not knowingly buy, sell, or distribute these documents. This is in addition to current prohibitions against falsified transcripts, diplomas, and grade reports. A violator is guilty of a misdemeanor and subject to a maximum \$1,000 fine and/or imprisonment for up to six months.

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**Fiscal Summary**

**State Effect:** Potential minimal increase in general fund revenues and expenditures due to the bill's penalty provisions. Any increase in District Court caseloads as a result of the bill can be handled with existing budgeted resources. The Maryland Higher Education Commission (MHEC) can handle additional complaints and make additional referrals to a local State's Attorney's office using existing resources.

**Local Effect:** Potential minimal increase in expenditures due to the bill's penalty provisions.

**Small Business Effect:** MHEC has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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## Analysis

**Current Law:** A person may not falsely make, forge, or counterfeit, or cause or procure to be falsely made, forged or willingly aid or assist in falsely making, forging, or counterfeiting a transcript, diploma, or grade report of an institution of postsecondary education. A person also may not use, offer, or present as genuine a false, forged, counterfeited, or altered transcript, diploma, or grade report of an institution of postsecondary education. Further, a person may not use, offer or present a transcript, diploma, or grade report of an institution of postsecondary education in a fraudulent manner. A violator is guilty of a misdemeanor and subject to a maximum \$1,000 fine and/or imprisonment for up to six months.

**Background:** MHEC reports, as education standards for employment have increased, it has become increasingly important for individuals to have documentation of success in postsecondary education. Unfortunately, the importance of these credentials has resulted in attempts to misrepresent credentials and concurrently misrepresent institutions of postsecondary education. This pressure has also led to the emergence of fraudulent operations that, for a fee, issue fraudulent educational credentials. The bill provides more comprehensive prohibitions against these fraudulent activities than offered under current law. MHEC notes that, if a violation occurs at an institution that holds a certificate of approval to operate in the State from MHEC, additional administrative actions could be taken including fines and suspension or revocation of a certificate of approval.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission, Maryland Independent College and University Association, Judiciary (Administrative Office of the Courts), Morgan State University, University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2011  
mlm/rhh

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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Institutions of Postsecondary Education – Falsified Transcripts,  
Diplomas, and Grade Reports - Penalties

BILL NUMBER: SB 292

PREPARED BY: Maryland Higher Education Commission

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.