

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 1052

(Senator Ferguson, *et al.*)

Budget and Taxation

Appropriations

University of Maryland Strategic Partnership Act of 2016

This bill formalizes a strategic partnership between two distinct campuses, the University of Maryland, College Park (UMCP) and the University of Maryland, Baltimore (UMB), to be called the University of Maryland (UM). To that end, the bill makes various changes and requires various planning activities to take place. The bill requires the University System of Maryland (USM) to establish its corporate headquarters in Baltimore City by July 1, 2017. The bill mandates the appropriation of funds for various purposes beginning in fiscal 2018. It also requires various one-time and annual reports.

Fiscal Summary

State Effect: General fund expenditures increase by \$1.2 million in FY 2017 for USM to establish its corporate headquarters in Baltimore City. Beginning in FY 2018, general fund expenditures increase by at least \$11.2 million annually, in part due to \$6.0 million in mandated expenditures for two new centers (which increases by \$2.0 million each year until fully phased in at \$10.0 million annually in FY 2020) and \$254,000 to lease office space and parking (a \$33,600 parking subsidy is anticipated for FY 2018 only). This amount also includes a funding guideline attainment supplement, through which general fund expenditures for specific public four-year institutions increase by \$4.0 million each year beginning in FY 2018 until the funding is fully phased in at \$16.0 million in FY 2021 and annually thereafter; this supplement also results in additional general fund expenditures for formula-funded higher education institutions beginning in FY 2018. Potential cost savings to the extent administrative functions are consolidated; any savings accrue to UM. **This bill establishes mandated appropriations beginning in FY 2018.**

(\$ in millions)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	1.2	11.2	18.7	26.2	32.3
Net Effect	(\$1.2)	(\$11.2)	(\$18.7)	(\$26.2)	(\$32.3)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Local community college revenues and expenditures increase due to additional State aid under the Cade formula, as shown in **Exhibit 2** below.

Small Business Effect: Minimal.

Analysis

Bill Summary:

UM College Park Campus and UM Baltimore Campus

In statute, UMCP is renamed the University of Maryland, College Park Campus (UM College Park Campus) and UMB is renamed the University of Maryland, Baltimore Campus (UM Baltimore Campus). Likewise, the bill makes various conforming changes related to the creation of the strategic partnership between the two distinct campuses of UM College Park Campus and UM Baltimore Campus. UM strategic partnership is a formal strategic alliance which leverages the resources of each campus within UM to benefit the State and improve and enhance (1) academic programs and experiences for students; (2) research, technology, technology transfer, and commercialization for economic development; and (3) public service and the commitment to community development.

The bill also makes various other specifications related to the continuity of transactions, employment, entities, records, real property, contracts, and other related topics unless otherwise provided. In addition, UM must ensure that the rights, privileges, and agreements of its employees under Division I of the State Personnel and Pensions Article or under any higher education personnel rules or policies are not impaired or reduced.

UM College Park Campus and UM Baltimore Campus must each have a president. In addition to the powers and duties established in the bill, the presidents have the powers and duties conferred to the presidents of the constituent institutions of USM. The presidents must operate and manage UM, with the president of each campus having the responsibility for that campus within UM.

The Plan for the University of Maryland and Other Provisions for Its Operation

The presidents must jointly develop and implement a plan that encourages and promotes alignment, cooperation, and collaboration between the campuses. The plan must:

- identify all undergraduate and graduate academic and research programs that may benefit from alignment and collaboration between the campuses;
- identify competitor state peers for UM to be used in the funding guidelines developed under current law;
- promote effectiveness and efficiencies between the campuses, including potential savings in human resources, procurement, and information technology; and
- include any other information and implementation plans to achieve the purpose of UM identified in the bill.

The professional schools or their administrative functions may not be relocated out of Baltimore City. However, there must be collaboration with the professional schools located in Baltimore City; professional school courses may be offered at a location other than Baltimore City. Nothing in the strategic partnership may be construed to prevent or restrict collaboration or coordination between UM, other institutions, and entities including the University of Maryland Medical System. The presidents of the two campuses must actively seek collaboration with other institutions and entities, particularly in the Baltimore metropolitan region, as appropriate, to benefit the State.

By December 1, 2016, the presidents of the UM campuses must study and recommend to the Chancellor mechanisms that would permit the joint reporting for national university rankings of the UM campuses, including reporting under a unified federal identification number.

The presidents of the UM campuses must have the opportunity to meet with the Governor to present their annual budget requests and proposals for capital projects for the next fiscal year. The bill specifies that the impact of the requested appropriations on the mission of the UM Baltimore Campus, in addition to the UM College Park Campus (in current law), should be discussed with the Governor.

The presidents of the UM campuses and other campuses serving the Baltimore metropolitan region must develop a joint plan to advance employment levels in Baltimore City, including the creation of entry-level employment opportunities for individuals with on-the-job skills training that will result in a measurable employment skill, certification, or license.

In addition to current items required, the *Consolidated Transportation Program* (CTP) must include a summary of current efforts and future plans to increase commuter access between the campuses of UM, including easing traffic congestion and use of mass transit.

University of Maryland Joint Steering Council

The council consists of members appointed by the President of UM College Park Campus and the President of UM Baltimore Campus. The council must make various recommendations related to the creation of UM, including those related to joint faculty appointments.

The council is the successor group to MPowering, the State Steering Committee established by the presidents of UMB and UMCP. The council must carry out the programs and policies established under the MPower program as directed by the presidents.

Center for Maryland Advanced Ventures at the University of Maryland

The bill establishes the Center for Maryland Advanced Ventures at the University of Maryland (CMAVUM), which must be located on UM, Baltimore Campus in Baltimore City.

CMAVUM must:

- pursue grant funding for UM, including interdisciplinary grant funding;
- develop and implement guidelines for the transfer of technology developed by UM to the private sector including a process to identify research projects that may be viable for commercialization; and
- facilitate the transfer of technology from UM to commercial industries using specified techniques.

The center also must provide these services related to interdisciplinary grant funding and transfer of technology to any public institution of higher education that requests the services. Subject to the approval of the presidents of UM College Park Campus and UM Baltimore Campus, the center may assess a reasonable fee for providing services.

The presidents must appoint an executive director of the center. The executive director must:

- ensure that the duties of the center as established in the bill are carried out;
- develop a plan to appropriately staff the center in order to effectively carry out the duties of the center;
- develop a working relationship with the Secretary of Commerce and the Executive Director of the Maryland Technology Development Corporation (TEDCO); and
- annually report to the presidents of UM College Park Campus and UM Baltimore Campus on specified topics.

TEDCO may advise the executive director of the center on the development of the center.

Beginning in fiscal 2018 and each fiscal year thereafter, the Governor must appropriate at least \$3.0 million in general funds to the center. In addition, beginning in fiscal 2018 and in each fiscal year thereafter, the Governor must appropriate at least \$1.0 million in general funds to the center to be used to encourage the development and location of university-created or -sponsored technology companies in Baltimore City. State funding for CMAVUM may not be included in the calculations of State funding for community colleges (John A. Cade funding formula), Baltimore City Community College (BCCC), and private nonprofit institutions of higher education (Joseph A. Sellinger formula).

University of Maryland Center for Economic and Entrepreneurship Development

The bill establishes the University of Maryland Center for Economic and Entrepreneurship Development (UMCEED), which must be located on UM College Park Campus.

Following all State law, regulations, and processes for program review and approval, UMCEED must advance the education of students by developing degree and credential programs in the following fields of study: virtual and augmented reality; neurosciences; biomedical devices; data analytics; and cybersecurity.

The presidents must appoint an executive director of UMCEED. The executive director must:

- ensure that the duties of UMCEED as established in the bill are carried out;
- develop a plan to appropriately staff UMCEED in order to effectively carry out the duties of UMCEED; and
- annually report to the presidents of the College Park Campus and the Baltimore Campus on specified topics.

The Governor must appropriate at least the following amounts in general funds to UMCEED: \$2.0 million in fiscal 2018; \$4.0 million in fiscal 2019; and \$6.0 million in fiscal 2020 and each fiscal year thereafter. State funding for UMCEED may not be included in the calculations of State funding for community colleges (Senator John A. Cade funding formula), BCCC, and private nonprofit institutions of higher education (Joseph A. Sellinger funding formula).

University System of Maryland to Establish Corporate Headquarters in Baltimore City

USM must establish its corporate headquarters in Baltimore City at a place designated by the Board of Regents of USM. However, USM may maintain offices at the places the Board of Regents may designate.

USM corporate headquarters must be located in Baltimore City by July 1, 2017, and the ownership of the current property, including structures, located on Metzert Road in Prince George's County must be transferred to UM College Park Campus by July 1, 2017.

The chancellor of USM must develop a plan for moving the corporate headquarters to Baltimore City. By December 1, 2016, the chancellor must submit the plan, including an estimate of any costs associated with the plan, to the Department of Budget and Management, the Senate Budget and Taxation Committee, and the House Appropriations Committee.

Enhanced Funding Guideline Attainment

For each year from fiscal 2018 through 2021, the Governor must appropriate in the annual budget at least an additional \$4.0 million to the University System of Maryland Office (USMO) for the purpose of increasing the estimated funding guideline attainment levels of the primarily residential institutions in USM with the lowest estimated funding guideline attainment levels among the primarily residential institutions in USM in fiscal 2016. USM must allocate the funds each year in a manner that brings the primarily residential institutions with the lowest estimated funding guideline attainment levels in fiscal 2016 as close as possible to an estimated 64% funding guideline attainment level by fiscal 2021. The general funds distributed under this requirement are in addition to the annual appropriation for each institution, and they must be included in each institution's base budget for all fiscal years after the distribution. Thus, general fund expenditures increase by \$4.0 million in fiscal 2018, \$8.0 million in fiscal 2019, \$12.0 million in fiscal 2020, and \$16.0 million in fiscal 2021 and in each year thereafter.

The Board of Regents of USM must work in collaboration with the Senate Budget and Taxation Committee and the House Appropriations Committee to develop a multiyear strategy to enhance the funding guideline attainment for all institutions within USM. The collaboration must include a progress report on work completed to date submitted by September 15, 2016, by the Board of Regents to the Senate Budget and Taxation Committee and the House Appropriations Committee.

By December 1, 2016, the Board of Regents must report to the Governor on the multiyear strategy to enhance the funding guideline attainment for all institutions within USM.

Copies of the report must be distributed to the Senate Budget and Taxation Committee and the House Appropriation Committee.

Codifying Existing Practices

The bill repeals the requirement that UMB and the University of Maryland Baltimore County (UMBC) be considered a single research institution for the purposes of determining peer institutions. It also repeals the requirement that the funding guidelines for the professional schools of UMB be based on peer comparisons separately established for each school. In both cases, the bill codifies existing practice since these practices have never been implemented. The bill also codifies UMBC's status as one of the State's research institutions.

Academic Program Approval

Nothing in the bill may be construed to alter the academic program approval process under current law.

Community Development

The presidents must report annually to the USM Board of Regents and the Chancellor of USM regarding collaboration with the City of Baltimore, Prince George's County, and the City of College Park in the area of community development.

The General Assembly finds that, because of their position as major anchor institutions and employers in their respective communities, the UM campuses in Baltimore City and Prince George's County have a responsibility and an opportunity to provide collaborative leadership, as well as intellectual and policy support, in the development of their respective communities. It is the intent of the General Assembly, therefore, that the UM campuses in Baltimore City and Prince George's County focus their community development priorities in the respective communities in the areas of health care, housing and development, transportation, public safety, public education, and sustainability.

Current Law:

University of Maryland, College Park and University of Maryland, Baltimore

UMCP and UMB are two separate constituent institutions of USM.

University System of Maryland Office and Headquarters

In addition to other powers, USM may maintain an office at the place the Board of Regents of USM may designate. The office is currently headquartered on Metzert Road in Prince George's County, with auxiliary offices in Columbia, Maryland.

Consolidated Transportation Program

Long-term transportation planning in the State is a collaborative process designed to consider input from the public, local jurisdictions, metropolitan planning organizations, and elected officials. State law requires the Secretary of Transportation to present the draft CTP to elected officials and discuss it with them. CTP, which is issued annually to the General Assembly, local elected officials, and interested citizens, provides a description of projects proposed by Maryland Department of Transportation (MDOT) for development and evaluation or construction over the next six-year period.

Background: UMCP, a comprehensive public research university, is the flagship institution of USM and Maryland's 1862 land-grant institution. UMCP offers baccalaureate, master's, and doctoral programs in the liberal arts and sciences, social sciences, the arts, and selected professional fields. UMCP also serves the State's agricultural, industrial, and commercial communities, as well as school systems, governmental agencies, and citizens. The fiscal 2017 budget includes \$2.0 billion for UMCP, including \$473.8 million in general funds and \$23.8 million from the Higher Education Investment Fund (HEIF). During the 2014-2015 academic year, approximately 37,000 students attended UMCP.

UMB comprises six professional schools and an interdisciplinary graduate school that educates students, conducts research, and provides clinical services in dentistry, law, medicine, nursing, pharmacy, and social work. The fiscal 2017 budget includes \$1.1 billion for UMB, including \$210.4 million in general funds and \$10.7 million in HEIF. During the 2014-2015 academic year, almost 6,300 students attended UMB.

USMO is staff to the USM Board of Regents. The fiscal 2017 budget includes \$39.2 million, including \$29.6 million in general funds and \$1.1 million in HEIF. USMO has 110 full-time regular and 6 contractual positions; however, not all of them are housed at USM headquarters. USM advises, as of February 2016, 105 full-time employees are based at USM headquarters on Metzert Road.

MPowering

In 2011, the General Assembly charged the USM Board of Regents and, thus, UMCP and UMB with developing a plan to have an even greater impact on the State, its economy, the

job market, and the next generation of innovators. The result, MPowering, was launched in 2012.

Language in the fiscal 2014 budget restricted \$6.7 million of USM's appropriation to be used to fund MPowering initiatives and programs. These activities were part of an alliance between UMCP and UMB leveraging the resources of each institution to further advance transitioning research from laboratory to commercial application. The MPowering [website](#) lists 13 initiatives, including the Agriculture Law Education Initiative and the Center for Health-Related Informatics and Bioimaging.

Funding Guideline Attainment

Funding guidelines were used beginning in fiscal 2001 to assess how public four-year institutions in Maryland were funded relative to their peers, except St. Mary's College of Maryland, which has a statutory funding formula. The funding guidelines are not mandated in law. Colleges and universities throughout the United States that are similar in size, program mix, enrollment composition, and other defining characteristics were identified for each Maryland four-year public institution as the institution's "funding peers." Beginning in fiscal 2015, the funding guidelines were revised to reflect institutions' peers in states that Maryland principally competes with for employers, *i.e.*, competitor states (California, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Virginia, and Washington).

The funding guideline for each institution is calculated by determining the seventy-fifth percentile (since 2009, the guideline for the historically black colleges and universities has been tied to the eightieth percentile) of the sum of state appropriation and tuition and fee revenue per full-time equivalent student of the competitor state peer institutions. The resulting per student rate is multiplied by the institution's projected enrollment to determine the recommended resources. Projected institutional tuition and fee revenue is then subtracted from the recommended resources. The remainder represents the State investment. Funding guideline attainment is expressed as a percentage with the goal being 100%. As shown in **Exhibit 1**, under the fiscal 2016 estimated funding guideline attainment, Towson University (TU) and UMBC had the lowest funding guideline attainment of the residential public four-year institutions within USM. The University of Maryland, University College is not a primarily residential institution.

Exhibit 1
Funding Guideline Attainment for USM Institutions
Fiscal 2016 Estimate

<u>Institution</u>	<u>Fiscal 2016 Funding Guideline</u>	<u>Fiscal 2016 Legislative Appropriation</u>	<u>Fiscal 2016 Attainment</u>
Bowie State University	\$46,880,371	\$41,525,890	89%
Coppin State University	34,861,742	44,755,130	128%
Frostburg State University	45,444,946	38,470,741	85%
Salisbury University	66,992,685	47,533,057	71%
Towson University	177,855,983	107,050,342	60%
University of Baltimore	53,756,094	34,639,444	64%
UM, Baltimore	317,827,128	215,405,339	68%
UM Baltimore County	189,588,395	111,151,119	59%
UM Center for Env. Science	27,468,459	22,353,347	81%
UM, College Park	644,606,126	480,925,509	75%
UM Eastern Shore	49,051,468	38,083,911	78%
UM University College	72,352,702	38,596,667	53%
USM Office		23,567,555	
USM Total	\$1,726,686,099	\$1,244,058,051	72%

UM = University of Maryland; USM = University System of Maryland

Source: Maryland Higher Education Commission; Department of Legislative Services

State Expenditures: In total, general fund expenditures increase by \$1.2 million in fiscal 2017 increasing to \$32.3 million by fiscal 2021, as shown in Exhibit 2. General fund expenditures increase by an estimated \$1.2 million in fiscal 2017 for USM to establish its corporate headquarters in Baltimore City. Beginning in fiscal 2018, general fund expenditures increase by at least \$11.2 million annually due, in part, to \$6.0 million in mandated expenditures for the two new centers (which increases by \$2.0 million each year until fully phased in at \$10.0 million annually in fiscal 2020) and \$254,000 to lease office space and parking (a \$33,600 parking subsidy is anticipated for fiscal 2018 only). This amount includes additional monies due to the funding guideline attainment provision in the bill, such that general fund expenditures for specific public four-year institutions increase by \$4.0 million in fiscal 2018, \$8.0 million in fiscal 2019, \$12.0 million in fiscal 2020, and \$16.0 million in fiscal 2021 and in each year thereafter. Also beginning in fiscal 2018, general fund expenditures for the BCCC and Senator John A. Cade (local community colleges) funding formulas increase due to the additional guideline attainment funding for public four-year institutions mandated by the bill; however, due to BCCC's hold harmless provision, additional funding for BCCC does not begin until fiscal 2019. Likewise,

beginning in fiscal 2018, eligible private four-year institutions of higher education receive additional funding through the Joseph A. Sellinger formula. The information and assumptions used in this estimate are explained below.

Exhibit 2
Expenditures under the Bill
(\$ in Thousands)

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Moving USM Headquarters	\$1,227	\$34			
USM Ongoing Operating		254	\$254	\$254	\$254
CMAVUM		4,000	4,000	4,000	4,000
UMCEED		2,000	4,000	6,000	6,000
USM Guidelines Attainments		4,000	8,000	12,000	16,000
BCCC			274	426	597
Local Community Colleges		696	1,805	2,884	4,276
Sellinger		194	403	627	1,175
Total	\$1,227	\$11,178	\$18,736	\$26,190	\$32,302

CMAVUM = Center for Maryland Advanced Ventures at the University of Maryland

UMCEED = University of Maryland Center for Economic and Entrepreneurship Development

USM = University System of Maryland

BCCC = Baltimore City Community College

Notes: Establishing USM's corporate headquarters in Baltimore City (reflected above as moving the headquarters) includes \$33,600 in parking expenses in fiscal 2018. Due to BCCC's hold harmless provision, there is no additional funding in fiscal 2018. Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

USM Headquarters Established in Baltimore City

General fund expenditures increase by an estimated \$1.2 million in fiscal 2017 for one-time costs associated with locating USM corporate headquarters in Baltimore City. USM estimates that there will be several one-time costs associated with locating its corporate headquarters in Baltimore City. USM estimates that it will cost \$75 per square foot to fit-out two spaces within the USM Columbus Center in Baltimore City or \$589,425. USM estimates that furnishings and equipment for a mix of partition systems and private offices will be \$504,000, and that information technology (IT) communications infrastructure with USM staff doing much of the installation will be \$84,000. USM did not include any costs

for actually moving some staff and equipment from Adelphi to Baltimore City; however, for the purposes of this estimate it is assumed that it will cost \$50,000 to move.

UMCP currently owns and operates the USM headquarters building on Metzert Road in Prince George's County. Thus, expenditures are not affected by the requirement to transfer the building to UM, College Park Campus.

It is assumed that USM will need to move approximately 25 full-time positions to Baltimore City and that the other staff will remain in their current locations. For the purposes of this estimate, it is assumed that USM headquarters will be located at the USM Columbus Center in Baltimore City, which is owned by UMBC.

USM advises that UMBC will charge USM approximately \$220,052 annually to lease the space under consideration at the USM Columbus Center. USM estimates that utilities costs will be roughly \$34,000 per year. Thus, general fund expenditures increase by \$254,052 per year beginning in fiscal 2018. For the purposes of this estimate, it is assumed that UMBC would have received rent for the space at the USM Columbus Center from another source if USM corporate headquarters were not located there; thus, lease income for UMBC is not included in this estimate.

In addition, it is assumed that USM will pay a 50% parking supplement for 25 employees for the first year after the move, fiscal 2018, because parking at the USM current facility is free. As stated in the Department of Legislative Services (DLS) fiscal 2013 [operating budget analysis for the Maryland Higher Education Commission \(MHEC\)](#), when MHEC moved from Annapolis to Baltimore City, MHEC leased parking spots for its employees for one year, since parking in Annapolis had been free. It is assumed that a parking supplement will be \$33,600, which assumes that parking costs will be \$224 per month. USM advised that the parking supplement would be an ongoing cost; however, DLS assumes that employees will only receive a parking supplement for one year, similar to MHEC employees.

UMCEED and CMAVUM

In fiscal 2018, the Governor must appropriate at least \$2.0 million in general funds to UMCEED, increasing to at least \$4.0 million in fiscal 2019, and at least \$6.0 million in fiscal 2020 and every fiscal year thereafter. It is assumed that the executive director and staff for UMCEED that are mandated by the bill as well as all other costs associated with hiring the staff such as benefits, materials, and space will be paid using the mandated appropriation funds. It is assumed that these costs will be less than \$6.0 million annually; thus, general fund expenditures for UMCEED do not increase beyond the mandated \$6.0 million. Beginning in fiscal 2018, the Governor must appropriate at least \$3.0 million annually for CMAVUM and another \$1.0 million annually to CMAVUM, to encourage the

development and location of UM-created or -sponsored technology companies in Baltimore City. It is assumed that the executive director and staff for CMAVUM that are mandated by the bill as well as all other costs associated with hiring the staff such as benefits, materials, and space will be paid using the mandated appropriation funds.

The bill states that the State funding for the USM centers established by the bill (*i.e.*, UMCEED and CMAVUM) may not be included in the calculations of State funding for the Senator John A. Cade, BCCC, and Sellinger funding formulas.

USM Funding Guideline Attainment

For fiscal 2018 through 2021, the Governor must appropriate at least an additional \$4.0 million to USMO for the purpose of increasing the estimated funding guideline attainment levels of the primarily residential institutions in USM with the lowest estimated funding guideline attainment levels in fiscal 2016 (*i.e.*, TU and UMBC). The funds will be distributed to the primarily residential institutions with the lowest estimated funding guideline attainment level in fiscal 2016, thereby increasing revenues for the eligible institutions by a total of \$4.0 million each fiscal year from fiscal 2018 through 2021. Since the general funds distributed under this requirement must be included in each institution's base budget for all years after the distribution, general fund expenditures for USM increase by \$4.0 million in fiscal 2018, by \$8.0 million in fiscal 2019, by \$12.0 million in fiscal 2020, and by \$16.0 million in fiscal 2021 and every fiscal year thereafter.

Formula-funded Institutions of Higher Education

Since the total State appropriation for selected public four-year institutions, which includes TU and UMBC, is used to calculate the statutory funding amounts for the BCCC and Cade funding formulas, funding for these formulas also increases beginning in fiscal 2018 as shown in Exhibit 2. Likewise, the statutory funding amounts for the Sellinger funding formula increase beginning in fiscal 2018 as shown in Exhibit 2.

Other

UM operating costs may decrease depending on the degree to which administrative functions at the two campuses are consolidated, while other operating costs may increase due to the strategic partnership between the College Park and Baltimore campuses. These costs cannot be reliably estimated; any net savings accrue to UM.

MDOT advises it can add the required information to the CTP using existing resources. MHEC can make the minor administrative changes using existing resources. TEDCO is not affected.

USM can complete the required reports using existing resources.

Additional Comments: The question of which public four-year institutions, or parts of four-year institutions, are to be considered in the application of the Joseph A. Sellinger funding formula (which is also used for the Cade and BCCC funding formulas) may be determined by the State Board for Higher Education (61 Op. Att’y Gen. 343 (1976)). According to the Code of Maryland Regulations (13B.01.02.02), the general fund per full-time equivalent student appropriations (which also include HEIF appropriations) for the following are used to calculate the Sellinger aid formula: Bowie State University; Coppin State University; Frostburg State University; Morgan State University; Salisbury University; St. Mary’s College of Maryland; Towson University; University of Maryland, College Park; University of Maryland Baltimore County; and University of Maryland Eastern Shore. Section 10 of the bill states that, in every law, rule, regulation, *et al.*, UMCP and UMB mean the University of Maryland (*i.e.*, UM, College Park Campus and UM, Baltimore Campus). Thus, the determination of whether UM, Baltimore Campus funding will be considered in the application of the funding formulas will be for MHEC, the successor agency to the State Board of Higher Education, to determine. Including UM, Baltimore Campus per student State appropriations in the funding formulas would significantly increase State expenditures for those formulas.

Additional Information

Prior Introductions: None.

Cross File: HB 1607 (Delegate Anderson) – Rules and Executive Nominations.

Information Source(s): Maryland Technology Development Corporation; Maryland Higher Education Commission; University System of Maryland; University of Maryland, College Park; Department of Budget and Management; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 29, 2016
md/rhh Revised - Senate Third Reader/Updated Budget Information -
March 21, 2016
Revised - Enrolled Bill/Updated Budget Information - May 17,
2016

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