

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 903

(Delegate Bobo)

Appropriations

Education, Health, and Environmental Affairs

Public Institutions of Higher Education - Prohibition Against Disclosure of
Student Information for Commercial Purposes

This bill prohibits a public institution of higher education from selling, distributing, or disclosing personally identifiable information of a current undergraduate student for commercial use without the written consent of the student or, if the student is under 18, the written consent of the student's parent or guardian. A public institution of higher education is not prohibited from furnishing personally identifiable information to another governmental agency for official use or from furnishing information for another purpose permissible under law. An entity receiving personally identifiable information from a public institution of higher education may not redisclose the information, and the institution must provide written notice of the prohibition with any student information. Any person who knows or should know that student information was wrongfully obtained and uses the information for commercial purposes is guilty of a misdemeanor and is subject to a fine of up to \$2,500 or imprisonment for up to six months, or both.

Fiscal Summary

State Effect: Potential loss of higher education revenues for public institutions of higher education. Minimal increase in general fund revenues and expenditures due to the bill's penalty provision.

Local Effect: Minimal increase in expenditures due to the bill's penalty provision.

Small Business Effect: Potential minimal.

Analysis

Current Law: Public institutions of higher education are not prohibited from selling, distributing, or disclosing personally identifiable student information. Under the Federal Education Rights Privacy Act, institutions are required to notify students that they may choose not to have personally identifiable information released.

State Revenues: The University System of Maryland advises that personally identifiable information on current students is not sold to commercial marketers, but information on students is often distributed to university-affiliated foundations for use in fund raising efforts. Fund raising revenues could be adversely affected if universities had to halt this practice. The loss of revenues cannot be reliably estimated at this time.

Morgan State University and St. Mary's College of Maryland advise that they do not sell or provide student information for commercial solicitation. Therefore, the bill would have no impact on these institutions.

Additional Information

Prior Introductions: A similar bill was introduced last year as HB 819. The bill received an unfavorable report from the House Appropriations Committee.

Cross File: None.

Information Source(s): University System of Maryland, St. Mary's County, Morgan State University, Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 26, 2002
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