

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 19 (Senator Conway)
Education, Health, and Environmental Affairs

University System of Maryland - Chancellor - Appointment

This emergency bill requires the appointment of the Chancellor of the University System of Maryland (USM) to be subject to the advice and consent of the General Assembly.

Fiscal Summary

State Effect: USM can seek the advice and consent of the General Assembly for the appointment of the Chancellor of USM using existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Board of Regents of USM must appoint a Chancellor of USM. The Chancellor is the chief executive officer of USM and the chief of staff for the Board of Regents. The Chancellor must (1) advise the Board of Regents on systemwide policy; (2) conduct systemwide planning; (3) coordinate and arbitrate among the institutions and centers of USM; (4) assist the institutions in achieving performance goals in accordance with their adopted performance accountability plans; (5) provide technical assistance to institutions and centers such as legal and financial services; (6) perform the duties the Board of Regents assigns; and (7) see that the policies of the Board of Regents are carried out. The Chancellor serves at the pleasure of the Board of Regents. The Chancellor is entitled to the compensation established by the Board of Regents.

Background: In May 2014, after 12 years serving as USM Chancellor, William E. “Brit” Kirwan announced his plans to step down. In December 2014, USM named Robert Caret, president of the University of Massachusetts System and a former president of Towson University, as its next Chancellor. When he was named, USM officials announced Caret’s appointment would be effective July 1, 2015.

Structure of Maryland’s Higher Education System

Maryland’s higher education system consists of the Maryland Higher Education Commission (MHEC), which is the State’s postsecondary coordinating body; USM; 2 public four-year institutions independent of USM (Morgan State University and St. Mary’s College of Maryland); 8 regional higher education centers (RHECs); 16 community colleges, including Baltimore City Community College; and a multitude of private colleges, universities, and career schools.

Oversight of public four-year institutions and community colleges is generally the responsibility of the State, with the Governor appointing the governing boards and MHEC. The organizational structure varies somewhat depending on the segment of higher education, *i.e.*, whether the institution is part of USM, a four-year institution independent of USM, a RHEC, or a community college.

USM encompasses 12 degree-granting institutions including the University of Maryland Center for Environmental Science, which is, as of November 2014, a candidate for accreditation. The Board of Regents is the governing body of USM and consists of 17 members, including a full-time student and the State Secretary of Agriculture (*ex-officio*). Except for the Secretary of Agriculture, each member is appointed by the Governor with the advice and consent of the Senate. Fifteen of the board members serve five-year terms, and the student member is appointed for a one-year term.

The Board of Regents is responsible for overseeing the operations of USM, setting tuition and fees, and appointing the Chancellor, who serves as the chief executive officer of the system and the chief of staff to the Board of Regents. The Chancellor heads the University System of Maryland Office (USMO), which provides leadership, planning, and resource management for USM. The Chancellor also assists the Board of Regents in selecting the president of each institution. USM has greater autonomy than other State agencies in areas such as management of capital projects, creation of debt, development of a personnel system, and procurement, as provided in 1999 legislation (Chapter 515) based on recommendations of the Task Force to Study the Governance, Coordination, and Funding of USM. USM presidents have the authority to create new academic programs on their campuses (with approval of the Board of Regents and MHEC) and develop and implement policies promoting the mission of their respective institutions.

The Board of Regents, in consultation with the presidents and the Chancellor, establishes standards for funding institutions based on differences in the size and mission of each institution. The budget process starts with the Department of Budget and Management (DBM) developing preliminary budget targets for the State agencies based on projected State revenues. Once USM receives its preliminary budget target, the Board of Regents, working with USMO, determines the allocation of State funds among USM institutions. The institutions work with USMO to develop their budget requests, which are submitted to MHEC and DBM for approval. USM negotiates its budget with the Governor, who makes the final decision on the budget that is submitted to the General Assembly.

Appointment of Higher Education Chancellors in Other States

There are many ways to structure a state's higher education system and appoint its leadership. In Ohio, the governor, with the advice and consent of the Senate, appoints the chancellor of the Board of Regents. In many states, including Alaska, Maryland, Minnesota, New Hampshire, New Jersey, North Carolina, and Oregon, the governor appoints a board of regents, board of governors, or board of trustees with the advice and consent of the Senate, and the board appoints a chancellor (or chancellors) with no consent required.

In Pennsylvania, the Board of Governors consists of *ex-officio* members, which includes the governor, certain members of the Assembly, and others. This Board of Governors appoints the chancellor, with no consent required. In Nevada, members of the Board of Regents are elected. In the event of a vacancy, the governor appoints a new regent, with no consent of the legislature required. The Board of Regents then appoints a chancellor of the university system. In Connecticut, the governor appoints some members of the Board of Regents, the Senate appoints some members, and the House appoints some members.

Positions in Maryland Requiring the Advice and Consent of the Senate or House of Delegates

Of the numerous positions detailed in Maryland statute, more than 200 of them require the advice and consent of the Senate, and at least 4 positions require the advice and consent of the House of Delegates. The heads of many State agencies (*e.g.*, MHEC, State Lottery and Gaming Control Agency) and members of boards are appointed by the Governor with the advice and consent of the Senate. Many of the health licensing boards (*e.g.*, Examiners of Psychologists, Chiropractic and Massage Therapy Examiners) require some members to be appointed by the Governor with the advice of the Secretary of Health and Mental Hygiene as well as the advice and consent of the Senate. The State Superintendent of Schools is appointed by the State Board of Education with no legislative consent required, although State board member appointments are subject to the advice and consent of the Senate.

Within higher education, MHEC is unique in that the Governor appoints the Secretary from a list of names submitted by the commission. The Board of Regents of Morgan State University and the Board of Trustees of St. Mary's College of Maryland are likewise subject to Senate consent. Most boards of trustees of Maryland community colleges are appointed by the Governor with the advice and consent of the Senate; however, at least one college (Chesapeake) requires the advice and consent of the House of Delegates.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): University System of Maryland, *Baltimore Sun*, Department of Legislative Services

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