

HOUSE BILL 1143

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8lr2846
CF SB 903

By: **Southern Maryland Delegation**

Introduced and read first time: February 8, 2018

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Southern Maryland – University System of Maryland Partnership Act of 2018**

3 FOR the purpose of repealing provisions that establish the Southern Maryland Higher
4 Education Center and its governance; and generally relating to the Southern
5 Maryland Higher Education Center.

6 BY repealing

7 Article – Education

8 Section 24–301 through 24–309 and the subtitle “Subtitle 3. Southern Maryland
9 Higher Education Center”

10 Annotated Code of Maryland

11 (2014 Replacement Volume and 2017 Supplement)

12 Preamble

13 WHEREAS, The Board of Regents of the University System of Maryland and the
14 Board of Governors of the Southern Maryland Higher Education Center have entered into
15 an agreement to design and construct on the campus of the Southern Maryland Higher
16 Education Center an 84,000–gross–square–foot education classroom and research facility
17 that, under the auspices of the University System of Maryland, will attract and execute
18 basic and applied research into the vitally important and growing field of unmanned and
19 autonomous systems and technologies, as well as provide space for general and technical
20 education and instruction to the residents and businesses of the Southern Maryland region;
21 and

22 WHEREAS, University System of Maryland institutions have an established
23 presence at the Southern Maryland Higher Education Center, with five universities
24 offering degree programs, at both the graduate and undergraduate levels in engineering,
25 information technology, K–12 education, nursing, criminal justice, and social work; and

26 WHEREAS, The Board of Governors and other stakeholders of the Southern

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Maryland Higher Education Center have engaged closely with the leadership of the
2 University System of Maryland to develop a shared vision for a more fully integrated
3 partnership combining the strength of the University System of Maryland's education,
4 research, technology transfer, and student service programs with the strong array of
5 advanced education and professional development services currently offered through the
6 Southern Maryland Higher Education Center in order to address the workforce and
7 economic needs and improve the quality of life enjoyed by the people and businesses of the
8 Southern Maryland region; and

9 WHEREAS, To advance this shared vision, and create an unparalleled resource that
10 promises to have a transformational impact on the further development of the advanced
11 technology and innovation economy of the Southern Maryland region—and the concomitant
12 highly skilled, highly educated workforce needed to drive such an economy—the Board of
13 Governors of the Southern Maryland Higher Education Center and the University System
14 of Maryland will soon have agreed through a memorandum of understanding to merge the
15 Southern Maryland Higher Education Center and all its assets with the University System
16 of Maryland to become the newest regional higher education center; now, therefore,

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

19 **Article – Education**

20 [Subtitle 3. Southern Maryland Higher Education Center.]

21 [24–301.

22 (a) In this subtitle the following terms have the meanings indicated.

23 (b) “Board” means the Board of Governors of the Southern Maryland Higher
24 Education Center.

25 (c) “Center” means the Southern Maryland Higher Education Center.

26 (d) “Commission” means the Maryland Higher Education Commission.]

27 [24–302.

28 There is a Southern Maryland Higher Education Center that is governed by a Board
29 of Governors.]

30 [24–303.

31 (a) The Board consists of 13 voting members appointed by the Governor.

32 (b) The Governor shall appoint at least two members each from St. Mary's,

1 Charles, and Calvert counties.

2 (c) (1) Each member serves for a term of 4 years and until a successor is
3 appointed and qualifies.

4 (2) The terms of members are staggered as required by the terms provided
5 for members of the Board on July 1, 1994.

6 (3) A member may not serve more than two full consecutive terms.

7 (4) A member appointed to fill a vacancy in an unexpired term serves only
8 for the remainder of that term and until a successor is appointed and qualifies.

9 (d) (1) The Governor shall appoint one of the voting members to act as chair.

10 (2) The voting members may elect other officers and establish committees,
11 including advisory committees, as needed.

12 (e) In addition to the 13 voting members, the following individuals shall serve as
13 ex officio, nonvoting members:

14 (1) The commanding officer of the Naval Air Warfare Center – Aircraft
15 Division at Patuxent River, or the commanding officer's designee;

16 (2) A member of the St. Mary's County Building Authority recommended
17 by the St. Mary's County Board of County Commissioners; and

18 (3) A representative of the Tri-County Council for Southern Maryland.

19 (f) Each member of the Board:

20 (1) Serves without compensation; and

21 (2) Is entitled to reimbursement for expenses in accordance with the
22 Standard State Travel Regulations.]

23 [24–304.

24 (a) In addition to the other powers expressly granted and duties imposed by this
25 title, and subject to the authority of the Commission, the Board has only the powers and
26 duties set forth in this section.

27 (b) The Board shall:

28 (1) Exercise general control over the Center;

29 (2) Keep separate records and minutes; and

1 (3) Adopt reasonable rules, regulations, or bylaws to carry out the
2 provisions of this subtitle.

3 (c) The Board may fix the salaries and terms of employment of the Director and
4 other employees of the Center.

5 (d) The Board may purchase, lease, or otherwise acquire any property it considers
6 necessary for the operation of the Center, with the approval of the St. Mary's County Board
7 of County Commissioners.

8 (e) (1) The Board may sell, lease, or otherwise dispose of Center assets or
9 property, with the approval of the St. Mary's County Board of County Commissioners.

10 (2) The Director of the Center or the chair of the Board may execute a
11 conveyance or other legal document under an appropriate resolution of the Board.

12 (f) The Board shall ensure that all academic programs and policies of the Center
13 are in compliance with the policies of and approved by the Commission.

14 (g) The Board shall submit an adopted mission statement to the Commission
15 subject to the policies and guidelines of the Commission.

16 (h) The Board may enter into contracts or other agreements with any institution
17 of higher education for the provision of upper division undergraduate and graduate
18 programs to meet the higher education needs of Southern Maryland, subject to the approval
19 of the Commission.

20 (i) The Board may apply, accept, and expend any gift, appropriation, or grant
21 from the State, county, or federal government or any other person.

22 (j) (1) The Board shall ensure that the tuition and fees charged to students by
23 any participating institutions are reasonable.

24 (2) The Board may also charge reasonable fees to cover the overhead costs
25 associated with providing these programs.

26 (k) The Board may sue and be sued.

27 (l) The Board may make agreements with the federal, State, or county
28 governments or any other person, if it considers the agreement advisable for the operation
29 of the Center.

30 (m) The Board may adopt a corporate seal.

31 (n) In addition to other reports that may be required by the Commission, the
32 Board shall:

1 (1) Keep records that are consistent with sound business practices and
2 accounting records using generally accepted accounting principles;

3 (2) Cause an audit by an independent certified public accountant to be
4 made of the accounts and transactions of the Center at the conclusion of each fiscal year;
5 and

6 (3) For any State moneys, be subject to an audit by the Office of Legislative
7 Audits, in accordance with §§ 2-1220 through 2-1227 of the State Government Article.

8 (o) The Board shall enter into an agreement with St. Mary's County to establish
9 guidelines for the use and operation of the Center.]

10 [24-305.

11 (a) The Board shall appoint a Director of the Center.

12 (b) The Director shall:

13 (1) Report directly to the Board;

14 (2) Recommend the appointment by the Board of employees necessary for
15 the efficient administration of the Center;

16 (3) Recommend the discharge of employees for good cause and in
17 accordance with applicable laws and policies;

18 (4) Be responsible to the Board for the conduct of the Center and for its
19 administration and supervision;

20 (5) Attend all meetings of the Board, except those involving the Director's
21 personal position;

22 (6) Subject to the policies and guidelines of the Commission:

23 (i) Develop a mission statement;

24 (ii) Submit the mission statement to the Board of Governors of the
25 Center; and

26 (iii) Upon the direction of the Board of Governors, update the mission
27 statement every 4 years; and

28 (7) Perform other duties as assigned by the Board.]

29 [24-306.

1 (a) The budget of the Center, as developed by the Board, shall:

2 (1) Be submitted to the Commission for informational purposes; and

3 (2) Include personnel detail.

4 (b) Requests for appropriations for operating expenses from St. Mary's, Calvert,
5 or Charles counties shall be made to the appropriate Board of County Commissioners in
6 accordance with:

7 (1) Applicable county procedures and requirements; or

8 (2) An agreement with the Board of County Commissioners.

9 (c) Requests for State appropriations for specific projects shall be submitted to
10 the Commission.

11 (d) Proposals for capital projects, either new or substantial changes to existing
12 projects, shall be submitted to the State Department of Budget and Management through
13 the Commission.

14 (e) The major functions established by the Commission shall generally conform
15 to those contained in the current College and University Industry Audit Guide issued by
16 the American Institute of Certified Public Accountants.]

17 [24-307.

18 (a) The Boards of County Commissioners of St. Mary's, Calvert, and Charles
19 counties may appropriate money to pay the cost of establishing and operating the Center,
20 including the establishment of a reserve fund for maintenance and repair.

21 (b) The expenditure of appropriated funds shall be consistent with all relevant
22 State laws.]

23 [24-308.

24 (a) If the Board of Governors of the Center conveys any real property in whole or
25 in part, the proceeds of the disposition shall be shared between St. Mary's County and the
26 State in such proportions as each has contributed to the capital investment in the property.

27 (b) That disposition shall be in accordance with all terms and conditions of the
28 original conveyance of the property to St. Mary's County Board of County Commissioners
29 and the Board of Public Works shall enter into an agreement providing for the calculation
30 of the amount due to each party under this section.

31 (c) The payment to the State shall be made by the county within 90 days of the

1 date of receipt of any proceeds.]

2 [24–309.

3 (a) (1) The Board may carry comprehensive liability insurance to protect the
4 Board, its agents, and employees.

5 (2) The purchase of the insurance is for an educational purpose and is a
6 valid educational expense.

7 (b) (1) The Board may adopt standards for the policies, including a minimum
8 liability coverage that may not be less than \$100,000 per occurrence.

9 (2) Any policy purchased after the adoption of these standards shall
10 conform to them.

11 (c) The Board complies with this section if it is self-insured, for at least \$100,000
12 and not more than \$500,000 per occurrence, under the rules and regulations of the State
13 Insurance Commissioner.

14 (d) This section does not prevent the Board, on its own behalf, from raising the
15 defense of sovereign immunity to any amount of a claim in excess of the limit of an
16 insurance policy or in excess of \$100,000 in the case of self-insurance.]

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2018.