Department of Legislative Services

Maryland General Assembly 2021 Session

FISCAL AND POLICY NOTE First Reader

House Bill 184

(Delegate Ivey)

Appropriations

University System of Maryland, Morgan State University, and St. Mary's College of Maryland - Board Membership - Alterations

This bill expands the required membership of the Boards of Regents of the University System of Maryland (USM) and Morgan State University (MSU), as well as the Board of Trustees of St. Mary's College of Maryland (SMCM). Each board must add two individuals with a background in labor union organizing, one individual with a background in civil rights advocacy. Additionally, the USM Board of Regents must add more three individuals — one who attended Bowie State University, one who attended Coppin State University, and one who attended the University of Maryland Eastern Shore. The Governor, with the advice and consent of the Senate, must appoint all additional members under the bill. Additional members for MSU serve for a term of five years beginning July 1, 2022. Additional members for USM serve for a term of five years from July 1 of the year of appointment. The bill takes effect July 1, 2021.

Fiscal Summary

State Effect: Additional costs for USM, MSU, and SMCM associated with expanded board membership can likely be handled with existing resources as discussed below. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

University System of Maryland

The Board of Regents of USM is composed of 21 members, including two student members, the Secretary of Agriculture *ex officio*, the Secretary of Commerce *ex officio*, one member appointed by the President of the Senate, and one member appointed by the Speaker of the House. Aside from *ex officio* members and the members appointed by the President and Speaker, the Governor must appoint all board members from the general public, and the Senate must ensure an adequate balance of membership among appointees. Aside from *ex officio* and student members, the remaining members must include (1) one individual with a background in higher education administration; (2) one individual with a background in finance; and (3) one individual with a background in diversity and inclusion. Each student member must be a full-time student in good academic standing at a USM institution, except that the full-time requirement does not apply to a student at the University of Maryland Global Campus.

Except for the student members, each appointed member serves for a term of five years from July 1 of the year of appointment and until a successor is appointed and qualifies. These members may be reappointed. A student member serves a two-year term, beginning on July 1, and may be reappointed if the student remains a student at any campus of USM. A member appointed to fill a vacancy in an unexpired term serves only for the remainder of that term and until a successor is appointed and qualifies.

Board members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations. Each year, the board must elect from among the members a chairperson and any other officer it requires. The board must determine the time and place of its meetings and may adopt rules for the conduct of its meetings.

Morgan State University

The Board of Regents of MSU consists of 15 members appointed by the Governor with the advice and consent of the Senate, including one student member. The student member must be at least 18 years old, must have the qualifications required to be student body president, and serves for a one-year term. Except for the student member, each appointed member serves for a term of five years until a successor is appointed. Except under certain conditions, a member may not serve more than two consecutive terms of five years. Except for the student member, no more than three members of the Board of Regents who are not alumni of MSU may be residents of other states.

Board members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

St. Mary's College of Maryland

The Board of Trustees of SMCM consists of 26 members. Of the 26 members, 23 must be appointed by the Governor with the advice and consent of the Senate, one member must be the Chairman of the Historic St. Mary's City Commission, one member must be the President of the St. Mary's Alumni Association, and one member must be a SMCM student in good academic standing. The student member serves for a term of one year; the Chairman of the Historic St. Mary's City Commission and President of the St. Mary's Alumni Association serve for as long as they are the chairman or president of their respective organizations. Other members serve a term of six years.

Board members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

State Expenditures: USM advises that costs related to the seven additional regents required by the bill will increase by about \$7,000 per board member annually (totaling approximately \$50,000 annually) beginning in fiscal 2022. Expenses for each additional member include iPads, hotels and travel, printing, mailings, subscriptions, and conference fees and services. However, the Department of Legislative Services (DLS) advises that most, if not all, of these costs are likely absorbable within USM's current budget. Further, with more meetings being held online and limited travel due to COVID-19, additional costs in fiscal 2022 are likely to be minimal.

MSU advises that the bill will have no fiscal impact on the university. DLS advises that MSU may incur some costs associated with expanding the board but that any costs are manageable with existing resources.

SMCM advises that operational costs associated with adding four members to the board may increase expenditures by approximately \$8,500 annually. DLS advises that SMCM can accommodate the expanded board membership with existing resources.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): University System of Maryland; Morgan State University; St. Mary's College of Maryland; Department of Legislative Services

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