

Chapter 266

(Senate Bill 431)

AN ACT concerning

Higher Education – University System of Maryland – Quasi-Endowments

FOR the purpose of authorizing the Board of Regents of the University System of Maryland to maintain and manage quasi-endowment funds; limiting a certain transfer to a certain quasi-endowment fund; altering a certain reporting requirement; defining a certain term; and generally relating to the University System of Maryland.

BY repealing and reenacting, with amendments,
 Article – Education
 Section 12–101, 12–104(e), and 17–301(c)(1)
 Annotated Code of Maryland
 (2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,
 Article – Education
 Section 12–104(a)
 Annotated Code of Maryland
 (2008 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Education

12–101.

(a) In order to foster the development of a consolidated system of public higher education, to improve the quality of education, to extend its benefits and to encourage the economical use of the State's resources, the University System of Maryland is established in accordance with the provisions of this title.

(b) (1) In this title the following words have the meanings indicated.

(2) “Board” or “Board of Regents” means the Board of Regents of the University System of Maryland.

(3) “CENTERS” OR “INSTITUTES” MEANS THE FOLLOWING COMPONENTS OF THE SYSTEM UNDER THE JURISDICTION OF THE BOARD OF REGENTS:

(I) UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE;

(II) COOPERATIVE EXTENSION SERVICE AND THE AGRICULTURAL EXPERIMENT STATION;

(III) STATEWIDE MEDICAL EDUCATION AND TRAINING SYSTEM;

(IV) FIRE AND RESCUE INSTITUTE; AND

(V) ANY OTHER CENTER, COMPONENT, OR INSTITUTE ESTABLISHED AND OPERATED BY THE SYSTEM IN ACCORDANCE WITH ITS MISSION.

[(3)] (4) “Chancellor” means the Chief Executive Officer of the University System of Maryland and the Chief of Staff for the Board of Regents.

[(4) “President” means the Chief Executive Officer of a constituent institution of the University System of Maryland.]

(5) “COMPUTER-BASED INSTRUCTIONAL TECHNOLOGY” MEANS COMPUTER HARDWARE OR SOFTWARE USED BY FACULTY AND STUDENTS IN THE DELIVERY OF THE INSTRUCTIONAL PROGRAM.

[(5)] (6) “Constituent institutions”, “institutions”, or “campuses” means the following public senior higher education institutions under the jurisdiction of the Board of Regents:

- (i) University of Maryland, Baltimore;**
- (ii) University of Maryland Baltimore County;**
- (iii) University of Maryland, College Park;**
- (iv) University of Maryland Eastern Shore;**
- (v) University of Maryland University College;**
- (vi) Bowie State University;**

- (vii) Coppin State University;
- (viii) Frostburg State University;
- (ix) Salisbury University;
- (x) Towson University; and
- (xi) University of Baltimore.

[(6) “Centers” or “institutes” means the following components of the System under the jurisdiction of the Board of Regents:

- (i) University of Maryland Center for Environmental Science;
- (ii) Cooperative Extension Service and the Agricultural Experiment Station;
- (iii) Statewide Medical Education and Training System;
- (iv) Fire and Rescue Institute; and
- (v) Any other center, component, or institute established and operated by the System in accordance with its mission.]

(7) “PRESIDENT” MEANS THE CHIEF EXECUTIVE OFFICER OF A CONSTITUENT INSTITUTION OF THE UNIVERSITY SYSTEM OF MARYLAND.

(8) “QUASI-ENDOWMENT FUNDS” MEANS FUNDS THAT THE UNIVERSITY SYSTEM OF MARYLAND RETAINS AND MANAGES IN THE SAME MANNER AS AN ENDOWMENT.

(9) “TECHNOLOGY” MEANS THE LATEST STATE-OF-THE-ART TECHNOLOGY PRODUCTS AND SERVICES, INCLUDING:

- (I) COPPER AND FIBER OPTIC TRANSMISSION;**
- (II) COMPUTER;**
- (III) VIDEO AND AUDIO LASER AND CD-ROM DISCS;**
- (IV) VIDEO AND AUDIO TAPES OR OTHER TECHNOLOGIES;**

AND

(v) TECHNOLOGY USED FOR ONLINE LEARNING.

[(7)] (10) “University” or “University of Maryland” or “University of Maryland System” means the University System of Maryland.

[(8) “Computer-based instructional technology” means computer hardware or software used by faculty and students in the delivery of the instructional program.

(9) “Technology” means the latest state-of-the-art technology products and services, including:

- (i)** Copper and fiber optic transmission;
- (ii)** Computer;
- (iii)** Video and audio laser and CD-ROM discs;
- (iv)** Video and audio tapes or other technologies; and
- (v)** Technology used for on-line learning.]

12-104.

(a) In addition to any other powers granted and duties imposed by this title, and subject to the provisions of Title 11 of this article and any other restriction imposed by law by specific reference to the University System of Maryland, or by any trust agreement involving a pledge of property or money, the Board of Regents has the powers and duties set forth in this section.

(e) (1) The Board may:

(i) Apply for, accept, and spend any gift or grant from the federal government, any foundation, or any other person; and

(ii) Maintain and manage gift and endowment funds, ~~INCLUDING QUASI-ENDOWMENT FUNDS.~~

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE BOARD MAY MAINTAIN AND MANAGE QUASI-ENDOWMENT FUNDS.

(II) THE BOARD MAY ONLY MAKE A ONE-TIME TRANSFER OF NO MORE THAN \$50,000,000 FROM THE NON-STATE SUPPORTED FUND BALANCE HELD AND INVESTED BY THE STATE TREASURER TO THE QUASI-ENDOWMENT FUND.

~~(2)~~ **(3)** On or before November 1 each year, the Board shall submit to the Governor, the Comptroller, the State Treasurer, and, in accordance with § 2-1246 of the State Government Article, the General Assembly, an annual investment performance report comparing the various components of the University's gift [and], endowment, **AND QUASI-ENDOWMENT** investment portfolio to appropriate benchmarks.

17-301.

(c) "Eligible institution" means:

(1) Each public senior higher education institution identified in § 10-101(m) or § [12-101(b)(5)] **12-101(B)(3)** of this article or its affiliated foundation; and

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 2, 2013.