

Department of Legislative Services  
Maryland General Assembly  
2014 Session

FISCAL AND POLICY NOTE

House Bill 1203  
Appropriations

(Delegate Parrott, *et al.*)

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**Institutions of Higher Education - Open Housing Policies - Prohibited**

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This bill prohibits an institution of higher education in the State from having an open housing policy that allows students of different genders to live together in the same room. An institution that violates the prohibition may not receive any State operating or capital funding until the institution is in compliance with the prohibition.

The bill takes effect July 1, 2014.

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**Fiscal Summary**

**State Effect:** Assuming public four-year institutions of higher education comply with the bill's requirement, higher education revenues are not affected. It is assumed that public four-year institutions can comply with the bill with existing budgeted resources. Higher education expenditures increase to the extent that additional spending is needed to meet the bill's requirements. A reduction in the State appropriation to public four-year institutions who do not comply with the bill may reduce State funding for community colleges, Baltimore City Community College (BCCC), and independent institutions through their funding formulas.

**Local Effect:** A reduction in the State appropriation to public four-year institutions that do not comply with the bill may result in a reduction to the State appropriation to community colleges through the Cade funding formula. However, assuming both public four-year institutions and community colleges comply with the bill's requirements, community college revenues are not directly affected. It is assumed that any community college with on-campus housing can comply with the bill with existing budgeted resources.

**Small Business Effect:** None.

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## Analysis

**Current Law:** There is no direct prohibition on an open housing policy for institutions of higher education.

**Background:** Several public institutions of higher education in the State have gender-neutral housing policies, including the University of Maryland, College Park; Towson University; and St. Mary's College of Maryland.

The University of Maryland, College Park offers a program called *Apartment Living for Students of Different Genders* which allows men and women to live within the same apartment. The housing option is offered through an application process and is typically reserved for third- and fourth-year students. Gender-neutral housing options are available at Towson University within designated living areas for first-year, transferring, and returning students of any gender identity who choose to live together in rooms or apartments. St. Mary's College of Maryland has three housing options that follow the college's open housing policy, which allows students to choose their roommates independent of gender. The policy was instituted in fall 2013.

The Governor's proposed fiscal 2015 budget includes \$1.38 billion in State funds for public four-year institutions, \$346.5 million for community colleges, including BCCC, and \$44.8 million for independent institutions.

### *Higher Education Funding Formulas*

The Cade formula makes up the majority of State funding for the 15 locally operated community colleges in the State. Similar formulas distribute State funding to BCCC and independent institutions (through the Sellinger formula). The total funds to be distributed through the formula are based on a percentage of the State's per full-time equivalent student (FTES) funding for selected public four-year institutions of higher education. This per FTES amount is multiplied by total enrollment from the second prior year to arrive at the total formula amount. For community colleges, each college's share of the total is then based on its proportion of formula funding from the prior year and enrollment.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** University System of Maryland; University of Maryland, College Park; Towson University; St. Mary's College of Maryland; Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2014  
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Analysis by: Stephen M. Ross

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510