

SENATE BILL 682

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1999 Regular Session
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By: **The President (Administration) and Senators Blount, Hoffman, Lawlah, Middleton, and Neall Neall, Ruben, Currie, DeGrange, Hogan, Kasemeyer, McFadden, Munson, Stoltzfus, and Van Hollen**

Introduced and read first time: February 15, 1999

Rules suspended

Assigned to: Budget and Taxation and Economic and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 31, 1999

CHAPTER _____

1 AN ACT concerning

2 **Higher Education - University System of Maryland - Coordination,**
3 **Governance, and Funding**

4 FOR the purpose of authorizing the Maryland Higher Education Commission and the
5 Board of Regents of the University System of Maryland to distribute certain
6 incentive funding to certain institutions under certain circumstances; altering
7 the role of the Commission in reviewing the operating and capital budgets of the
8 University System of Maryland; requiring the Commission to ensure that the
9 State Plan for Higher Education complies with certain requirements of State
10 and federal law; altering the role of the Commission in the review of mission
11 statements developed by public institutions of higher education; altering the
12 requirements for the contents of mission statements and requiring the
13 Commission, with the assistance of the presidents of certain institutions, to
14 establish and periodically update the format of mission statements;
15 reestablishing the College Intervention Preparation Program to raise the level
16 of academic preparedness of disadvantaged students who go on to college;
17 altering the governance and management of the University System of Maryland
18 and establishing the University as a public corporation with certain powers and
19 responsibilities; requiring the Board of Regents to delegate certain authority to
20 certain presidents under certain circumstances; requiring the Board of Regents
21 to develop certain policies on standards of operation and accountability;
22 providing the president of the University of Maryland, College Park with the
23 opportunity to meet with the Governor to present the University's budget
24 request at a certain time; clarifying that the presidents have the authority to
25 appoint institutional boards; exempting the University System of Maryland and

1 Morgan State University from certain provisions of the State procurement law;
2 requiring the Board of Regents of the University System of Maryland and the
3 Board of Regents of Morgan State University, subject to review and approval by
4 the Board of Public Works and the Administrative, Executive, and Legislative
5 Review Committee, to develop certain policies and procedures governing
6 procurement; requiring the Board of Regents to develop an information
7 technology plan that meets certain requirements; authorizing the Board of
8 Regents to establish, invest in, operate, and finance certain business entities
9 under certain circumstances; altering certain employee grievance procedures;
10 reestablishing the Private Donation Incentive Program; establishing how the
11 amount of matching funds under the Private Donation Incentive Program will
12 be determined and payments under the Private Donation Incentive Program
13 will be made; requiring that the payments to certain institutions not exceed
14 certain amounts; establishing certain eligibility criteria; requiring certain
15 foundations to provide certain information annually; defining certain terms;
16 providing for the application of Private Donation Incentive Program funds;
17 prohibiting Private Donation Incentive Program funds from being included in
18 the computation of certain types of aid; providing for the administration of the
19 Private Donation Incentive Program; establishing a new program review and
20 approval process for ~~the institutions in the University System of Maryland~~
21 certain institutions of higher education; exempting the University System of
22 Maryland from certain requirements for information technology and
23 telecommunication; exempting the University System of Maryland and Morgan
24 State University from certain provisions of law governing the oversight of public
25 improvement projects by the Department of General Services; requiring the
26 Department of General Services to advise the Board of Public Works on certain
27 contracts that exceed a certain amount under certain circumstances; requiring
28 certain procurements by the University System of Maryland and Morgan State
29 University to comply with certain policies and procedures; requiring certain
30 contracts that exceed a certain amount to be subject to review and approval by
31 the Board of Public Works and the Administrative, Executive, and Legislative
32 Review Committee; making certain employees of the University System of
33 Maryland eligible to participate in collective bargaining under certain
34 circumstances and contingent on the passage of certain legislation; authorizing
35 presidents to establish and abolish certain programs under certain
36 circumstances; requiring the Board of Regents to review certain actions;
37 requiring the Commission to review certain actions to determine whether they
38 comply with certain requirements of State and federal law; ~~requiring presidents~~
39 ~~to resolve certain concerns regarding compliance with certain laws before~~
40 ~~implementing certain programs~~ authorizing the Commission to veto
41 implementation of a proposed new program or recommend certain reductions in
42 State aid under certain circumstances; requiring the Commission to monitor the
43 new program development and review process and submit a certain report;
44 providing for the termination of the mission and program development and
45 review process after a certain period of time; defining a certain term; requiring
46 the Commission to develop certain funding guidelines; requesting the Governor
47 to include certain funding in certain budgets; requiring the Governor to convene
48 a certain conference for certain purposes and to establish a group to review

1 certain reporting requirements and make certain recommendations by a certain
 2 date; requiring the Board of Regents of the University System of Maryland to
 3 develop a certain long-range capital plan for the University; requiring the
 4 Commission to consider certain goals for the University System of Maryland and
 5 for higher education in general in the development of a State Plan for Higher
 6 Education; requiring the Boards of Regents of the University System of
 7 Maryland and Morgan State University to submit certain reports by a certain
 8 date; establishing certain transitional provisions for the development and
 9 review of mission statements; repealing the termination provision on the ability
 10 to create positions in the University System of Maryland under certain
 11 circumstances; and generally relating to the coordination, governance, and
 12 funding of higher education in the State.

13 BY adding to

14 Article - Education

15 Section 10-101(l), 11-105(b)(7), 11-206.1; 11-701 through 11-705, inclusive, to
 16 be under the new subtitle "Subtitle 7. College Preparation Intervention
 17 Program"; 12-112, 12-113, 14-104(b)(4); and 17-301 through 17-306,
 18 inclusive, to be under the new subtitle "Subtitle 3. Private Donation
 19 Incentive Program"

20 Annotated Code of Maryland

21 (1997 Replacement Volume and 1998 Supplement)

22 BY repealing and reenacting, with amendments,

23 Article - Education

24 Section ~~11-105(h)~~ 11-105(b)(2) and (h), 11-206, 11-302, 11-303, 12-102,
 25 12-104, 12-105, 12-106, 12-109(e)(1), (2), (3), and (16) and (f), 12-111,
 26 13-203, 13-205, 13-207, and 17-104

27 Annotated Code of Maryland

28 (1997 Replacement Volume and 1998 Supplement)

29 BY repealing and reenacting, without amendments,

30 Article - Education

31 Section 11-105(b)(3)(i) and 12-109(e)(5) and (g)

32 Annotated Code of Maryland

33 (1997 Replacement Volume and 1998 Supplement)

34 BY repealing and reenacting, with amendments,

35 Article - State Finance and Procurement

36 Section 3-401, 3-703, 3-704, 4-402, 4-406, ~~4-410~~, and 11-203, and 12-107(b)

37 Annotated Code of Maryland

38 (1995 Replacement Volume and 1998 Supplement)

39 BY repealing

40 Article - State Finance and Procurement

1 Section 4-410
2 Annotated Code of Maryland
3 (1995 Replacement Volume and 1998 Supplement)

4 BY repealing
5 Chapter 345 of the Acts of the General Assembly of 1995
6 Section 4

7 ~~BY repealing and reenacting, with amendments,~~
8 ~~Article—Education~~
9 ~~Section 11-303~~
10 ~~Annotated Code of Maryland~~
11 ~~(1997 Replacement Volume and 1998 Supplement)~~
12 ~~(As enacted by Section 1 of this Act)~~

13 Preamble

14 WHEREAS, The Task Force to Study the Governance, Coordination and
15 Funding of the University System of Maryland was charged with examining issues
16 related to the University System 10 years after its creation in 1988. The Task Force
17 completed this examination and submitted its findings and recommendations to the
18 Governor and General Assembly; and

19 WHEREAS, The Task Force found that, despite changes caused by technology
20 which are redefining the delivery of higher education, the goals, principles, and duties
21 of public higher education set forth in the 1988 legislation remain valid, vital and
22 essential. Every institution within the University System of Maryland has made
23 significant progress towards reaching these goals despite less State funding than
24 anticipated due to the recession of the 1990's. However, the Task Force also found that
25 the goals should be augmented and set in priority order; and

26 WHEREAS, The Task Force clearly affirmed that the State's first priority is the
27 enhancement of the flagship campus, University of Maryland, College Park, to
28 achieve national eminence; and

29 WHEREAS, The Task Force found that the 1988 legislation envisioned the
30 University System of Maryland as a decentralized system with the Board of Regents,
31 Chancellor and administration responsible for system-wide policy and governance
32 and the Presidents responsible for management of the campuses; and

33 WHEREAS, The Task Force found that the University System does add value to
34 the quality and goals of higher education in Maryland, and should be fine-tuned, not
35 abandoned. However, the Task Force also found that management authority had not
36 been delegated by the Board to the presidents to the extent envisioned, and that the
37 University System of Maryland and the individual campuses are encumbered by
38 State administrative regulations and procedures and an excessive number of
39 mandated reports; and

1 WHEREAS, The Task Force found that the presidents of University institutions
2 must have significant autonomy to manage their institutions, while being
3 accountable to the Board of Regents, as envisioned in the 1988 legislation; and

4 WHEREAS, The Task Force recommended the concept of reestablishing the
5 University System of Maryland as a public corporation with management flexibility
6 necessary to respond to the needs of the students, State and citizens in a changing
7 economy; and

8 WHEREAS, The Task Force found that the Maryland Higher Education
9 Commission has a vital role in assessing and articulating the statewide higher
10 education needs and goals of the State, and in coordinating the segments of higher
11 education; and

12 WHEREAS, The Task Force also found that the role of the Maryland Higher
13 Education Commission in the budget process appears to overlap with the authority of
14 the Board of Regents and requires clarification. It also found that the Maryland
15 Higher Education Commission academic program approval process and review of
16 existing programs are also areas of significant overlap and potential barriers to the
17 ability of University institutions to respond quickly to public demands and needs; and

18 WHEREAS, The Task Force reviewed the 1998 State Plan for Higher Education
19 and found it to be a useful strategic planning document, but felt that the Plan did not
20 contain sufficient detail to provide a complete framework to guide higher education
21 and lacked buy-in from major stakeholders. Further, the Task Force believes that
22 institutional mission statements should lend support to the State Plan for Higher
23 Education and must evolve to reflect environmental and market conditions; and

24 WHEREAS, The Task Force recognizes that the University must gain greater
25 private financial support. The Task Force supports the reestablishment of the Private
26 Donation Incentive Program to encourage private giving and promote excellence in
27 higher education; and

28 WHEREAS, The Task Force supports the College Preparation Intervention
29 Program and encourages the State to take advantage of matching federal funds to
30 reestablish this successful program; and

31 WHEREAS, The Task Force recommended that the University System
32 institutions receive greater, more stable State funding in order to meet its mission
33 goals. While calculating a funding base for all institutions should be treated as an
34 urgent matter, certain allocations are needed immediately to provide a head-start on
35 addressing serious fiscal deficiencies; and

36 WHEREAS, The Task Force reaffirmed that higher education is an engine that
37 drives economic growth and will be key to competing successfully in the 21st century.
38 The Governor and General Assembly are strongly committed to higher education in
39 Maryland; now, therefore,

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

Article - Education

10-101.

(L) "STATE PLAN FOR HIGHER EDUCATION" MEANS THE PLAN FOR POSTSECONDARY EDUCATION AND RESEARCH REQUIRED TO BE DEVELOPED BY THE MARYLAND HIGHER EDUCATION COMMISSION UNDER § 11-105(B) OF THIS ARTICLE.

11-105.

(b) (2) (I) In consultation with the governing boards and agencies concerned with postsecondary education in the State, the Commission shall develop and periodically update an overall plan consistent with the Charter, KNOWN AS THE STATE PLAN FOR HIGHER EDUCATION, that shall identify:

[(i)] 1. The present and future needs for postsecondary education and research throughout the State;

[(ii)] 2. The present and future capabilities of the different institutions and segments of postsecondary education in the State; and

[(iii)] 3. The long-range and short-range objectives and priorities for postsecondary education and methods and guidelines for achieving and maintaining them.

(II) THE COMMISSION SHALL ENSURE THAT THE STATE PLAN FOR HIGHER EDUCATION COMPLIES WITH THE STATE'S EQUAL EDUCATIONAL OPPORTUNITY OBLIGATIONS UNDER STATE AND FEDERAL LAW, INCLUDING TITLE VI OF THE CIVIL RIGHTS ACT AND THE SUPREME COURT'S DECISION IN UNITED STATES V. FORDICE.

(3) (i) The Commission shall submit to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly a biennial review of the plan by July 1, 1995 and by July 1 of each alternate year thereafter.

(b) (7) THE COMMISSION MAY DISTRIBUTE STRATEGIC INCENTIVE FUNDS TO AN INSTITUTION OF HIGHER EDUCATION TO ENCOURAGE ATTAINMENT OF THE GOALS AND PRIORITIES SET FORTH IN THE STATE PLAN FOR HIGHER EDUCATION.

(h) (1) On or before a date set by the Commission, each of the following governing boards and agencies shall submit to the Commission its annual operating budget requests and proposals for capital projects, by constituent institutions for the next fiscal year:

(i) The Board of Regents of the University System of Maryland;

(ii) The Board of Regents of Morgan State University;

(iii) The Board of Trustees of St. Mary's College of Maryland;

(iv) ~~The Maryland Higher Education Loan Corporation;~~

- 1 (↔) (IV) The State Advisory Council for Title I of the Higher
2 Education Act of 1965;
- 3 (↔) (V) The Board of Trustees of Baltimore City Community
4 College; and
- 5 (↔) (VI) The Board of the Maryland Higher Education Investment
6 Program.

7 (2) In consultation with the Department of Budget and Management, the
8 Commission shall present to the Governor, on or before a date set by the Governor,
9 and simultaneously submit a copy to the General Assembly, a consolidated operating
10 and capital budget for higher education that includes the operating and capital
11 budget requests of the governing boards and institutions listed in paragraph (1) of
12 this subsection, the operating budget request of the Commission, a report on the
13 current funding of the adopted sets of peer institutions, and recommendations
14 regarding the funding of higher education.

15 (3) In cooperation with the Department of Budget and Management, and
16 without affecting the authority or responsibility of the Department under the State
17 Finance and Procurement Article, the Commission shall:

18 (i) Review proposals for capital projects and improvements
19 proposed by the public institutions of higher education in this State, and by the
20 Maryland Independent College and University Association; and

21 (ii) Develop and submit to the Governor and the General Assembly
22 recommendations as to these projects, which shall be consistent with the [plan]
23 STATE PLAN FOR HIGHER EDUCATION provided for in this section.

24 (4) In submitting recommendations pursuant to paragraph (2) of this
25 subsection, the Commission shall comment on the overall level of funding for higher
26 education IN ORDER TO ACHIEVE THE GOALS ESTABLISHED IN THE STATE PLAN FOR
27 HIGHER EDUCATION, and may comment regarding funding priorities among
28 segments of higher education and, within public senior higher education, among
29 institutions. In reviewing the various budgets and submitting recommendations
30 thereon, the Commission:

31 (i) May not require, of any segment or institution, a detailed
32 budget presentation that tends to duplicate other presentations required in the
33 budget process; [and]

34 (ii) As to the funding priority of any institution, may comment only
35 on the entity as a whole and not on any separate unit of the institution; AND

36 (III) AS TO THE OPERATING AND CAPITAL BUDGETS OF THE BOARD
37 OF REGENTS OF THE UNIVERSITY SYSTEM OF MARYLAND:

38 1. MAY REVIEW AND COMMENT ONLY WITHIN THE BROAD
39 CONTEXT OF THE STATE PLAN FOR HIGHER EDUCATION; AND

1 2. MAY NOT DISAGREE WITH A BUDGET ITEM APPROVED BY
2 THE BOARD OF REGENTS UNLESS THE ITEM IS CLEARLY INCONSISTENT WITH THE
3 STATE PLAN FOR HIGHER EDUCATION.

4 (5) (i) In this paragraph, "higher education" means:

- 5 1. The University System of Maryland;
- 6 2. Morgan State University;
- 7 3. St. Mary's College of Maryland;
- 8 4. All funding for the Maryland Higher Education
- 9 Commission, including the funding of:

- 10 A. The Joseph A. Sellinger Program;
- 11 B. The Senator John A. Cade Funding Formula;
- 12 C. Fringe benefits provided under aid to community colleges;
- 13 and
- 14 D. All scholarship and grant programs administered by the
- 15 Commission; and
- 16 5. Baltimore City Community College.

17 (ii) It is the intent of the General Assembly that, barring
18 unforeseen economic conditions, the Governor shall include in the annual budget
19 submission for Fiscal Year 2000 and each year thereafter, an amount of General Fund
20 State support for higher education equal to or greater than the amount appropriated
21 in the prior year.

22 (iii) It is the goal of the State that General Fund and capital state
23 support for higher education be funded annually in amounts that are no less than the
24 following percentages of total General Fund State revenues:

- 25 1. 12.5 percent in Fiscal Year 2000;
- 26 2. 13.5 percent in Fiscal Year 2001;
- 27 3. 14.5 percent in Fiscal Year 2002;
- 28 4. 15 percent in Fiscal Year 2003; and
- 29 5. 15.5 percent in Fiscal Year 2004.

30 ~~41-302.~~

31 (a) (1) ~~The president of each public institution of higher education is~~
32 ~~responsible for developing a mission statement.~~

- 1 (2) The president shall submit the mission statement to the institution's
2 governing board.
- 3 (3) Upon the direction of the governing board, the president shall update
4 the mission statement at least every 5 years.
- 5 (b) (1) The governing board:
- 6 (i) ~~Shall review the mission statement and may require the~~
7 ~~president to prepare a revised mission statement;~~
- 8 (ii) ~~May adopt the mission statement as submitted or with~~
9 ~~amendments; and~~
- 10 (iii) ~~Shall submit the statement to the Commission.~~
- 11 (2) (i) ~~In the case of constituent institutions of the University System~~
12 ~~of Maryland, the Chancellor of the University System of Maryland shall review the~~
13 ~~statement prior to its consideration by the Board of Regents and make~~
14 ~~recommendations.~~
- 15 (ii) ~~Before adopting the mission statements, the Board of Regents~~
16 ~~shall review the statements individually and on a systemwide basis to assure that:~~
- 17 1. ~~They are consistent with the Charter and the systemwide~~
18 ~~plan; AND~~
- 19 2. ~~[They will not result in unnecessary duplication of~~
20 ~~academic programs; and~~
- 21 3.] ~~They will promote the efficient and effective use of the~~
22 ~~institution's and System's resources.~~
- 23 (iii) ~~The Board shall consolidate the statements into an adopted~~
24 ~~systemwide statement.~~
- 25 (e) (1) ~~The Commission shall review the mission statement TO DETERMINE~~
26 ~~WHETHER THE MISSION STATEMENT IS CONSISTENT WITH THE STATE PLAN FOR~~
27 ~~HIGHER EDUCATION.~~
- 28 (2) ~~[The Commission shall approve the statement if the Commission~~
29 ~~finds that the statement:~~
- 30 (i) ~~Is consistent with the Charter and the statewide plan;~~
- 31 (ii) ~~Will not result in the unreasonable duplication of academie~~
32 ~~programs; and~~
- 33 (iii) ~~Will promote the efficient and effective use of the State's higher~~
34 ~~education resources.~~

1 (3) (ii) If the Commission does not approve the statement, the
 2 Commission shall return the statement together with its objections to the governing
 3 board.

4 (ii) The governing board shall negotiate with the Commission and
 5 amend the statement or direct the president of the institution to prepare a new
 6 statement] ~~IF THE COMMISSION DETERMINES THAT THE MISSION STATEMENT IS
 7 INCONSISTENT WITH THE STATE PLAN FOR HIGHER EDUCATION, THE COMMISSION
 8 SHALL RETURN THE STATEMENT TO THE GOVERNING BOARD WITH COMMENTS
 9 THAT INCLUDE THE SPECIFIC AREAS OF INCONSISTENCY.~~

10 11-303.

11 ~~The Commission, WITH THE ASSISTANCE OF THE PRESIDENTS OF THE
 12 INSTITUTIONS REQUIRED TO DEVELOP MISSION STATEMENTS UNDER THIS
 13 SUBTITLE, shall establish AND PERIODICALLY UPDATE the format of mission
 14 statements to include [at least the following items:~~

15 (1) ~~Specific] SPECIFIC short and long-range goals and measurable
 16 objectives to be achieved THROUGH THE IMPLEMENTATION OF THE INSTITUTIONS'
 17 PERFORMANCE ACCOUNTABILITY PLAN AS REQUIRED UNDER § 11-304 OF THIS
 18 SUBTITLE[, including graduation and retention rates and equal opportunity goals;~~

19 (2) ~~Level of academic degrees offered;~~

20 (3) ~~Fields of academic degrees offered;~~

21 (4) ~~Characteristics of students and other populations to be served;~~

22 (5) ~~Characteristics of faculty;~~

23 (6) ~~A list of institutional peers;~~

24 (7) ~~Areas of research activity;~~

25 (8) ~~Areas of service activity including economic development and
 26 services to the public schools; and~~

27 (9) ~~Other items as required by the Commission].~~

28 SUBTITLE 7. COLLEGE PREPARATION INTERVENTION PROGRAM.

29 11-701.

30 IN COOPERATION WITH THE STATE'S PUBLIC AND NONPUBLIC INSTITUTIONS
 31 OF POSTSECONDARY EDUCATION, THE COUNCIL OF MARYLAND'S K-16
 32 PARTNERSHIP, THE MARYLAND STATE DEPARTMENT OF EDUCATION, AND THE
 33 LOCAL SCHOOL SYSTEMS, THE COMMISSION SHALL ESTABLISH AND ADMINISTER A
 34 COLLEGE PREPARATION INTERVENTION PROGRAM.

1 11-702.

2 THE PURPOSE OF THE COLLEGE PREPARATION INTERVENTION PROGRAM IS TO
3 RAISE THE LEVEL OF ACADEMIC PREPAREDNESS OF ECONOMICALLY AND
4 ENVIRONMENTALLY DISADVANTAGED STUDENTS WHO GO ON TO COLLEGE.

5 11-703.

6 THE COLLEGE PREPARATION INTERVENTION PROGRAM MAY INCLUDE
7 ACTIVITIES TO:

8 (1) IMPROVE DIAGNOSIS OF BASIC SKILL DEFICIENCIES OF MIDDLE AND
9 HIGH SCHOOL STUDENTS TO ENHANCE THE PREPAREDNESS OF THE STUDENTS FOR
10 COLLEGE;

11 (2) ESTABLISH A TESTING PROGRAM, USING PRESENTLY
12 ADMINISTERED TESTS TO THE EXTENT POSSIBLE, TO EVALUATE ACHIEVEMENT
13 LEVELS AND ASSESS THE PREPARATION OF HIGH SCHOOL STUDENTS WHO ARE
14 POTENTIALLY COLLEGE BOUND;

15 (3) COMPILE A LIST OF COURSES OF STUDY RECOMMENDED FOR
16 COLLEGE PREPARATION AND DISTRIBUTE COPIES OF THE LIST TO THE HIGH
17 SCHOOL STUDENTS AND THEIR PARENTS;

18 (4) PROVIDE INFORMATION REGARDING COLLEGE PREPARATION TO
19 HIGH SCHOOL STUDENTS IN A TIMELY MANNER SO THE STUDENT CAN MAKE
20 COURSE CHANGES TO BE BETTER PREPARED FOR COLLEGE; AND

21 (5) IMPROVE INFORMATION TO HIGH SCHOOLS AND LOCAL SCHOOL
22 SYSTEMS CONCERNING THE PERFORMANCE OF THEIR GRADUATES AT THE COLLEGE
23 LEVEL IN AT LEAST THE FOLLOWING AREAS:

24 (I) THE ADEQUACY OF PREPARATION OF THE STUDENTS IN BASIC
25 SKILLS ON THE STUDENTS' ENTRY INTO COLLEGE;

26 (II) THE CAMPUS ENROLLMENT AND TRANSFER PATTERNS OF
27 STUDENTS;

28 (III) THE PROGRAM CHOICES OF THE STUDENTS;

29 (IV) THE PERFORMANCE OF THE STUDENTS ON ACHIEVEMENT
30 TESTS; AND

31 (V) THE RATE OF RETENTION AND GRADUATION OF STUDENTS.

32 11-704.

33 EACH YEAR, THE COMMISSION SHALL SUBMIT A REPORT TO THE GOVERNOR
34 AND THE GENERAL ASSEMBLY OF MARYLAND ADDRESSING THE STATUS OF THE
35 COLLEGE PREPARATION INTERVENTION PROGRAM.

1 11-705.

2 THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN
3 APPROPRIATION OF AT LEAST \$750,000 FROM THE GENERAL FUND OF THE STATE FOR
4 THE COLLEGE PREPARATION INTERVENTION PROGRAM.

5 12-102.

6 (A) (1) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE
7 UNIVERSITY SYSTEM OF MARYLAND.

8 (2) THE UNIVERSITY IS AN INSTRUMENTALITY OF THE STATE AND A
9 PUBLIC CORPORATION.

10 (3) THE UNIVERSITY IS AN INDEPENDENT UNIT OF STATE
11 GOVERNMENT.

12 (4) THE EXERCISE BY THE UNIVERSITY OF THE POWERS CONFERRED BY
13 THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.

14 [(a)] (B) The government of the University System of Maryland is vested in
15 the Board of Regents of the University System of Maryland.

16 [(b)] (C) The Board of Regents consists of 17 members as follows:

17 (1) One member shall be a full-time student in good academic standing
18 at an institution under the jurisdiction of the Board;

19 (2) One member shall be the State Secretary of Agriculture ex officio;
20 and

21 (3) The remaining members of the Board shall be residents of the State
22 and shall be appointed from the general public.

23 [(c)] (D) In making appointments to the Board, the Governor shall consider
24 representation from all parts of the State.

25 [(d)] (E) Except for the Secretary of Agriculture, each member of the Board
26 shall be appointed by the Governor, with the advice and consent of the Senate.

27 [(e)] (F) (1) Except for the student member, each appointed member serves
28 for a term of 5 years from July 1 of the year of appointment and until a successor is
29 appointed and qualifies. These members may be reappointed.

30 (2) The student member shall be appointed for a term of 1 year, from
31 July 1, and may be reappointed if the student remains a student at any campus of the
32 University System of Maryland.

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

1 [(f)] (G) Except for the Secretary of Agriculture, a member may not serve
2 more than 2 consecutive full terms.

3 [(g)] (H) Each member of the Board:

4 (1) Serves without compensation; and

5 (2) Is entitled to reimbursement for expenses in accordance with the
6 Standard State Travel Regulations.

7 12-104.

8 (a) In addition to any other powers granted and duties imposed by this title,
9 and subject to the provisions of Title 11 and any other restriction expressly imposed
10 by law, or by any trust agreement involving a pledge of property or money, the Board
11 of Regents has the powers and duties set forth in this section.

12 (B) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS TITLE, THE
13 UNIVERSITY MAY:

14 (1) EXERCISE ALL THE CORPORATE POWERS GRANTED MARYLAND
15 CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW;

16 (2) ADOPT AND ALTER AN OFFICIAL SEAL;

17 (3) SUE AND BE SUED, COMPLAIN, AND DEFEND IN ALL COURTS;

18 (4) MAINTAIN AN OFFICE AT THE PLACE THE BOARD OF REGENTS MAY
19 DESIGNATE;

20 (5) ENTER INTO CONTRACTS OF ANY KIND, AND EXECUTE ALL
21 INSTRUMENTS NECESSARY OR CONVENIENT WITH RESPECT TO ITS CARRYING OUT
22 THE POWERS IN THIS SUBTITLE TO ACCOMPLISH THE PURPOSES OF THE
23 UNIVERSITY;

24 (6) SUBJECT TO THE PROVISIONS OF SUBSECTION (H) OF THIS SECTION,
25 ACQUIRE, HOLD, LEASE, USE, ENCUMBER, TRANSFER, EXCHANGE, OR DISPOSE OF
26 REAL AND PERSONAL PROPERTY; ~~AND~~

27 ~~(7)~~ (7) BORROW MONEY FROM ANY SOURCE TO ACQUIRE PERSONAL
28 PROPERTY AS PROVIDED IN § 12-105(C) OF THIS SUBTITLE; AND

29 ~~(7)~~ (8) IN ADDITION TO THE POWERS SET FORTH IN TITLE 19 OF THIS
30 ARTICLE AND SUBJECT TO THE APPROVAL OF THE BOARD OF PUBLIC WORKS,
31 BORROW MONEY FROM ANY SOURCE FOR ANY CORPORATE PURPOSE, INCLUDING
32 WORKING CAPITAL FOR ITS OPERATIONS, RESERVE FUNDS OR INTEREST, AND
33 MORTGAGE, PLEDGE, OR OTHERWISE ENCUMBER THE PROPERTY OR FUNDS OF THE
34 UNIVERSITY, AND CONTRACT WITH OR ENGAGE THE SERVICES OF ANY PERSON IN
35 CONNECTION WITH ANY FINANCING, INCLUDING FINANCIAL INSTITUTIONS,
36 ISSUERS OF CREDIT, OR INSURERS.

1 [(b)] (C) The Board of Regents:

2 (1) Is responsible for the management of the University System of
3 Maryland and has all the powers, rights, and privileges that go with that
4 responsibility, including the power to conduct or maintain any institutions, schools, or
5 departments in the University at the locations the Board determines; ~~AND~~

6 (2) SHALL CONSULT WITH THE PRESIDENTS IN DEVELOPING POLICIES,
7 GUIDELINES, AND PLANS FOR THE UNIVERSITY; AND

8 (2) (3) May not be superseded in its authority by any other State
9 agency or office in managing the affairs of the University System of Maryland or of
10 any constituent institutions and centers under the Board's jurisdiction []; and

11 (3) Shall have all the powers of a Maryland corporation which are not
12 expressly limited by law].

13 [(c)] (D) [The] IN ADDITION TO THE POWERS CONFERRED ON IT BY THIS
14 TITLE, THE Board has all the powers conferred on it by:

15 (1) The act of incorporation of the Maryland College of Agriculture;

16 (2) The Charter of the University of Maryland; and

17 (3) The charter of any constituent institution.

18 [(d)] (E) The Board may:

19 (1) Apply for, accept, and spend any gift or grant from the federal
20 government, any foundation, or any other person; and

21 (2) Maintain and manage GIFT AND endowment funds.

22 [(e)] (F) (1) The Board may establish new institutions and branches subject
23 to:

24 (i) The concurrence of the Maryland Higher Education
25 Commission; and

26 (ii) The approval of the Governor and the General Assembly.

27 (2) Without the approval of the Governor and the General Assembly, the
28 Board may not change the name of any constituent institution.

29 (3) Subject to the approval of the Governor and the General Assembly,
30 the Board may merge, consolidate, or close any constituent institution.

31 (4) In its discretion, the Board may establish, merge, consolidate, or close
32 any center or institute.

1 [(f)] (G) (1) With the approval of the Board of Public Works, the Board of
2 Regents may sell or exchange any part of its properties.

3 (2) Money received from the sale of property may be used, if approved by
4 the Board of Public Works, only to purchase or improve property and facilities. This
5 money may not be applied to the Annuity Bond Fund Account.

6 (H) WITH THE APPROVAL OF THE BOARD OF PUBLIC WORKS, THE BOARD OF
7 REGENTS MAY ACQUIRE BY ~~GIFT, PURCHASE, OR OR~~ EXCHANGE, ANY REAL ~~OR~~
8 ~~PERSONAL PROPERTY, PROPERTY~~ OR INTERESTS IN REAL PROPERTY.

9 [(g)] (1) The Board:

10 (i) Has the power to sue or be sued; and

11 (ii) May carry comprehensive liability insurance to protect the
12 Board, its agents and employees, and the agents and employees of any institution
13 under its jurisdiction.

14 (2) The determination whether to purchase insurance, and its scope and
15 limitations, shall be within the Board's discretion, taking into account commercial
16 availability and affordability and the existence and extent of insurance secured by the
17 State Treasurer.

18 (3) (i)] (I) (1) Title 12, Subtitle 1 of the State Government Article
19 ("Maryland Tort Claims Act") applies to claims or actions against the University
20 System of Maryland and its employees.

21 [(ii)] (2) Subject to all exclusions and limitations in that subtitle,
22 the immunity of the University System of Maryland is waived to the extent of any
23 ~~insurance coverage purchased under this subsection.~~ APPLICABLE LIABILITY
24 INSURANCE PURCHASED BY THE UNIVERSITY OR THE STATE TREASURER.

25 [(4)] (3) Nothing in this subsection shall be construed to waive or
26 abrogate sovereign immunity with respect to any claim that is not covered by or
27 exceeds the limits of an insurance policy.

28 [(5)] (4) Nothing in this subsection shall be construed to waive or
29 abrogate the immunity of the University System of Maryland under the Eleventh
30 Amendment to the United States Constitution.

31 [(h)] (J) (1) Subject to Title 10, Subtitle 5 of the State Government Article
32 ("Open Meetings" Law), the Board may make rules and regulations, and prescribe
33 policies and procedures, for the management, maintenance, operation, and control of
34 the University System of Maryland.

35 (2) Except with respect to [classified employee] grievance appeals
36 ~~INVOLVING EMPLOYEES IN POSITIONS DESIGNATED BY THE BOARD OF REGENTS AS~~
37 ~~COMPARABLE TO SKILLED SERVICE AND PROFESSIONAL SERVICE POSITIONS IN THE~~
38 ~~STATE PERSONNEL MANAGEMENT SYSTEM~~ UNDER TITLE 13, SUBTITLE 2 OF THIS

1 ARTICLE, Title 10, Subtitles 1 and 2 of the State Government Article ("Administrative
2 Procedure Act") are not applicable to the [Board of Regents] UNIVERSITY.

3 [(i)] (K) (1) Except as provided in subsections [(e) and] (f) AND (G) of this
4 section, the Board:

5 (I) [may] MAY delegate any part of its authority over the affairs of
6 the [constituent institutions and centers] UNIVERSITY to the Chancellor or the
7 Presidents, or to any advisory bodies that the Board establishes under § 12-201 of
8 this title; AND

9 (II) CONSISTENT WITH THE GOALS, OBJECTIVES, AND PRIORITIES
10 OF THE BOARD OF REGENTS AND ITS LEGAL RESPONSIBILITY FOR THE EFFICIENT
11 MANAGEMENT OF THE UNIVERSITY, SHALL DELEGATE TO THE PRESIDENT OF EACH
12 CONSTITUENT INSTITUTION AUTHORITY NEEDED TO MANAGE THAT INSTITUTION,
13 INCLUDING AUTHORITY TO MAKE AND IMPLEMENT POLICIES PROMOTING THE
14 MISSION OF THAT INSTITUTION, INCLUDING THE AUTHORITY TO ESTABLISH
15 POLICIES APPROPRIATE TO THE INSTITUTION'S MISSION, SIZE, LOCATION, AND
16 FINANCIAL RESOURCES.

17 (2) Any delegation of authority may be modified or rescinded by the
18 Board of Regents at any time in whole or in part.

19 (3) THE BOARD OF REGENTS SHALL DEVELOP POLICIES AND
20 GUIDELINES THAT:

21 (I) PROVIDE DIRECTION TO THE PRESIDENTS OF THE
22 CONSTITUENT INSTITUTIONS ON COMPLIANCE WITH APPLICABLE LAW AND POLICY;

23 (II) ESTABLISH AND MONITOR HIGH STANDARDS OF OPERATION,
24 INCLUDING MEETING APPROPRIATE QUALITY BENCHMARKS, USING RESOURCES
25 WISELY AND EFFICIENTLY, MANAGING PERSONNEL EQUITABLY, ADHERING TO
26 INSTITUTIONAL MISSION, AND MEETING THE EDUCATIONAL NEEDS OF THE
27 STUDENTS; AND

28 (III) HOLD ~~THE~~ EACH PRESIDENT ACCOUNTABLE FOR MEETING THE
29 OBJECTIVES IN THE INSTITUTION'S PERFORMANCE ACCOUNTABILITY PLAN
30 DEVELOPED IN ACCORDANCE WITH TITLE 11, SUBTITLE 3 OF THIS ARTICLE.

31 [(j)] (L) By September 1 of each year, the Board shall submit an annual
32 position accountability report to the Department of Budget and Management,
33 Department of Legislative Services, the Maryland Higher Education Commission,
34 and, in accordance with § 2-1246 of the State Government Article, the General
35 Assembly, reporting the total positions created and the cost and the funding source for
36 any positions created by the University in the previous fiscal year.

37 (M) THE BOARD OF REGENTS ~~MAY~~ SHALL DISTRIBUTE APPROPRIATED
38 STRATEGIC INCENTIVE FUNDS TO A- CONSTITUENT INSTITUTION INSTITUTIONS TO
39 ENCOURAGE ATTAINMENT OF ~~HS~~ THEIR APPROVED MISSION.

1 12-105.

2 (a) (1) In consultation with the institutions and the Chancellor, the Board
3 shall:

4 [(1)] (I) Establish standards for funding based on differences in the size
5 and mission of the constituent institutions;

6 [(2)] (II) Review, modify, as necessary, and approve consolidated budget
7 requests for appropriations for the University System of Maryland with respect to:

8 [(i)] 1. The operating budget; and

9 [(ii)] 2. The capital budget; and

10 [(3)] (III) Submit these requests for appropriations organized by
11 constituent institutions to the Commission, Governor, and General Assembly.

12 (2) AFTER THE BOARD SUBMITS THE REQUESTS FOR APPROPRIATIONS
13 TO THE COMMISSION, GOVERNOR, AND GENERAL ASSEMBLY, ON A DATE SET BY THE
14 GOVERNOR, THE PRESIDENT OF THE UNIVERSITY OF MARYLAND, COLLEGE PARK
15 SHALL HAVE THE OPPORTUNITY TO MEET WITH THE GOVERNOR TO PRESENT THE
16 INSTITUTION'S ANNUAL BUDGET REQUEST AND PROPOSALS FOR CAPITAL PROJECTS
17 FOR THE NEXT FISCAL YEAR TO:

18 (I) DISCUSS HOW THE REQUESTS FOR APPROPRIATIONS
19 SUBMITTED BY THE BOARD IMPACTS THE MISSION OF THE UNIVERSITY OF
20 MARYLAND, COLLEGE PARK AS THE STATE'S FLAGSHIP INSTITUTION; AND

21 (II) RECOMMEND THAT THE GOVERNOR APPROVE OR ENHANCE
22 THE REQUESTS FOR APPROPRIATIONS SUBMITTED BY THE BOARD.

23 (b) (1) ~~Subject to [§ 12-104(f)] § 12-104(G) of this article and any other~~
24 ~~limitations of law, the Board may acquire, sell, exchange, and lease property.~~

25 ~~(2)~~ The title to any land acquired by the University System of Maryland
26 shall be in the State of Maryland for the use of the University System of Maryland.

27 (2) ALL PROPERTY OF THE UNIVERSITY IS THE PROPERTY OF THE
28 STATE.

29 (c) (1) The Board may borrow money to acquire interests in personal
30 property, including fixtures, for the University System of Maryland, on such terms
31 and conditions as the Board considers proper.

32 (2) Such borrowing may be secured by the personal property acquired or
33 revenues derived from such property.

34 (3) (i) Such borrowing does not create or constitute any indebtedness
35 or obligation of the State or any political subdivision of the State other than the
36 University.

1 (ii) Such borrowing does not constitute a debt or obligation
2 contracted by the General Assembly or pledge the faith and credit of the State within
3 the meaning of Article III, § 34 of the Maryland Constitution.

4 (d) (1) All income of the University shall be deposited:

5 (i) In the State treasury; or

6 (ii) As the State Treasurer directs.

7 (2) By an approved budget amendment, the University may spend, or
8 encumber, within the fiscal year in which they are received, revenues received in
9 excess of those estimated for any fiscal year.

10 (3) All unexpended or unencumbered balances of the University's
11 revenues:

12 (i) Shall be reported to the Comptroller at the end of the fiscal year
13 for which the appropriation was made;

14 (ii) Do not revert to the general treasury of the State at the end of
15 each fiscal year; and

16 (iii) Shall be available for expenditure through an appropriation
17 contained in a budget bill or through an approved budget amendment.

18 (4) The provisions of this subsection may not be interpreted in any way
19 that would diminish the authority of the Board of Regents under [§ 12-104(b)] §
20 12-104(C) of this article.

21 (5) The interest or other income from the investment of any funds of the
22 University shall be credited to the University, provided that any interest estimated to
23 be earned on the State appropriation must be offset by an equivalent reduction in
24 State General Fund support, and such amount will be reported annually, subject to §
25 2-1246 of the State Government Article, to the General Assembly.

26 (e) The University shall provide the Board of Public Works, and any member
27 of the General Assembly, with any information on any phase of operation of the
28 University that may be requested.

29 (f) The Legislative Auditor shall audit all expenditures and accounts of the
30 University System of Maryland, in accordance with §§ 2-1220 through 2-1227 of the
31 State Government Article.

32 (g) Notwithstanding any other provision of law, the University shall use the
33 statewide Financial Management Information System as administered by the
34 Executive Branch as its accounting, budgeting, personnel, and payroll system.

1 12-109.

2 (e) Subject to the authority and applicable regulations and policies of the
3 Board of Regents, each president shall:

4 (1) Develop a plan of institutional mission[, goals, priorities, and a set of
5 peer institutions] in accordance with Subtitle 3 of Title 11 of this article;

6 (3) Formulate operating and capital budget requests DESIGNED TO
7 FURTHER THE MISSION OF THE INSTITUTION;

8 (5) Subject to the provisions of subsection (g) of this section, have
9 authority to create any position within existing funds available to the University, to
10 the extent the cost of the position, including the cost of any fringe benefits, is funded
11 from existing funds;

12 (16) Have the authority to establish AND APPOINT an institutional board
13 to:

14 (i) Provide advice to the president;

15 (ii) Assist in community relations;

16 (iii) Assist in institutional development; or

17 (iv) Provide any other assistance requested by the president;

18 (f) (1) The institutional boards established under subsection (e)(16) of this
19 section shall be known as boards of visitors. Each board shall submit a report by
20 October 1 of each year to:

21 (i) The Governor;

22 (ii) The Chairman of the Board of Regents of the University System
23 of Maryland;

24 (iii) The Secretary of the Maryland Higher Education Commission;
25 and

26 (iv) The presiding officers of the Maryland General Assembly.

27 (2) Except as provided in paragraph (3) of this subsection, each report
28 submitted under paragraph (1) of this subsection shall include the comments of the
29 appropriate board on the institution's progress toward meeting its goals consistent
30 with its mission.

31 (3) The report of the University of Maryland, College Park Board of
32 Visitors shall include:

33 (i) The Board's evaluation of the status of the effort by the
34 University System of Maryland and the State in meeting the requirements of the

1 Maryland Charter for Higher Education set forth in § 10-209 of this article which
2 require the University System of Maryland to:

3 1. Provide the College Park campus with the level of
4 operating funding and facilities necessary to place it among the upper echelon of its
5 peer institutions;

6 2. Maintain and enhance the College Park campus as the
7 State's flagship campus with programs and faculty nationally and internationally
8 recognized for excellence in research and the advancement of knowledge;

9 3. Admit as freshmen to the College Park campus highly
10 qualified students who have academic profiles that suggest exceptional ability; and

11 4. Provide access to the upper division undergraduate level
12 of the College Park campus for students who have excelled in completing lower
13 division study;

14 (ii) A status report on the University's effort to achieve national
15 eminence;

16 (iii) A status report on success in attaining federal research grants,
17 private gifts, and other sources of nonstate revenue; and

18 (iv) Other matters in support of institutional priorities as
19 determined by the Board.

20 (4) (I) THE BOARDS OF VISITORS ARE ENCOURAGED TO MEET
21 PERIODICALLY WITH THE CHANCELLOR AND BOARD OF REGENTS TO DEVELOP
22 CLOSE WORKING RELATIONSHIPS.

23 (II) THE MEMBERS OF THE BOARDS OF VISITORS SHOULD SERVE
24 ON COMMITTEES OF THE BOARD OF REGENTS AND ACTIVELY PARTICIPATE IN ALL
25 SEARCHES FOR CAMPUS PRESIDENTS.

26 (g) (1) Subsection (e)(5) of this section may not be construed to require any
27 additional State General Fund support.

28 (2) The total number of positions authorized under subsection (e)(5) of
29 this section shall be limited as specified annually in the State budget bill.

30 12-112.

31 (A) (1) EXCEPT AS PROVIDED IN § 11-203(E) OF THE STATE FINANCE AND
32 PROCUREMENT ARTICLE, THE UNIVERSITY IS EXEMPT FROM DIVISION II OF THE
33 STATE FINANCE AND PROCUREMENT ARTICLE.

34 (2) (I) SUBJECT TO REVIEW AND APPROVAL BY THE BOARD OF PUBLIC
35 WORKS AND THE ADMINISTRATIVE, EXECUTIVE, AND LEGISLATIVE REVIEW

1 COMMITTEE OF THE GENERAL ASSEMBLY, THE BOARD OF REGENTS SHALL DEVELOP
2 POLICIES AND PROCEDURES GOVERNING PROCUREMENTS BY THE UNIVERSITY.

3 (II) THE POLICIES AND PROCEDURES DEVELOPED UNDER
4 SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PROMOTE THE PURPOSES OF THE
5 STATE PROCUREMENT LAW AS SET FORTH IN § 11-201 OF THE STATE FINANCE AND
6 PROCUREMENT ARTICLE.

7 (B) THE BOARD OF REGENTS SHALL DEVELOP AN INFORMATION
8 TECHNOLOGY PLAN FOR THE UNIVERSITY SYSTEM OF MARYLAND THAT INCLUDES
9 INFORMATION TECHNOLOGY POLICIES AND STANDARDS, INCLUDING POLICIES AND
10 STANDARDS FOR INFORMATION MANAGEMENT AND TELECOMMUNICATION
11 SYSTEMS, THAT ARE FUNCTIONALLY COMPATIBLE WITH THE STATE INFORMATION
12 TECHNOLOGY PLAN ESTABLISHED UNDER TITLE 3, SUBTITLE 4 OF THE STATE
13 FINANCE AND PROCUREMENT ARTICLE.

14 12-113.

15 (A) CONSISTENT WITH § 15-107 OF THIS ARTICLE AND ANY OTHER
16 APPLICABLE LAW, THE BOARD OF REGENTS MAY ESTABLISH, INVEST IN, FINANCE,
17 AND OPERATE BUSINESSES OR BUSINESS ENTITIES WHEN THE BOARD FINDS THAT
18 DOING SO WOULD FURTHER ONE OR MORE GOALS OF THE UNIVERSITY AND IS
19 RELATED TO THE MISSION OF THE UNIVERSITY.

20 (B) (1) A BUSINESS ENTITY ESTABLISHED, INVESTED IN, FINANCED, OR
21 OPERATED IN ACCORDANCE WITH THIS SUBSECTION MAY NOT BE CONSIDERED AN
22 AGENCY OR INSTRUMENTALITY OF THE STATE OR A UNIT OF THE EXECUTIVE
23 BRANCH FOR ANY PURPOSE; AND

24 (2) A FINANCIAL OBLIGATION OR LIABILITY OF A BUSINESS ENTITY
25 ESTABLISHED, INVESTED IN, FINANCED, OR OPERATED IN ACCORDANCE WITH THIS
26 SUBSECTION MAY NOT BE A DEBT OR OBLIGATION OF THE STATE OR UNIVERSITY.

27 (C) THE BOARD OF REGENTS SHALL SUBMIT TO THE GOVERNOR, AND IN
28 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
29 ASSEMBLY, AN ANNUAL REPORT ON:

30 (1) THE BUSINESS ENTITIES ESTABLISHED IN ACCORDANCE WITH THIS
31 SECTION;

32 (2) FUNDS INVESTED IN, AND FINANCING PROVIDED TO, BUSINESS
33 ENTITIES ESTABLISHED IN ACCORDANCE WITH THIS SECTION;

34 (3) OWNERSHIP INTERESTS IN ANY BUSINESS ENTITIES ESTABLISHED
35 IN ACCORDANCE WITH THIS SECTION; AND

36 (4) THE CURRENT STATUS OF THE BUSINESS ENTITIES.

1 13-203.

2 (a) If, following informal discussion with the supervisor, a dispute remains
3 unresolved, the grievance procedure is available. There are three steps in the
4 grievance procedure.

5 (b) (1) Step One. Step one is the initiation of a complaint. Grievances shall
6 be initiated within 30 calendar days of the action involved, or within 30 calendar days
7 of the employee having reasonable knowledge of the act, unless these time limits are
8 further delimited as stated in § 13-205. Appeals within the grievance procedure shall
9 be timed from receipt of the written opinion of management or from when such
10 opinion is due, whichever comes first. An aggrieved employee or the employee's
11 designated representative may present the grievance in writing to the department
12 head or chairman or designee for formal consideration. If the grievance is presented
13 to the department head or chairman or designee, within 5 days after the receipt of the
14 written grievance a conference shall be held with the aggrieved or the employee's
15 designated representative and within 5 days after the conclusion of the conference a
16 decision shall be rendered in writing to the aggrieved or the employee's designated
17 representative. If the aggrieved employee is not satisfied with the decision rendered
18 at this step, the employee or the employee's designated representative may appeal in
19 writing to step two within 5 days.

20 (2) Both employee and department head or chairman or designee shall
21 continue to review the matter, either privately or with the help of others in the
22 employee's immediate work unit who are directly involved in the grievance. Each
23 department head or chairman or designee shall use judgment in keeping superiors
24 informed of the status of each grievance and, if necessary, request guidance, advisory
25 committees, or other assistance consistent with departmental policy. If either the
26 employee or the department head or chairman or designee feels the need for aid in
27 arriving at a solution, the campus personnel department may be requested to provide
28 resource staff or any other available resource personnel may be invited to participate
29 in further discussions. The addition of such participants does not relieve the
30 department head or chairman or designee and the employee from responsibility for
31 resolving the problem.

32 (c) Step Two. The appeal shall be submitted to the president of the constituent
33 institution or the president's designated representative within 5 days after the receipt
34 of the written decision at step one. The president or the president's designated
35 representative shall hold a conference with the aggrieved or the employee's
36 designated representative within 10 days of receipt of the written grievance appeal
37 and render a written decision within 15 days after the conclusion of the conference.

38 (d) Step Three. In the case of any still unresolved grievance between an
39 employee and the constituent institution, the aggrieved employee, after exhausting
40 all available procedures provided by the constituent institution, may submit the
41 grievance to either arbitration or to the [Secretary of Budget and Management]
42 CHANCELLOR. In either case, the appeal shall be submitted within 10 days after the
43 receipt of any written decision pertaining to that grievance and issued by the
44 constituent institution. If the grievance is arbitrated, the parties shall select an

1 arbitrator by mutual agreement. If they are unable to reach a mutual agreement, an
2 arbitrator shall be supplied by the American Arbitration Association by their
3 procedures. Any fees resulting from arbitration are assessed by the arbitrator equally
4 between the two parties. The arbitration award is advisory to the [Secretary of
5 Budget and Management] CHANCELLOR and an additional appeal or hearing may
6 not be considered. The [Secretary of Budget and Management] CHANCELLOR shall
7 make the final decision that is binding on all parties.

8 (e) The [Secretary of Budget and Management] CHANCELLOR shall have the
9 power to award back pay in any grievance and the president of the constituent
10 institution shall enforce such order. In any reclassification case in which the
11 [Secretary] CHANCELLOR, or his designated representative, determines that an
12 employee has been misclassified, the [Secretary] CHANCELLOR may, in his
13 discretion, award back pay to the employee for a period not to exceed one year prior to
14 the initial filing of the grievance.

15 (f) (1) During any stage of a complaint, grievance, or other administrative
16 or legal action that concerns State employment by a full-time or part-time employee
17 of an institution, or by a temporary or contractual employee of an institution, the
18 employee may not be subjected to coercion, discrimination, interference, reprisal, or
19 restraint by or initiated on behalf of an institution solely as a result of that employee's
20 pursuit of a grievance, complaint, or other administrative or legal action that
21 concerns State employment.

22 (2) An employee of an institution may not intentionally take or assist in
23 taking an act of coercion, discrimination, interference, reprisal, or restraint against
24 another employee solely as a result of that employee's pursuit of a grievance,
25 complaint, or other administrative or legal action that concerns State employment.

26 (3) An employee who violates the provisions of this subsection is subject
27 to disciplinary action, including termination of employment.

28 13-205.

29 (a) Within 5 days from the date on which the employee receives the charges
30 for removal as evidenced by the return receipt or other evidence of delivery of the
31 charges to the employee an employee who is suspended under charges for removal
32 may request an opportunity to be heard in his own defense. Within 30 days if possible
33 after receipt, the [Chancellor or the Chancellor's] PRESIDENT OR THE PRESIDENT'S
34 designated representative shall investigate the charges and give the employee an
35 opportunity to be heard. Testimony shall be taken under oath and both the
36 department head or chairman or designee and the employee has the right of
37 representation by counsel and the right to present witnesses and give evidence.
38 Within 15 days following the conclusion of the conference, the written decision shall
39 be rendered to the employee. In the case of appeals from charges pending removal,
40 the department head or chairman or designee may request through appropriate
41 channels the Attorney General's representative to the University to serve as counsel.
42 In case no hearing is timely requested, the Campus Director of Personnel shall act
43 upon the charges or order such other actions as are indicated by the findings in the

1 case. If a hearing is timely requested and the removal is upheld, step three of the
2 grievance procedure shall be available to the removed individual. The appeal shall be
3 submitted within 10 days after receipt of the written University decision.

4 (b) Within 5 days, an employee who is notified of demotion may file a written
5 answer with the [Chancellor or the Chancellor's] PRESIDENT OR THE PRESIDENT'S
6 designated representative and request an investigation of the demotion. Within 20
7 days, if possible, after receipt, the [Chancellor or the Chancellor's] PRESIDENT OR
8 THE PRESIDENT'S designated representative shall investigate the demotion and give
9 the employee an opportunity to be heard. Within 15 days following the conclusion of
10 the investigation, the written decision shall be rendered to the employee. If an
11 investigation is timely requested and the demotion is upheld, step three of the
12 grievance procedure is available to the demoted employee. The appeal shall be
13 submitted within 10 days after receipt of the written University decision.

14 (c) (1) Rejection on Original Probation. Within 5 days of the notice of
15 rejection, an employee who is rejected on original probation may file a written request
16 with the [Chancellor or the Chancellor's] PRESIDENT OR THE PRESIDENT'S
17 designated representative for a hearing. Within 20 days, if possible, after receipt, the
18 [Chancellor or the Chancellor's] PRESIDENT OR THE PRESIDENT'S designated
19 representative shall conduct a hearing. Within 15 days following the conclusion of the
20 hearing, the written decision shall be rendered to the employee. If the hearing is
21 timely requested and the rejection is upheld, step three of the grievance procedure is
22 available. The appeal shall be submitted within 10 days after receipt of the written
23 University decision. Rejection for cause is not required in the case of an employee
24 rejected on original probation.

25 (2) Rejection on Promotional, Transfer, or Horizontal Change Probation.
26 Within 5 days of receipt of the recommendation of the department head or chairman
27 to reject, an employee who is promoted and then rejected within the probationary
28 period for the new class and for whom a vacancy in the former class is not available
29 may file an answer with the [Chancellor or the Chancellor's] PRESIDENT OR THE
30 PRESIDENT'S designated representative and request an investigation of the proposed
31 rejection. Within 20 days, if possible, after receipt, the [Chancellor or the
32 Chancellor's] PRESIDENT OR THE PRESIDENT'S designated representative shall
33 investigate the proposed rejection. The same rule applies to an employee who has
34 completed a probationary period in one classification and makes a horizontal change
35 to a new classification, and is rejected in the new classification or who transfers to
36 another department in the same classification and is rejected. Within 15 days
37 following the conclusion of the investigation, the written decision shall be rendered to
38 the employee. If the investigation is timely requested and the rejection is upheld, step
39 three of the grievance procedure is available to the rejected employee. The appeal
40 shall be submitted within 10 days after receipt of the written University decision.

41 (d) (1) This subsection does not apply to suspensions pending charges for
42 removal.

43 (2) Alleged infractions shall be investigated by the responsible
44 supervisor or administrator or designee at the earliest opportunity following

1 knowledge of it, and the investigation shall be promptly completed. All suspensions of
2 employees shall be implemented within 3 days of the alleged infraction or knowledge
3 of the alleged infraction by the responsible supervisor or administrator. All
4 suspension days shall be consecutive.

5 (3) The employee or the employee's designated representative may
6 submit a written appeal on a disciplinary suspension to the [Chancellor or the
7 Chancellor's] PRESIDENT OR THE PRESIDENT'S designated representative within 5
8 days of notification of the suspension, or the employee or the employee's designated
9 representative may appeal the suspension within 3 days of notification of the
10 suspension to the department head or chairman or designee. The department head or
11 chairman or designee shall hear the case within 3 days from the receipt of the written
12 appeal. If the appeal is unheard or unanswered as a result of management delay, the
13 employee shall be reinstated with full back pay.

14 (4) If the suspension is upheld by the [Chancellor or the Chancellor's]
15 PRESIDENT OR THE PRESIDENT'S designated representative, step three of the
16 grievance procedure is available to the employee. If the employee chooses to appeal to
17 the department head or chairman or designee, any further appeals shall proceed
18 through steps two and three of the grievance procedure.

19 (e) (1) If an employee is suspended without pay pending a hearing on
20 disposition of charges for removal, the President or the President's designated
21 representative shall notify the employee in writing of the reasons for the suspension
22 at the time of the notice of the suspension.

23 (2) Within 5 working days of the notice of suspension, the employee may
24 request in writing that the [Chancellor or the Chancellor's] PRESIDENT OR THE
25 PRESIDENT'S designated representative, in addition to conducting a hearing on the
26 merits, conduct a preliminary hearing to determine whether or not the employee may
27 continue to work with pay pending the disposition of the charges.

28 (3) The President or the President's designated representative shall
29 conduct a preliminary hearing within 5 working days after the [Chancellor or the
30 Chancellor's] PRESIDENT OR THE PRESIDENT'S designated representative receives in
31 writing the request from the suspended employee for the preliminary hearing.

32 (4) The preliminary hearing shall be limited to the issues of:

33 (i) Whether suspension without pay is necessary to protect the
34 interests of the University of Maryland or the employee pending final disposition of
35 the charges; and

36 (ii) Whether other employment and status alternatives should be
37 considered.

38 (5) At the preliminary hearing, the employee may:

39 (i) Rebut the reasons given for the suspension;

- 1 (ii) Allege mitigating circumstances; and
- 2 (iii) Offer alternatives to the suspension, including:
- 3 1. Return to the position with pay;
- 4 2. Transfer to another position with pay; or
- 5 3. Suspension with pay.

6 (6) Within 5 days after the preliminary hearing is completed, the
 7 [Chancellor or the Chancellor's] PRESIDENT OR THE PRESIDENT'S designated
 8 representative shall render a written decision that is conclusive as to the issue of
 9 whether or not the employee may continue to work with pay pending the disposition
 10 of the charges.

11 13-207.

12 (a) The defense of sovereign immunity may not be available to the University,
 13 unless otherwise specifically provided by the laws of Maryland, in any administrative,
 14 arbitration, or judicial proceeding held pursuant to this section, [to the rules and
 15 regulations of the Secretary of Budget and Management,] or the personnel policies,
 16 rules, and regulations for classified employees of the University System of Maryland
 17 involving any type of employee grievance or hearing, including, but not limited to
 18 charges for removal, disciplinary suspensions, involuntary demotions, or
 19 reclassifications.

20 (b) The Governor shall provide in the annual State budget adequate funds for
 21 the satisfaction of any final monetary or benefit award or judgment that has been
 22 rendered in favor of the employee against the University in any administrative,
 23 arbitration, or judicial proceeding.

24 (c) Awards under this section that have not been satisfied pursuant to
 25 subsection (d) of this section, shall be reported to the Comptroller of the Treasury, who
 26 shall maintain and report annually to the Governor an accounting of existing awards.
 27 Upon appropriation of funds by the legislature, the Comptroller of the Treasury shall
 28 satisfy existing awards in order of date of award.

29 (d) If the University has sufficient funds available to satisfy any award under
 30 this section at the time the award is rendered, the award shall be satisfied as soon as
 31 practicable but not more than 20 days after the award becomes final.

32 14-104.

33 (b) (4) (I) EXCEPT AS PROVIDED IN § 11-203(E) OF THE STATE FINANCE
 34 AND PROCUREMENT ARTICLE, THE UNIVERSITY IS EXEMPT FROM DIVISION II OF THE
 35 STATE FINANCE AND PROCUREMENT ARTICLE.

36 (II) 1. SUBJECT TO REVIEW AND APPROVAL BY THE BOARD OF
 37 PUBLIC WORKS AND THE ADMINISTRATIVE, EXECUTIVE, AND LEGISLATIVE REVIEW

1 COMMITTEE OF THE GENERAL ASSEMBLY, THE BOARD OF REGENTS SHALL DEVELOP
2 POLICIES AND PROCEDURES GOVERNING PROCUREMENTS BY THE UNIVERSITY.

3 2. THE POLICIES AND PROCEDURES DEVELOPED UNDER
4 SUB-SUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL PROMOTE THE PURPOSES OF
5 THE STATE PROCUREMENT LAW AS SET FORTH IN § 11-201 OF THE STATE FINANCE
6 AND PROCUREMENT ARTICLE.

7 17-104.

8 (a) The Maryland Higher Education Commission shall compute the amount of
9 the annual apportionment for each institution that qualifies under this subtitle by
10 multiplying:

11 (1) The number of full-time equivalent students enrolled at the
12 institution during the fall semester of the fiscal year preceding the fiscal year for
13 which the aid apportionment is made, as determined by the Maryland Higher
14 Education Commission times;

15 (2) An amount equal to 16 percent of the State's General Fund per
16 full-time equivalent student appropriation to the 4-year public institutions of higher
17 education in this State for the preceding fiscal year.

18 (b) Full-time equivalent students enrolled in seminarian or theological
19 programs shall be excluded from the computation required by subsection (a) of this
20 section.

21 (C) PAYMENTS OF STATE GENERAL FUNDS UNDER SUBTITLE 3 OF THIS TITLE
22 SHALL BE EXCLUDED FROM THE COMPUTATION REQUIRED BY SUBSECTION (A) OF
23 THIS SECTION.

24 SUBTITLE 3. PRIVATE DONATION INCENTIVE PROGRAM.

25 17-301.

26 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
27 INDICATED.

28 (B) "BASE YEAR" MEANS JULY 1, 1998 THROUGH JUNE 30, 1999.

29 (C) "ELIGIBLE INSTITUTION" MEANS:

30 (1) EACH PUBLIC ~~SECTOR~~ SENIOR HIGHER EDUCATION INSTITUTION
31 IDENTIFIED IN ~~§§ 10-101(J) AND 12-101(4)~~ §§ 10-101(J) OR 12-101(4) OF THIS ARTICLE OR
32 ITS AFFILIATED FOUNDATION; AND

33 ~~(2) EACH COMMUNITY COLLEGE THAT RECEIVES STATE FUNDING~~
34 ~~UNDER TITLE 16, SUBTITLE 3 OF THIS ARTICLE OR ITS AFFILIATED FOUNDATION.~~

1 (2) THE FOLLOWING COMMUNITY COLLEGE CAMPUSES OR THEIR
2 AFFILIATED FOUNDATIONS:

- 3 (I) ALLEGANY;
- 4 (II) ANNE ARUNDEL;
- 5 (III) BALTIMORE CITY;
- 6 (IV) CALVERT;
- 7 (V) CARROLL;
- 8 (VI) CATONSVILLE;
- 9 (VII) CECIL;
- 10 (VIII) CHARLES;
- 11 (IX) CHESAPEAKE;
- 12 (X) DUNDALK;
- 13 (XI) ESSEX;
- 14 (XII) FREDERICK;
- 15 (XIII) GARRETT;
- 16 (XIV) GERMANTOWN;
- 17 (XV) HAGERSTOWN;
- 18 (XVI) HARFORD;
- 19 (XVII) HOWARD;
- 20 (XVIII) PRINCE GEORGE'S;
- 21 (XIX) ROCKVILLE;
- 22 (XX) ST. MARY'S;
- 23 (XXI) TAKOMA PARK; AND
- 24 (XXII) WOR-WIC.

25 (D) (1) "ELIGIBLE PRIVATE DONOR" MEANS AN INDIVIDUAL, CORPORATION,
26 PARTNERSHIP, OR OTHER FORM OF BUSINESS ORGANIZATION, PUBLIC OR PRIVATE
27 FOUNDATION, OR OTHER NONPROFIT ORGANIZATION.

1 (2) "ELIGIBLE PRIVATE DONOR" DOES NOT INCLUDE THE STATE, A
2 SUBDIVISION OF THE STATE, THE FEDERAL GOVERNMENT, OR A FOREIGN
3 GOVERNMENT.

4 (E) "ELIGIBLE PROGRAM" MEANS AN ENDOWMENT FOR AN ACADEMIC
5 PURPOSE THAT DOES NOT CONTAIN UNREASONABLE RESTRICTIONS AS TO USE AS
6 FURTHER DEFINED BY THE MARYLAND HIGHER EDUCATION COMMISSION.

7 (F) "ENDOWMENT" MEANS A DONATION OR GIFT THAT HAS BEEN PROVIDED
8 UNDER THE CONDITION THAT THE PRINCIPAL REMAIN INTACT AND BE INVESTED IN
9 PERPETUITY FOR THE PURPOSE OF PRODUCING INCOME.

10 17-302.

11 (A) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, EACH
12 ELIGIBLE INSTITUTION SHALL RECEIVE FROM THE STATE, IN THE MANNER AND
13 SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE, WITH RESPECT TO THE AMOUNTS
14 PLEDGED BY ELIGIBLE PRIVATE DONORS AS VOLUNTARY DONATIONS AT ANY TIME
15 DURING THE PREVIOUS FISCAL YEAR TO THE ELIGIBLE INSTITUTION FOR ELIGIBLE
16 PROGRAMS AS FOLLOWS:

17 (1) AN AMOUNT EQUAL TO THE FIRST \$250,000 OR ANY PORTION
18 THEREOF OF PLEDGED AMOUNTS;

19 (2) AN AMOUNT EQUAL TO ONE-HALF OF THE NEXT \$1,000,000 OR ANY
20 PORTION THEREOF OF PLEDGED AMOUNTS; AND

21 (3) AN AMOUNT EQUAL TO ONE-THIRD OF THE AMOUNT IN EXCESS OF
22 \$1,250,000 OR ANY PORTION THEREOF OF PLEDGED AMOUNTS.

23 (B) PAYMENTS SHALL BE MADE BY THE STATE:

24 (1) ONLY WITH RESPECT TO PLEDGED AMOUNTS THAT ARE PAID BY THE
25 ELIGIBLE PRIVATE DONOR TO THE ELIGIBLE INSTITUTION BEFORE JULY 1, 2004; AND

26 (2) IN THE FISCAL YEAR FOLLOWING THE FISCAL YEAR DURING WHICH
27 THE AMOUNTS ARE PAID.

28 (C) PAYMENTS BY THE STATE UNDER THIS SUBTITLE MAY NOT EXCEED:

29 (1) \$250,000 TO EACH COMMUNITY COLLEGE CAMPUS;

30 (2) \$1,250,000 EACH TO THE UNIVERSITY OF MARYLAND, COLLEGE PARK,
31 AND THE UNIVERSITY OF MARYLAND, BALTIMORE; AND

32 (3) \$750,000 TO EACH OTHER ELIGIBLE INSTITUTION.

33 (D) (1) TO DETERMINE ELIGIBILITY FOR STATE PAYMENTS, EACH
34 DONATION SHALL BE COMPARED TO THE AMOUNT DONATED DURING THE BASE
35 YEAR. THE FOLLOWING CRITERIA SHALL BE THE BASIS FOR COMPARISON:

1 (I) EACH DONATION MUST BE FROM A NEW DONOR; OR

2 (II) EACH DONATION MUST REPRESENT AN INCREASE OVER THE
3 AMOUNT GIVEN BY THE DONOR DURING THE BASE YEAR.

4 (2) A DONATION RECEIVED DURING THE BASE YEAR THAT FULFILLS A
5 PLEDGE MADE PRIOR TO THE BASE YEAR MAY NOT BE INCLUDED IN THE
6 DETERMINATION OF THE AMOUNT DONATED DURING THE BASE YEAR.

7 (3) EACH DONATION MUST BE SPECIFICALLY DESIGNATED AS AN
8 ENDOWMENT.

9 (E) AN INSTITUTION MAY NOT RECEIVE FUNDS FOR A DONATION THAT
10 QUALIFIES FOR A CONTRIBUTION BY THE STATE UNDER § 16-317 OF THIS ARTICLE.

11 17-303.

12 AN AFFILIATED FOUNDATION OF AN ELIGIBLE INSTITUTION THAT RECEIVES
13 STATE PAYMENTS SHALL PROVIDE TO THE MARYLAND HIGHER EDUCATION
14 COMMISSION AN ANNUAL AUDIT OF ALL PLEDGED AND PAID AMOUNTS AND THEIR
15 SOURCES, AND A COPY OF THE ANNUAL AUDIT SHALL BE PROVIDED TO THE
16 LEGISLATIVE AUDITOR.

17 17-304.

18 (A) AMOUNTS PAID BY THE STATE UNDER THIS SUBTITLE MAY BE APPLIED TO
19 ANY ELIGIBLE PROGRAM AT THE ELIGIBLE INSTITUTION TO WHICH THE PAYMENT IS
20 MADE.

21 (B) NO MORE THAN ONE-HALF OF THE TOTAL AMOUNT TO BE PAID BY THE
22 STATE UNDER PROVISIONS OF THIS SUBTITLE MAY BE APPROPRIATED IN ANY
23 FISCAL YEAR. THE PROVISIONS OF § 7-302 OF THE STATE FINANCE AND
24 PROCUREMENT ARTICLE DO NOT APPLY TO UNUSED PROGRAM FUNDS.

25 17-305.

26 AMOUNTS PAID BY THE STATE TO AN ELIGIBLE INSTITUTION UNDER THIS
27 SUBTITLE MAY NOT DIRECTLY OR INDIRECTLY REDUCE THE STATE GENERAL FUND
28 OR CAPITAL FUND SUPPORT FOR THE ELIGIBLE INSTITUTION.

29 17-306.

30 THE MARYLAND HIGHER EDUCATION COMMISSION SHALL:

31 (1) ADOPT REGULATIONS NECESSARY FOR THE ADMINISTRATION OF
32 THIS SUBTITLE; AND

33 (2) SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF
34 THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY AN ANNUAL
35 REPORT SUMMARIZING THE TOTAL AMOUNT OF FUNDS PLEDGED BY ELIGIBLE
36 PRIVATE DONORS AND TOTAL AMOUNT OF FUNDS RAISED.

1 **Article - State Finance and Procurement**

2 3-401.

3 (a) This subtitle does not apply to changes relating to or the purchase, lease,
4 or rental of information technology by:

5 (1) [the University College of the University System of Maryland for use
6 in University College overseas programs;

7 (2)] public institutions of higher education solely for academic or research
8 purposes; [or

9 (3)] (2) the Maryland Port Administration; ~~OR~~

10 (3) THE UNIVERSITY SYSTEM OF MARYLAND; OR

11 (4) MORGAN STATE UNIVERSITY.

12 (b) Notwithstanding any other provision of law, except as provided in
13 subsection (a) of this section, this subtitle applies to all units of the Executive Branch
14 of State government including [the University System of Maryland and all other]
15 PUBLIC institutions of higher education ~~OTHER THAN THE UNIVERSITY SYSTEM OF~~
16 MARYLAND AND MORGAN STATE UNIVERSITY.

17 3-703.

18 (a) The provisions of this subtitle may not apply to a telecommunication
19 system or service that is owned or operated by THE UNIVERSITY SYSTEM OF
20 MARYLAND, MORGAN STATE UNIVERSITY, OR a unit of the Legislative or Judicial
21 Branch.

22 (b) The provisions of this subtitle may not preempt the authority of [the
23 University System of Maryland or] the Maryland Public Broadcasting Commission to
24 own, operate, or manage telecommunication systems, services, or equipment.

25 3-704.

26 Telecommunications, including those of the [University System of Maryland
27 and] Maryland Public Broadcasting System, shall be consistent with statewide
28 information technology policies and standards and the statewide information
29 technology master plan.

30 4-402.

31 (a) (1) Except as provided in § 4-409 of this subtitle, this subtitle does not
32 apply to any public improvement made by:

33 (i) the Department of Transportation or a unit in that Department;

34 (ii) any housing authority created under Article 44A of the Code;

- 1 (iii) the Maryland-National Capital Park and Planning
 2 Commission;
- 3 (iv) the Washington Suburban Sanitary Commission;
- 4 (v) the Baltimore County Metropolitan District; [or]
- 5 (vi) a county, municipal corporation, or unit of a county or municipal
 6 corporation; ~~OR~~
- 7 (VII) THE UNIVERSITY SYSTEM OF MARYLAND; OR
- 8 (VIII) MORGAN STATE UNIVERSITY.

9 (2) Except as provided in §§ 4-406, ~~4-410~~, and 4-410.1 of this subtitle or
 10 as otherwise provided by law, [the University System of Maryland,] ~~Morgan State~~
 11 ~~University[,] and St. Mary's College of Maryland are~~ IS subject to the provisions of
 12 this subtitle.

13 (b) The Board of Public Works may exempt specific projects of a unit of the
 14 State government from the provisions of this subtitle.

15 (c) The Board of Public Works shall adopt regulations in accordance with Title
 16 10, Subtitle 1 of the State Government Article establishing procedures for the
 17 exemption of specific projects of units of State government under subsection (b) of this
 18 section.

19 4-406.

20 (a) (1) Except as provided in paragraph (4) of this subsection, the
 21 Department shall advise the Board of Public Works and any unit of the State
 22 government in connection with any engineering question or matter concerning a
 23 public improvement.

24 (2) The Department shall supervise any engineering question or matter
 25 concerning a public improvement.

26 (3) Any contract, plan, or specification for any public improvement that
 27 involves an engineering question:

- 28 (i) shall be submitted to the Department; and
- 29 (ii) is subject to the approval of the Department.

30 ~~(4) With respect to any engineering question or a matter concerning a~~
 31 ~~public improvement, the Department shall advise [the University System of~~
 32 ~~Maryland and] Morgan State University in accordance with the provisions of § 4-410~~
 33 ~~of this subtitle.~~

34 ~~(5)~~ (4) AT THE REQUEST OF THE BOARD OF PUBLIC WORKS, THE
 35 DEPARTMENT SHALL ADVISE THE BOARD OF PUBLIC WORKS ON ANY CONTRACT

1 THAT EXCEEDS \$500,000 IF THE CONTRACT INVOLVES AN ENGINEERING QUESTION
2 OR A MATTER CONCERNING A PUBLIC IMPROVEMENT UNDERTAKEN BY THE
3 UNIVERSITY SYSTEM OF MARYLAND OR MORGAN STATE UNIVERSITY.

4 (b) Except as provided in §§ ~~4-410~~ and § 4-410.1 of this subtitle, the
5 Department shall:

6 (1) represent the Board of Public Works at the opening of bids for a
7 public improvement;

8 (2) tabulate and record the bids; and

9 (3) advise the Board of Public Works on the bids.

10 (c) The Department shall supervise each appraisal related to a public
11 improvement.

12 (d) (1) The Department shall collect and maintain a complete and accurate
13 file of drawings and plats of the location of all public improvements.

14 (2) The Department shall collect and maintain records of construction
15 costs and progress on each public improvement.

16 (3) The Department shall adequately store and protect any original
17 drawing, plat, record, or specification.

18 (e) The Department shall examine and approve or disapprove each plan and
19 specification prepared in connection with the preparation or execution of a contract
20 for a public improvement.

21 (f) (1) The Department shall inspect and approve or disapprove any
22 material, equipment, and methods used in making public improvements and shall
23 inspect each public improvement during the course of construction or repair.

24 (2) The duty of the Department under this subsection does not relieve an
25 architect or engineer of any supervisory responsibility for which the architect or
26 engineer is employed.

27 (g) (1) The provisions of subsections (a), (b), (e), and (f) of this section do not
28 apply to State correctional facilities as defined in § 11-101 of this article.

29 (2) In accordance with Article 41, § 4-104.1 of the Code, the Department
30 of Public Safety and Correctional Services shall perform the duties specified in
31 subsections (a), (b), (e), and (f) of this section for State correctional facilities.

32 ~~4-410.~~

33 (a) ~~This section applies to any public improvement project of [the University~~
34 ~~System of Maryland and] Morgan State University.~~

1 (b) ~~For purposes of this section, the University System of Maryland consists~~
2 ~~of the constituent institutions and centers specified in § 12-101 of the Education~~
3 ~~Article.~~

4 (c) ~~In this section, "University" means the [University System of Maryland~~
5 ~~and] Morgan State University.~~

6 ~~[(d)] (C) For any public improvement project regardless of the source of funds:~~

7 (1) ~~architectural and engineering services shall be procured in~~
8 ~~accordance with Title 13, Subtitle 3 of this article;~~

9 (2) ~~for architectural and engineering services costing more than~~
10 ~~\$100,000, the Department shall make a recommendation for the award of a contract;~~

11 (3) ~~for architectural and engineering services costing less than \$100,000,~~
12 ~~the Department shall make the procurement;~~

13 (4) ~~for all design projects exceeding \$100,000 in contract value, the~~
14 ~~University shall submit periodic status reports to the Department; and~~

15 (5) ~~for all projects exceeding \$500,000 in contract value, the University~~
16 ~~shall submit periodic status reports to the Department.~~

17 ~~[(e)] (D) For any public improvement project financed in whole or in part with~~
18 ~~proceeds of a consolidated capital bond loan or with State General Fund~~
19 ~~appropriations, the following additional procedures shall apply:~~

20 (1) ~~for architectural and engineering contracts exceeding \$100,000, the~~
21 ~~Department must request the Board of Public Works to authorize the transfer of the~~
22 ~~contract amount to University funds. Any additional funds that may be needed may~~
23 ~~be transferred by an action of the Board of Public Works upon review by the~~
24 ~~Department;~~

25 (2) ~~plans, specifications, schematics, design development, contract and~~
26 ~~bid documents shall be reviewed by the Department concurrent with University~~
27 ~~review;~~

28 (3) ~~the Department may have a representative present at bid openings;~~

29 (4) ~~the University shall analyze construction bids, recommend contractor~~
30 ~~selections, and notify the Department of its recommended selection and the date the~~
31 ~~item will be on the Board of Public Works' agenda;~~

32 (5) ~~the Department shall prepare an agenda item for the Board of Public~~
33 ~~Works authorizing transfer to the University of the funds equal to the contract, plus~~
34 ~~5% for use as a contingency fund for change orders. If the 5% contingency fund is~~
35 ~~insufficient to complete the project, the Department shall review the change~~
36 ~~conditions and make a recommendation to the Board of Public Works concerning the~~
37 ~~transfer of additional funds;~~

1 (6) all program changes not authorized in the original scope of the
2 project shall be approved by the Department of Budget and Management and the
3 Department prior to commitment by the University;

4 (7) at completion of the project, any unused amount of construction
5 contingency funds or planning fund authorization shall be returned to the Board of
6 Public Works by an action agenda item of the University; and

7 (8) the Department shall be part of the final inspection of the project and
8 final acceptance may not occur without the Department's concurrence.

9 ~~[(f)]~~ ~~(E)~~ ~~(1)~~ For any public improvement project funded solely from funds
10 other than State general funds or the proceeds of a general obligation bond loan, the
11 University is responsible for procuring public improvement and public
12 improvement related services, for planning, and for management of all aspects of the
13 project.

14 ~~(2)~~ Any contract under this subsection is subject to approval by the
15 Board of Public Works.

16 11-203.

17 (a) Except as provided in subsection (b) of this section, this Division II does
18 not apply to:

19 (1) procurement by:

20 (i) the Blind Industries and Services of Maryland;

21 (ii) the Maryland State Arts Council, for the support of the arts;

22 (iii) the Maryland Health and Higher Educational Facilities
23 Authority, if no State money is to be spent on a procurement contract;

24 (iv) the Maryland Higher Education Supplemental Loan Authority,
25 if no State money is to be spent on a procurement contract;

26 (v) the Maryland Industrial Training Program in the Department
27 of Business and Economic Development, for training programs for new or expanding
28 businesses or industries;

29 (vi) the Maryland Food Center Authority, to the extent the
30 Authority is exempt under Title 13, Subtitle 1 of Article 41 of the Code;

31 (vii) the Maryland Public Broadcasting Commission, for services of
32 artists for educational and cultural television productions;

33 (viii) public institutions of higher education, for cultural,
34 entertainment, and intercollegiate athletic procurement contracts;

- 1 (ix) the Maryland State Planning Council on Developmental
2 Disabilities, for services to support demonstration, pilot, and training programs;
- 3 (x) the Maryland Automobile Insurance Fund;
- 4 (xi) the Maryland Historical Trust for:
- 5 1. surveying and evaluating architecturally, archeologically,
6 historically, or culturally significant properties; and
- 7 2. other than as to architectural services, preparing historic
8 preservation planning documents and educational material;
- 9 (xii) the University of Maryland, for University College Overseas
10 Programs, if the University adopts regulations that:
- 11 1. establish policies and procedures governing procurement
12 for University College Overseas Programs; and
- 13 2. promote the purposes stated in § 11-201(a) of this subtitle;
- 14 (xiii) St. Mary's College of Maryland;
- 15 (xiv) the Department of Business and Economic Development, for
16 negotiating and entering into private sector cooperative marketing projects that
17 directly enhance promotion of Maryland and the tourism industry where there will be
18 a private sector contribution to the project if not less than 50% of the total cost of the
19 project, if the project is reviewed by the Attorney General and approved by the
20 Secretary of Business and Economic Development or the Secretary's designee;
- 21 (xv) the Forvm for Rural Maryland; and
- 22 (xvi) the Maryland State Lottery Agency, for negotiating and
23 entering into private sector cooperative marketing projects that directly enhance
24 promotion of the Maryland State Lottery and its products, if the cooperative
25 marketing project:
- 26 1. provides a substantive promotional or marketing value
27 that the lottery determines acceptable in exchange for advertising or other
28 promotional activities provided by the lottery;
- 29 2. does not involve the advertising or other promotion of
30 alcohol or tobacco products; and
- 31 3. is reviewed by the Attorney General and approved by the
32 Maryland Lottery Director or the Director's designee.
- 33 (2) procurement by a unit from:
- 34 (i) another unit;

- 1 (ii) a political subdivision of the State;
- 2 (iii) an agency of a political subdivision of the State;
- 3 (iv) a government, including the government of another state, of the
4 United States, or of another country;
- 5 (v) an agency or political subdivision of a government; or
- 6 (vi) a bistate, multistate, bicounty, or multicounty governmental
7 agency; or

8 (3) procurement in support of enterprise activities for the purpose of:

- 9 (i) direct resale; or
- 10 (ii) remanufacture and subsequent resale.

11 (b) (1) The following provisions of this Division II apply to each procurement
12 enumerated in subsection (a) of this section:

- 13 (i) § 11-205 of this subtitle ("Fraud in procurement");
- 14 (ii) § 12-204 of this article ("Board approval for designated
15 contracts");
- 16 (iii) Title 12, Subtitle 2 of this article ("Supervision of Capital
17 Expenditures and Real Property Leases");
- 18 (iv) § 13-219 of this article ("Required clauses - Nondiscrimination
19 clause");
- 20 (v) § 13-221 of this article ("Disclosures to Secretary of State");
- 21 (vi) Title 16 of this article ("Debarment of Contractors"); and
- 22 (vii) Title 17 of this article ("Special Provisions - State and Local
23 Subdivisions").

24 (2) A procurement by an entity listed in subsection (a)(1)(i) through (xv)
25 of this section shall be made under procedures that promote the purposes stated in §
26 11-201(a) of this subtitle.

27 (3) (i) A unit that procures human, social, or educational services from
28 an entity enumerated in subsection (a)(2) of this section shall publish in the Contract
29 Weekly notice of a procurement contract or an extension or renewal of a procurement
30 contract if:

- 31 1. the procurement contract, extension, or renewal costs
32 more than \$25,000; and

1 2. the procurement is made for 3rd party clients described in
2 § 13-106 of this article.

3 (ii) The notice required under this paragraph shall be published not
4 more than 30 days after the execution and approval of the procurement contract or
5 the extension or renewal of the procurement contract.

6 (4) The purchase of advisory services from the General Selection Board
7 or the Transportation Selection Board under § 13-305 of this article shall be governed
8 by the Maryland Architectural and Engineering Services Act.

9 (c) Except as provided in Title 14, Subtitle 3 of this article, this Division II
10 does not apply to the Maryland Stadium Authority.

11 (d) Except as provided in Title 14, Subtitle 3 of this article and except for that
12 portion of any real property that is owned and occupied by the Board of Trustees of
13 the State Retirement and Pension System, this Division II does not apply to the
14 Board of Trustees of the State Retirement and Pension System for:

15 (1) services of managers to invest the assets of the State Retirement and
16 Pension System, including real and personal property;

17 (2) expenditures to manage, maintain, and enhance the value of the
18 assets of the State Retirement and Pension System in accordance with investment
19 guidelines adopted by the Board of Trustees; and

20 (3) services related to the administration of the optional retirement
21 program under Title 30 of the State Personnel and Pensions Article.

22 (E) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
23 MEANINGS INDICATED.

24 (II) "BOARD OF REGENTS" MEANS THE BOARD OF REGENTS OF THE
25 UNIVERSITY SYSTEM OF MARYLAND OR THE BOARD OF REGENTS OF MORGAN STATE
26 UNIVERSITY.

27 (III) "UNIVERSITY" MEANS THE UNIVERSITY SYSTEM OF MARYLAND
28 OR MORGAN STATE UNIVERSITY.

29 ~~(2) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND~~
30 ~~TITLE 14, SUBTITLE 3 OF THIS ARTICLE OTHERWISE PROVIDED IN THIS SUBSECTION,~~
31 ~~THIS DIVISION II DOES NOT APPLY TO THE UNIVERSITY SYSTEM OF MARYLAND OR~~
32 ~~MORGAN STATE UNIVERSITY.~~

33 ~~(2)~~ (3) (1) A PROCUREMENT BY THE UNIVERSITY ~~SYSTEM OF~~
34 ~~MARYLAND~~ SHALL COMPLY WITH THE POLICIES AND PROCEDURES DEVELOPED BY
35 THE UNIVERSITY AND APPROVED BY THE BOARD OF PUBLIC WORKS AND THE
36 ADMINISTRATIVE, EXECUTIVE, AND LEGISLATIVE REVIEW COMMITTEE OF THE
37 GENERAL ASSEMBLY IN ACCORDANCE WITH § 12-112 OF THE EDUCATION ARTICLE.

1 (II) 1. ANY CONTRACT FOR SERVICES OR CAPITAL IMPROVEMENTS
2 WITH A VALUE THAT EXCEEDS \$500,000 SHALL REQUIRE THE REVIEW AND APPROVAL
3 OF THE BOARD OF PUBLIC WORKS.

4 2. IN ITS REVIEW OF A CONTRACT FOR SERVICES OR
5 CAPITAL IMPROVEMENTS WITH A VALUE THAT EXCEEDS \$500,000 THE BOARD OF
6 PUBLIC WORKS MAY REQUEST THE COMMENTS OF THE APPROPRIATE AGENCIES,
7 INCLUDING THE DEPARTMENT OF BUDGET AND MANAGEMENT AND THE
8 DEPARTMENT OF GENERAL SERVICES.

9 (4) THE UNIVERSITY'S POLICIES SHALL:

10 (I) PROMOTE PROCUREMENT FROM VENDORS DESCRIBED IN §
11 14-103 OF THIS ARTICLE; AND

12 (II) REFLECT THE REGULATIONS ADOPTED BY THE DEPARTMENT
13 OF GENERAL SERVICES GOVERNING THE PROCUREMENT OF ARCHITECTURAL AND
14 ENGINEERING SERVICES.

15 (5) (I) EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS SUBSECTION,
16 THE FOLLOWING PROVISIONS OF DIVISION II OF THIS ARTICLE APPLY TO THE
17 UNIVERSITY:

18 1. § 11-205 OF THIS SUBTITLE;

19 2. § 11-205.1 OF THIS SUBTITLE;

20 3. § 13-219 OF THIS ARTICLE;

21 4. TITLE 14, SUBTITLE 3 OF THIS ARTICLE;

22 5. TITLE 15, SUBTITLE 1 OF THIS ARTICLE; AND

23 6. TITLE 16 OF THIS ARTICLE.

24 (II) IF A PROCUREMENT VIOLATES THE PROVISIONS OF THIS
25 SUBSECTION OR POLICIES ADOPTED IN ACCORDANCE WITH THIS SUBSECTION, THE
26 PROCUREMENT CONTRACT IS VOID OR VOIDABLE IN ACCORDANCE WITH THE
27 PROVISIONS OF § 11-204 OF THIS SUBTITLE.

28 (6) (I) THE STATE BOARD OF CONTRACT APPEALS SHALL HAVE
29 AUTHORITY OVER CONTRACT CLAIMS RELATED TO PROCUREMENT CONTRACTS
30 AWARDED BY THE UNIVERSITY BEFORE JULY 1, 1999; AND

31 (II) AT THE ELECTION OF THE BOARD OF REGENTS AND SUBJECT
32 TO THE APPROVAL OF THE BOARD OF PUBLIC WORKS, THE STATE BOARD OF
33 CONTRACT APPEALS SHALL HAVE AUTHORITY OVER CONTRACT CLAIMS RELATED TO
34 PROCUREMENT CONTRACTS AWARDED BY THE UNIVERSITY AFTER JUNE 30, 1999.

35 (7) PARAGRAPHS (2), (3), (4), AND (5) OF THIS SUBSECTION DO NOT APPLY
36 TO:

- 1 (I) PROCUREMENT BY THE UNIVERSITY FROM:
- 2 1. ANOTHER UNIT;
- 3 2. A POLITICAL SUBDIVISION OF THE STATE;
- 4 3. AN AGENCY OF A POLITICAL SUBDIVISION OF THE STATE;
- 5 4. A GOVERNMENT, INCLUDING THE GOVERNMENT OF
- 6 ANOTHER STATE, OF THE UNITED STATES, OR OF ANOTHER COUNTRY;
- 7 5. AN AGENCY OR POLITICAL SUBDIVISION OF A
- 8 GOVERNMENT; OR
- 9 6. A BISTATE, MULTISTATE, BICOUNTY, OR MULTICOUNTY
- 10 GOVERNMENTAL AGENCY; OR

11 (II) PROCUREMENT BY THE UNIVERSITY IN SUPPORT OF
 12 ENTERPRISE ACTIVITIES FOR THE PURPOSE OF:

- 13 1. DIRECT RESALE;
- 14 2. REMANUFACTURE AND SUBSEQUENT RESALE; OR
- 15 3. PROCUREMENT BY THE UNIVERSITY FOR OVERSEAS
- 16 PROGRAMS.

17 12-107.

18 (b) Subject to the authority of the Board, jurisdiction over procurement is as
 19 follows:

20 (1) the State Treasurer may engage in or control procurement of banking
 21 and financial services, insurance, and insurance services, as provided in Division I of
 22 this article and Article VI, § 3 of the Maryland Constitution;

23 (2) the Department of Budget and Management may control
 24 procurement of:

25 (i) information processing equipment and associated services, as
 26 provided in Title 3, Subtitle 4 of this article;

27 (ii) services by a unit, subject to any limitation in this Division II;
 28 and

29 (iii) leases of motor vehicles, as provided in Title 3, Subtitle 5 of this
 30 article;

31 (3) the Department of General Services may engage in or control
 32 procurement of:

- 1 (i) leases of real property, including leases under Title 4, Subtitle 3
2 of this article;
- 3 (ii) supplies, including supplies under Title 4, Subtitle 3 of this
4 article, but excluding insurance, information processing equipment, and motor
5 vehicle leases;
- 6 (iii) construction, including construction under Title 4, Subtitle 4 of
7 this article;
- 8 (iv) construction related services, including those under Title 4,
9 Subtitle 4 of this article; and
- 10 (v) architectural or engineering services under Title 13, Subtitle 3
11 of this article;
- 12 (4) the Department of Transportation and the Maryland Transportation
13 Authority, without the approval of any of the other primary procurement units, may
14 engage in the procurement of:
- 15 (i) construction that is related to transportation, as provided in the
16 Transportation Article;
- 17 (ii) construction related services that are related to transportation,
18 as provided in the Transportation Article;
- 19 (iii) architectural or engineering services that are related to
20 transportation, under Title 13, Subtitle 3 of this article; and
- 21 (iv) rolling stock and other property peculiar to the operation of a
22 transit system, as provided in § 7-403 of the Transportation Article;
- 23 (5) [the University System of Maryland, without the approval of any of
24 the other primary procurement units, may engage in the procurement of:
- 25 (i) supplies for the University, including motor vehicles and, to the
26 extent provided by Title 3, Subtitle 4 of this article, information processing supplies,
27 but excluding insurance;
- 28 (ii) services for the University, including information processing
29 services to the extent provided in Title 3, Subtitle 4 of this article, but excluding
30 banking and financial services under the authority of the State Treasurer under item
31 (1) of this subsection;
- 32 (iii) construction and construction related services for the
33 University, regardless of the source of funds, to the extent that the Board grants
34 authority over specific projects or classes of projects; and
- 35 (iv) leases of real property for the University if the lease payments
36 are not paid from the General Fund of the State;

1 (6)] the Maryland Port Commission, without the approval of any of the
2 other primary procurement units, may engage in the procurement of:

3 (i) supplies for port related activities, including motor vehicles and
4 information processing supplies, but excluding:

5 1. supplies funded by the proceeds from State general
6 obligation bonds; and

7 2. insurance;

8 (ii) services for port related activities, including information
9 processing services, but excluding banking and financial services under the authority
10 of the State Treasurer under item (1) of this subsection;

11 (iii) construction and construction related services for a port facility
12 as defined in § 6-101(e) of the Transportation Article;

13 (iv) port related architectural and engineering services under Title
14 13, Subtitle 3 of this article; and

15 (v) leases of real property for port related activities unless the lease
16 payments are from the General Fund of the State;

17 [(7)] (6) the Department of Public Safety and Correctional Services may,
18 without the approval of any of the other primary procurement units:

19 (i) engage in the procurement of construction and construction
20 related services for State correctional facilities; and

21 (ii) engage in the procurement of supplies, materials, and
22 equipment in support of construction and construction related services for State
23 correctional facilities in accordance with this Division II and Article 41, Title 4,
24 Subtitle 1 of the Code]; and

25 (8) Morgan State University, without the approval of any of the other
26 primary procurement units, may engage in the procurement of:

27 (i) supplies for the University, including motor vehicles and, to the
28 extent provided by Title 3, Subtitle 4 of this article, information processing supplies,
29 but excluding:

30 1. supplies funded by the proceeds from State general
31 obligation bonds; and

32 2. insurance;

33 (ii) services for the University, including information processing
34 services to the extent provided in Title 3, Subtitle 4 of this article, but excluding
35 banking and financial services under the authority of the State Treasurer under item
36 (1) of this subsection;

1 (iii) construction and construction related services for the
2 University, regardless of the source of funds, to the extent that the Board grants
3 authority over specific projects or classes of projects; and

4 (iv) leases of real property for the University if the lease payments
5 are not paid from the General Fund of the State].

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
7 read as follows:

8 **Article - Education**

9 11-206.

10 (A) THIS SECTION DOES NOT APPLY TO:

11 ~~(1) THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF~~
12 ~~MARYLAND; AND~~

13 (1) NEW PROGRAMS PROPOSED TO BE IMPLEMENTED BY AN
14 INSTITUTION OF HIGHER EDUCATION USING EXISTING PROGRAM RESOURCES IN
15 ACCORDANCE WITH § 11-206.1 OF THIS SUBTITLE.

16 (2) PROGRAMS OFFERED BY INSTITUTIONS OF HIGHER EDUCATION
17 THAT OPERATE IN THE STATE WITHOUT A CERTIFICATE OF APPROVAL IN
18 ACCORDANCE WITH § 11-202(C)(2) OR (3) OF THIS SUBTITLE.

19 [(a)] (B) (1) Prior to the proposed date of implementation, the governing
20 body of an institution of postsecondary education shall submit to the Commission
21 each proposal for:

22 (i) A new program; or

23 (ii) A substantial modification of an existing program.

24 (2) The Commission shall review each such proposal and:

25 (i) With respect to each public institution of postsecondary
26 education, either approve or disapprove the proposal;

27 (ii) With respect to each nonpublic institution of higher education,
28 either recommend that the proposal be implemented or that the proposal not be
29 implemented; and

30 (iii) With respect to a private career school, either approve or
31 disapprove the proposal.

32 (3) If the Commission fails to act within 150 days of the date of
33 submission of the completed proposal, the proposal shall be deemed approved.

1 (4) Except as provided in paragraph (3) of this subsection, a public
2 institution of postsecondary education and private career school may not implement a
3 proposal without the prior approval of the Commission.

4 (5) Except as provided in paragraph (3) of this subsection, and subject to
5 the provisions of § 17-105 of this article, a nonpublic institution of higher education
6 may implement a proposal that has not received a positive recommendation by the
7 Commission.

8 (6) (i) If the Commission disapproves a proposal, the Commission
9 shall provide to the governing body that submits the proposal a written explanation of
10 the reasons for the disapproval.

11 (ii) After revising a proposal to address the Commission's reasons
12 for disapproval, the governing body may submit the revised proposal to the
13 Commission for approval.

14 [(b)] (C) (1) Prior to discontinuation, each institution of postsecondary
15 education that proposes to discontinue an existing program shall provide written
16 notification to the Commission specifying:

17 (i) The name of the program; and

18 (ii) The expected date of discontinuation.

19 (2) By rule or regulation, the Commission may require the payment by a
20 private career school of a refund to any student or enrollee who, because of the
21 discontinuation of an ongoing program, is unable to complete such program.

22 [(c)] (D) The Commission shall review and make recommendations on
23 programs in nonpublic institutions of higher education that receive State funds.

24 [(d)] (E) (1) In this subsection, "governing board" includes the board of
25 trustees of a community college.

26 (2) The Commission shall adopt regulations establishing standards for
27 determining whether 2 or more programs are unreasonably duplicative.

28 (3) The Commission may review existing programs at public institutions
29 of postsecondary education if the Commission has reason to believe that academic
30 programs are unreasonably duplicative or inconsistent with an institution's adopted
31 mission.

32 (4) The Commission may make a determination that an unreasonable
33 duplication of programs exists on its own initiative or after receipt of a request for
34 determination from any directly affected public institution of postsecondary
35 education.

36 (5) (i) If the Commission makes a determination under paragraph (4)
37 of this subsection the Commission may:

1 1. Make recommendations to a governing board on the
2 continuation or modification of the programs;

3 2. Require any affected governing board to submit a plan to
4 resolve the duplication; and

5 3. Negotiate, as necessary, with any affected governing board
6 until the unreasonable duplication is eliminated.

7 (ii) Notwithstanding the provisions of subparagraph (i) of this
8 paragraph, if the Commission determines that 2 or more existing programs offered by
9 institutions under the governance of different governing boards are unreasonably
10 duplicative, the governing boards of the institutions of postsecondary education at
11 which the programs are offered shall have 180 days from the date of the Commission's
12 determination to formulate and present to the Commission a joint plan to eliminate
13 the duplication.

14 (iii) If in the Commission's judgment the plan satisfactorily
15 eliminates the duplication, the governing board of the affected institutions shall be so
16 notified and shall take appropriate steps to implement the plan.

17 (iv) If in the Commission's judgment the plan does not satisfactorily
18 eliminate the duplication, or if no plan is jointly submitted within the time period
19 specified in paragraph (6) of this subsection, the governing board of the affected
20 institutions shall be so notified. The Commission may then seek to eliminate the
21 duplication by revoking the authority of a public institution of postsecondary
22 education to offer the unreasonably duplicative program.

23 (6) (i) Prior to imposing a sanction under paragraph (5) of this
24 subsection, the Commission shall give notice of the proposed sanction to the
25 governing board of each affected institution.

26 (ii) 1. Within 20 days of receipt of the notice, any affected
27 institution may request an opportunity to meet with the Commission and present
28 objections.

29 2. If timely requested, the Commission shall provide such
30 opportunity prior to the Commission's decision to impose a sanction.

31 (iii) The Commission's decision shall be final and is not subject to
32 further administrative appeal or judicial review.

33 [(e) The provisions of this section do not apply to programs offered by
34 institutions of higher education that operate in the State without a certificate of
35 approval in accordance with § 11-202(c)(2) or (3) of this subtitle.]

36 11-206.1.

37 (A) (1) (I) ~~A PRESIDENT OF A CONSTITUENT INSTITUTION OF THE~~
38 ~~UNIVERSITY SYSTEM OF MARYLAND~~ PUBLIC INSTITUTION OF HIGHER EDUCATION

1 MAY PROPOSE TO ESTABLISH A NEW PROGRAM OR ABOLISH AN EXISTING PROGRAM
2 IF THE ACTION:

3 ~~(H)~~ 1. IS CONSISTENT WITH THE INSTITUTION'S ~~APPROVED~~
4 ADOPTED MISSION STATEMENT UNDER SUBTITLE 3 OF THIS TITLE; AND

5 ~~(H)~~ 2. CAN BE IMPLEMENTED WITHIN THE EXISTING PROGRAM
6 RESOURCES OF THE INSTITUTION.

7 (II) A PRESIDENT OF A NONPUBLIC INSTITUTION OF HIGHER
8 EDUCATION MAY PROPOSE TO ESTABLISH A NEW PROGRAM OR ABOLISH AN
9 EXISTING PROGRAM IF THE ACTION:

10 1. IS CONSISTENT WITH THE INSTITUTION'S MISSION
11 STATEMENT FILED WITH THE COMMISSION; AND

12 2. CAN BE IMPLEMENTED WITHIN THE EXISTING PROGRAM
13 RESOURCES OF THE INSTITUTION.

14 (2) THE PRESIDENT SHALL REPORT ANY PROGRAMS THAT ARE
15 PROPOSED TO BE ESTABLISHED OR ABOLISHED IN ACCORDANCE WITH PARAGRAPH
16 (1) OF THIS SUBSECTION TO:

17 (I) ~~THE BOARD OF REGENTS~~ INSTITUTION'S GOVERNING BOARD;
18 ~~AND~~

19 (II) THE MARYLAND HIGHER EDUCATION COMMISSION; AND

20 (III) ALL OTHER INSTITUTIONS OF HIGHER EDUCATION IN THE
21 STATE.

22 (B) ~~THE BOARD OF REGENTS~~ INSTITUTION'S GOVERNING BOARD SHALL:

23 (1) REVIEW THE ACTIONS TAKEN UNDER SUBSECTION (A) OF THIS
24 SECTION; AND

25 (2) ENSURE THAT ANY NEW PROGRAM PROPOSED TO BE ESTABLISHED
26 BY A PRESIDENT:

27 (I) 1. OF A PUBLIC INSTITUTION OF HIGHER EDUCATION IS
28 CONSISTENT WITH THE INSTITUTION'S APPROVED MISSION STATEMENT UNDER
29 SUBTITLE 3 OF THIS TITLE; ~~AND OR~~

30 2. OF A NONPUBLIC INSTITUTION OF HIGHER EDUCATION IS
31 CONSISTENT WITH THE INSTITUTION'S MISSION STATEMENT FILED WITH THE
32 COMMISSION; AND

33 (II) CAN BE IMPLEMENTED WITHIN THE EXISTING PROGRAM
34 RESOURCES OF THE INSTITUTION.

1 (C) (1) WITHIN 30 DAYS OF RECEIPT OF A NOTICE OF AN INSTITUTION'S
 2 INTENT TO ESTABLISH A NEW PROGRAM IN ACCORDANCE WITH SUBSECTION (A) OF
 3 THIS SECTION, AN INSTITUTION MAY FILE AN OBJECTION TO THE IMPLEMENTATION
 4 OF THE PROGRAM WITH THE COMMISSION IF THE OBJECTION IS BASED ON:

5 (I) INCOMPATIBILITY OF THE PROPOSED PROGRAM WITH THE
 6 MISSION OF THE INSTITUTION;

7 (II) LACK OF MARKET DEMAND FOR THE PROPOSED PROGRAM;

8 (III) PROGRAM DUPLICATION; OR

9 (IV) VIOLATION OF THE STATE'S EQUAL EDUCATIONAL
 10 OPPORTUNITY REQUIREMENTS OF STATE AND FEDERAL LAW.

11 (2) (I) IF AN OBJECTION IS NOT FILED WITHIN 30 DAYS, THE
 12 INSTITUTION MAY IMPLEMENT THE PROGRAM.

13 (II) IF AN OBJECTION IS FILED WITHIN 30 DAYS, THE COMMISSION
 14 SHALL REVIEW THE REASONS FOR THE PROPOSED PROGRAM AND THE REASONS FOR
 15 THE OBJECTION AND WITHIN 30 DAYS MAKE A DETERMINATION:

16 1. FOR A PROGRAM PROPOSED TO BE ESTABLISHED BY A
 17 PUBLIC INSTITUTION OF HIGHER EDUCATION, WHETHER THE PROGRAM MAY BE
 18 IMPLEMENTED; AND

19 2. FOR A PROGRAM PROPOSED TO BE ESTABLISHED BY A
 20 NONPUBLIC INSTITUTION OF HIGHER EDUCATION, WHETHER TO RECOMMEND THAT
 21 THE GENERAL ASSEMBLY REDUCE THE STATE APPROPRIATION FOR THE NONPUBLIC
 22 INSTITUTION IN ACCORDANCE WITH § 17-105 OF THIS ARTICLE.

23 ~~(C)~~ (D) (1) THE COMMISSION SHALL DETERMINE WHETHER A NEW
 24 PROGRAM PROPOSED TO BE ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION
 25 COMPLIES WITH THE EQUAL EDUCATIONAL OPPORTUNITY REQUIREMENTS OF
 26 STATE AND FEDERAL LAW.

27 (2) (I) IF THE COMMISSION DETERMINES THAT A NEW PROGRAM
 28 PROPOSED TO BE ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION VIOLATES
 29 AN EQUAL EDUCATIONAL OPPORTUNITY REQUIREMENT OF STATE OR FEDERAL LAW:

30 ~~(F)~~ (H) THE COMMISSION SHALL NOTIFY THE PRESIDENT OF THE
 31 INSTITUTION AND THE BOARD OF REGENTS INSTITUTION'S GOVERNING BOARD OF
 32 THE COMMISSION'S CONCERNS VIOLATION; AND

33 ~~(H)~~ (I) THE INSTITUTION SHALL WORK WITH THE COMMISSION TO
 34 RESOLVE THE CONCERNS BEFORE IMPLEMENTING THE PROGRAM.

35 (II) IF THE INSTITUTION FAILS TO RESOLVE THE VIOLATION
 36 IDENTIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1 1. IF THE INSTITUTION IS A PUBLIC INSTITUTION OF
 2 HIGHER EDUCATION, THE COMMISSION SHALL REQUIRE THE INSTITUTION TO NOT
 3 IMPLEMENT THE PROGRAM; AND

4 2. IF THE INSTITUTION IS A NONPUBLIC INSTITUTION OF
 5 HIGHER EDUCATION, THE COMMISSION SHALL RECOMMEND THAT THE GENERAL
 6 ASSEMBLY REDUCE THE STATE APPROPRIATION FOR THE NONPUBLIC INSTITUTION
 7 IN ACCORDANCE WITH § 17-105 OF THIS ARTICLE.

8 ~~(D)~~ (E) (1) THE COMMISSION SHALL:

9 (I) IDENTIFY PROGRAMS ESTABLISHED UNDER SUBSECTION (A)
 10 OF THIS SECTION THAT ARE INCONSISTENT WITH THE STATE PLAN FOR HIGHER
 11 EDUCATION; AND

12 (II) IDENTIFY LOW PRODUCTIVITY PROGRAMS.

13 (2) IF THE COMMISSION IDENTIFIES ANY PROGRAMS THAT MEET THE
 14 CRITERIA SET FORTH IN PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION
 15 SHALL NOTIFY THE PRESIDENT OF THE INSTITUTION.

16 ~~(E)~~ (F) THE COMMISSION AND THE ~~BOARD OF REGENTS OF THE UNIVERSITY~~
 17 ~~SYSTEM OF MARYLAND~~ GOVERNING BOARDS OF THE INSTITUTIONS OF HIGHER
 18 EDUCATION SHALL JOINTLY DEVELOP A DEFINITION AND ACCEPTED CRITERIA FOR
 19 DETERMINING LOW PRODUCTIVITY PROGRAMS.

20 ~~(F)~~ (G) THE COMMISSION SHALL:

21 (1) MONITOR THE PROGRAM DEVELOPMENT AND REVIEW PROCESS
 22 ESTABLISHED UNDER THIS SECTION;

23 (2) REPORT ANNUALLY TO THE GOVERNOR, THE BOARD OF REGENTS,
 24 AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE
 25 GENERAL ASSEMBLY ON THE NATURE AND EXTENT OF ANY DUPLICATION OR
 26 PROLIFERATION OF PROGRAMS; AND

27 (3) ON OR BEFORE JANUARY 1, 2002, SUBMIT A REPORT TO THE
 28 GOVERNOR, THE BOARD OF REGENTS, AND, IN ACCORDANCE WITH § 2-1246 OF THE
 29 STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON:

30 (I) THE IMPACT OF THE PROGRAM DEVELOPMENT AND REVIEW
 31 ~~PROCESS FOR THE UNIVERSITY SYSTEM OF MARYLAND~~ ON THE QUALITY AND
 32 ACCESSIBILITY OF POSTSECONDARY EDUCATION IN THE STATE; AND

33 (II) ANY INCREASED COSTS DUE TO DUPLICATION OF PROGRAMS.

34 ~~41-303.~~

35 ~~(A) The Commission, with the assistance of the presidents of the institutions~~
 36 ~~required to develop mission statements under this subtitle, shall establish and~~

~~1 periodically update the format of mission statements to include specific short and
2 long-range goals and measurable objectives to be achieved through the
3 implementation of the institution's performance accountability plan as required
4 under § 11-304 of this subtitle.~~

5 11-302.

6 (a) (1) The president of each public institution of higher education is
7 responsible for developing a mission statement.

8 (2) The president shall submit the mission statement to the institution's
9 governing board.

10 (3) Upon the direction of the governing board, the president shall update
11 the mission statement at least every 5 years.

12 (b) (1) The governing board:

13 (i) Shall review the mission statement and may require the
14 president to prepare a revised mission statement;

15 (ii) May adopt the mission statement as submitted or with
16 amendments; and

17 (iii) Shall submit the statement to the Commission.

18 (2) (i) In the case of constituent institutions of the University System
19 of Maryland, the Chancellor of the University System of Maryland shall review the
20 statement prior to its consideration by the Board of Regents and make
21 recommendations.

22 (ii) Before adopting the mission statements, the Board of Regents
23 shall review the statements individually and on a systemwide basis to assure that:

24 1. They are consistent with the Charter and the systemwide
25 plan; AND

26 2. [They will not result in unnecessary duplication of
27 academic programs; and

28 3.] They will promote the efficient and effective use of the
29 institution's and System's resources.

30 (iii) The Board shall consolidate the statements into an adopted
31 systemwide statement.

32 (c) (1) The Commission shall review the mission statement TO DETERMINE
33 WHETHER THE MISSION STATEMENT IS CONSISTENT WITH THE STATE PLAN FOR
34 HIGHER EDUCATION.

1 (2) [The Commission shall approve the statement if the Commission
2 finds that the statement:

3 (i) Is consistent with the Charter and the statewide plan;

4 (ii) Will not result in the unreasonable duplication of academic
5 programs; and

6 (iii) Will promote the efficient and effective use of the State's higher
7 education resources.

8 (3) (i) If the Commission does not approve the statement, the
9 Commission shall return the statement together with its objections to the governing
10 board.

11 (ii) The governing board shall negotiate with the Commission and
12 amend the statement or direct the president of the institution to prepare a new
13 statement] IF THE COMMISSION DETERMINES THAT THE MISSION STATEMENT IS
14 INCONSISTENT WITH THE STATE PLAN FOR HIGHER EDUCATION, THE COMMISSION
15 SHALL RETURN THE STATEMENT TO THE GOVERNING BOARD WITH COMMENTS
16 THAT INCLUDE THE SPECIFIC AREAS OF INCONSISTENCY.

17 11-303.

18 (A) The Commission, WITH THE ASSISTANCE OF THE PRESIDENTS OF THE
19 INSTITUTIONS REQUIRED TO DEVELOP MISSION STATEMENTS UNDER THIS
20 SUBTITLE, shall establish AND PERIODICALLY UPDATE the format of mission
21 statements to include [at least the following items:

22 (1) Specific] SPECIFIC short and long-range goals and measurable
23 objectives to be achieved THROUGH THE IMPLEMENTATION OF THE INSTITUTIONS'
24 PERFORMANCE ACCOUNTABILITY PLAN AS REQUIRED UNDER § 11-304 OF THIS
25 SUBTITLE[, including graduation and retention rates and equal opportunity goals;

26 (2) Level of academic degrees offered;

27 (3) Fields of academic degrees offered;

28 (4) Characteristics of students and other populations to be served;

29 (5) Characteristics of faculty;

30 (6) A list of institutional peers;

31 (7) Areas of research activity;

32 (8) Areas of service activity including economic development and
33 services to the public schools; and

34 (9) Other items as required by the Commission].

1 (B) ~~THE MISSION STATEMENT DEVELOPED BY THE PRESIDENT OF A~~
2 ~~CONSTITUENT INSTITUTION OF THE UNIVERSITY SYSTEM OF MARYLAND~~
3 ~~STATEMENTS SHALL INCLUDE INFORMATION NECESSARY TO MEET THE~~
4 ~~REQUIREMENTS OF THE PROGRAM DEVELOPMENT AND REVIEW PROCESS~~
5 ~~ESTABLISHED UNDER § 11-206.1 OF THIS TITLE.~~

6 12-106.

7 (a) (1) In consultation with the Presidents of the constituent institutions,
8 the Chancellor shall develop an overall plan that:

9 (i) Is consistent with the statewide plan for higher education in
10 accordance with the Charter and with the mission statements [approved by the
11 Commission;] ~~DEVELOPED IN ACCORDANCE WITH § 11-302 OF THIS ARTICLE;~~

12 (ii) Sets forth both long-range and short-range goals, objectives,
13 and priorities for postsecondary education, research, and service provided by the
14 University System of Maryland and methods and guidelines for achieving and
15 maintaining them;

16 (iii) Enhances the mission of the University of Maryland, College
17 Park as the State's flagship campus with programs and faculty nationally and
18 internationally recognized for excellence in research and the advancement of
19 knowledge;

20 (iv) Maintains a coordinated Higher Education Center for Research
21 and Graduate and Professional Study in the Baltimore area;

22 (v) Recognizes the need to enhance its historically African
23 American institutions;

24 (vi) Affirms the need for increased access for
25 economically-disadvantaged and minority students;

26 (vii) Encourages and supports high quality undergraduate and
27 teacher preparation programs on its campuses;

28 (viii) Stimulates outreach to the community and the State through
29 close relationships with public elementary and secondary schools, business and
30 industry, and governmental agencies; and

31 (ix) Addresses and responds to continuing higher education needs in
32 order to maintain an educated work force in Maryland.

33 (2) The Board shall review, modify, as necessary, and approve the overall
34 plan.

35 (3) By July 1 of each year, the Board shall submit to the Maryland
36 Higher Education Commission, to the Governor and, subject to § 2-1246 of the State
37 Government Article, to the General Assembly an annual review of the plan.

1 (b) The Board of Regents shall, on an ongoing basis, review and determine
 2 whether any University programs are inconsistent with the University's mission or
 3 whether any constituent institution's programs are inconsistent with that
 4 institution's mission[. The Board shall also assure that the University's programs are
 5 not unproductive or unreasonably duplicative, taking into account the missions of the
 6 institutions], student demand, and efficient use of the University's resources.

7 (c) ~~With~~ EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, WITH
 8 respect to each institution under its jurisdiction, and subject to the provisions of Title
 9 11 of this article, in consultation with the Chancellor, the Board shall:

10 (1) (I) Review ~~and approve before implementation~~ each proposal for:

11 (i) Any new program; and

12 (ii) Any substantial expansion, curtailment, or discontinuance of
 13 any existing program;

14 (2) Review existing programs and make necessary determinations for
 15 the continuation or modification, or the elimination of unreasonable duplication, in
 16 existing programs] ~~EACH NEW PROGRAM ESTABLISHED BY THE PRESIDENT OF A~~
 17 ~~CONSTITUENT INSTITUTION; AND~~

18 (II) ~~ENSURE THAT THE NEW PROGRAM;~~

19 ~~1. IS CONSISTENT WITH THE INSTITUTION'S APPROVED~~
 20 ~~MISSION STATEMENT IN ACCORDANCE WITH TITLE 11, SUBTITLE 3 OF THIS ARTICLE;~~
 21 ~~AND~~

22 ~~2. CAN BE IMPLEMENTED WITHIN THE EXISTING~~
 23 ~~RESOURCES OF THE INSTITUTION;~~

24 ~~{(3)}~~ ~~(2)~~ Prescribe minimum admission standards;

25 ~~{(4)}~~ ~~(3)~~ Establish general guidelines for tuition and fees;

26 ~~{(5)}~~ ~~(4)~~ Establish and implement:

27 (i) Procedures for transfer of student and faculty between
 28 constituent institutions;

29 (ii) Cooperative programs among the constituent and other
 30 institutions to assure appropriate flexibility in the University System of Maryland;
 31 and

32 (iii) Standards for the reciprocal acceptance of credits; and

33 ~~{(6)}~~ ~~(5)~~ (i) Review annually the long-range and short-range plans,
 34 goals, and objectives of each constituent institution for consistency with the objectives
 35 and priorities of the Board;

1 (ii) Monitor the progress of each constituent institution toward
2 approved goals and objectives; and

3 (iii) Hold the president accountable for progress toward the goals
4 and objectives.

5 (D) WITH RESPECT TO EACH INSTITUTION UNDER ITS JURISDICTION, AND
6 SUBJECT TO THE PROVISIONS OF TITLE 11 OF THIS ARTICLE, IN CONSULTATION WITH
7 THE CHANCELLOR, THE BOARD SHALL:

8 (1) REVIEW EACH NEW PROGRAM PROPOSED TO BE ESTABLISHED AND
9 IMPLEMENTED WITHIN EXISTING PROGRAM RESOURCES IN ACCORDANCE WITH §
10 11-206.1 OF THIS ARTICLE; AND

11 (2) ENSURE THAT THE NEW PROGRAM:

12 (I) IS CONSISTENT WITH THE INSTITUTION'S ADOPTED MISSION
13 STATEMENT IN ACCORDANCE WITH TITLE 11, SUBTITLE 3 OF THIS ARTICLE; AND

14 (II) CAN BE IMPLEMENTED WITHIN EXISTING PROGRAM
15 RESOURCES OF THE INSTITUTION.

16 ~~(D)~~ (E) In consultation with the Chancellor and the presidents, the Board
17 may adopt policies providing for:

18 (1) The discipline, suspension, expulsion, or reinstatement of any
19 student; and

20 (2) The recognition and conduct of student organizations and athletic
21 programs and activities.

22 12-109.

23 (e) Subject to the authority and applicable regulations and policies of the
24 Board of Regents, each president shall:

25 (2) Have the authority to develop new academic programs and curtail or
26 eliminate existing programs IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN
27 ~~§ 11-206.1~~ §§ 11-206 AND 11-206.1 OF THIS ARTICLE;

28 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
29 read as follows:

30 **Article - Education**

31 12-111.

32 (a) Except as otherwise provided by law, appointments of the University
33 System of Maryland are not subject to or controlled by the provisions of the State
34 Personnel and Pensions Article that govern the State Personnel Management System.

1 (b) After appointment, employees in positions designated by the University
 2 shall be regarded and treated in the same manner as skilled service or professional
 3 service employees, with the exception of special appointments, in the State Personnel
 4 Management System and:

5 (1) Have all rights and privileges of skilled service or professional service
 6 employees, with the exception of special appointments, in the State Personnel
 7 Management System;

8 (2) Have the right of appeal as provided by law in any case of alleged
 9 injustice;

10 (3) Shall be paid salaries not less than those paid in similar
 11 classifications in other State agencies; [and]

12 (4) Shall retain their vacation privileges, retirement status, and benefits
 13 under the State retirement systems; AND

14 (5) HAVE THE RIGHT TO PARTICIPATE IN COLLECTIVE BARGAINING IN
 15 ACCORDANCE WITH TITLE 3 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

16 (c) Subject to subsection (b) of this section, the Board of Regents shall
 17 establish general policies and guidelines governing the appointment, compensation,
 18 advancement, tenure, and termination of all classified personnel.

19 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 20 read as follows:

21

Chapter 345 of the Acts of 1995

22 [SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall remain
 23 effective for a period of 4 years and, at the end of June 30, 1999, with no further action
 24 required by the General Assembly, this Act shall be abrogated and of no further force
 25 and effect.]

26 SECTION 5. AND BE IT FURTHER ENACTED, That the Maryland Higher
 27 Education Commission shall develop operating and capital budget funding guidelines,
 28 in accordance with the requirements of § 11-105 of the Education Article, based on
 29 current and aspirational peer institution comparisons and other appropriate factors.
 30 The Maryland Higher Education Commission shall develop the funding guidelines in
 31 consultation with the segments of higher education and the presidents of the
 32 institutions of the University System of Maryland, Morgan State University, and St.
 33 Mary's College of Maryland.

34 Awaiting the development of the funding guidelines, the Governor is requested
 35 ~~to include to increase the base budgets of certain University System of Maryland~~
 36 institutions by including in a fiscal 2000 supplemental budget:

37 (1) A minimum funding level of \$5,000 per full-time equivalent student
 38 in fiscal year 2000 as specified in the Maryland Fiscal Year 2000 Operating Budget

1 Book to each degree granting institution in the University System of Maryland,
2 except for the University of Maryland University College;

3 (2) A minimum funding level of \$1,357 per full-time equivalent student
4 stateside in fiscal year 2000 as specified in the Maryland Fiscal Year 2000 Operating
5 Budget Book to the University of Maryland University College;

6 (2) (3) A minimum funding level of \$12,284 per full-time equivalent
7 student in fiscal year 2000 as specified in the Maryland Fiscal Year 2000 Operating
8 Budget Book to the University of Maryland, College Park;

9 (3) (4) An additional \$7 million for the University of Maryland,
10 Baltimore;

11 (4) (5) An additional \$5 million for the University of Maryland
12 Baltimore County;

13 (5) (6) An additional \$1.3 million for Bowie State University;

14 (6) (7) An additional \$1.3 million for Coppin State University; and

15 (7) (8) An additional \$1.3 million for University of Maryland Eastern
16 Shore.

17 If the funding guidelines are not developed and operational by December 1,
18 1999, the Governor is requested to include in the fiscal 2001 operating budget:

19 (1) ~~A~~ The fiscal 2000 minimum funding level of \$5,000, adjusted for
20 inflation in accordance with the Higher Education Price Index, per full-time
21 equivalent student in fiscal year 2001 as specified in the Maryland Fiscal Year 2001
22 Operating Budget Book to each degree granting institution in the University System
23 of Maryland, except for the University of Maryland University College; and

24 (2) A minimum funding level of \$1,800 per full-time equivalent student
25 stateside in fiscal year 2001 as specified in the Maryland Fiscal Year 2001 Operating
26 Budget Book to the University of Maryland University College; and

27 (2) (3) A minimum funding level of \$13,443 per full-time equivalent
28 student in fiscal year 2001 as specified in the Maryland Fiscal Year 2001 Operating
29 Budget Book to the University of Maryland, College Park.

30 If the funding guidelines are not operational by December 1, 2000, the Governor
31 is requested to put in the fiscal 2002 operating budget and each subsequent operating
32 budget until the funding guidelines are developed, the fiscal 2001 minimum funding
33 levels, adjusted annually for inflation in accordance with the Higher Education Price
34 Index.

35 SECTION 6. AND BE IT FURTHER ENACTED, That the Governor is
36 requested to ~~provide funds to~~ include in the operating budget starting in fiscal 2001
37 an appropriation to:

1 (1) The Maryland Higher Education Commission to be used for strategic
2 incentive funding to distribute to institutions of higher education that encourage
3 attainment of statewide goals and priorities under § 11-105(b)(7) of the Education
4 Article; and

5 (2) The Board of Regents of the University System of Maryland to be
6 used as incentive funds to encourage each constituent institution to accomplish its
7 approved mission under § 12-104(k) of the Education Article.

8 SECTION 7. AND BE IT FURTHER ENACTED, That the Board of Regents
9 should develop a long-range capital plan for the University System of Maryland
10 institutions that is consistent with the capital facilities goals established in the
11 Maryland Charter for Higher Education and identifies capital needs by project and
12 institution for at least a 10-year period. The plan should identify funding sources to
13 meet these capital needs based on the assumption that State capital funding will
14 continue at present levels, adjusted for inflation. Given that the capital needs of the
15 universities exceed the State's ability to fund these projects, the Regents should
16 identify alternative capital funding sources to meet these needs. The Regents should
17 submit the plan to the Governor and, in accordance with § 2-1246 of the State
18 Government Article, the General Assembly, by December 1, 1999.

19 SECTION 8. AND BE IT FURTHER ENACTED, That to initiate the strategic
20 planning process coordinated by the Maryland Higher Education Commission, that
21 will culminate in the development of a State Plan for Higher Education that is
22 supported by all major stakeholders, the Governor is requested to convene a State
23 Conference on Higher Education in 1999. Participants in the Conference shall include
24 public and private leaders; representatives of all institutions, including faculties,
25 staff, and boards of visitors; members of the Maryland Higher Education Commission
26 and governing boards; and other interested stakeholders. Following the Conference,
27 the Maryland Higher Education Commission shall continue to coordinate the
28 development of the State Plan which shall be complete by April 30, 2000. The State
29 Plan shall be updated every 2 years and culminate in a State Conference for Higher
30 Education, hosted by the Governor, to focus the public agenda on higher education.

31 SECTION 9. AND BE IT FURTHER ENACTED, That as a starting point for the
32 development of the State Plan for Higher Education in accordance with Section 8 of
33 this Act, the Maryland Higher Education Commission and the other participants in
34 the strategic planning process shall consider the following goals for the University
35 System of Maryland, and for higher education in general, as recommended in the
36 Final Report of the Task Force to Study the Governance, Coordination, and Funding
37 of the University System of Maryland:

38 1. Enhance the University of Maryland, College Park as the State's
39 flagship campus with programs and faculty nationally and internationally recognized
40 for excellence in research and the advancement of knowledge; admit freshmen to the
41 campus who have academic profiles that suggest exceptional ability; provide access to
42 the upper division undergraduate level of the campus for students who have excelled
43 in completing lower division study; and provide the campus with the level of operating

- 1 funding and facilities necessary to place it among the upper echelon of its peer
2 institutions;
- 3 2. Maintain and enhance an academic health center and a coordinated
4 higher education center for research and graduate and professional study in the
5 Baltimore area (University of Maryland, Baltimore and University of Maryland
6 Baltimore County) with a focus on science and technology;
- 7 3. Enhance and support high quality undergraduate, teacher
8 preparation, and masters programs at the regional comprehensive institutions,
9 recognizing and supporting the very unique mission of each of these institutions;
- 10 4. Support Towson University as the largest comprehensive institution;
- 11 5. Enhance the historically black institutions and recognize the unique
12 role of University of Maryland Eastern Shore as the State's 1890 land grant
13 institution;
- 14 6. Encourage collaboration among institutions for the benefit of
15 students;
- 16 7. Encourage and enhance higher education centers, such as the Shady
17 Grove Center in Montgomery County, through the use of technology, as points of
18 collaboration and access for underserved areas of the State;
- 19 8. Recognize and promote the unique potential of University of
20 Maryland University College to be a national and global leader in the new
21 international marketplace of electronic and continuing education;
- 22 9. Promote excellence at each campus;
- 23 10. Recruit and retain nationally and internationally prominent faculty;
- 24 11. Promote economic development;
- 25 12. Stimulate outreach to the community;
- 26 13. Promote access for economically disadvantaged students;
- 27 14. Increase access, retention, and advancement of African American
28 students; and
- 29 15. Promote equal education and employment opportunities.

30 SECTION 10. AND BE IT FURTHER ENACTED, That on or before January 1,
31 2002, the Board of Regents of the University System of Maryland and the Board of
32 Regents of Morgan State University each shall submit a report to the Governor, and
33 in accordance with § 2-1246 of the State Government Article, the General Assembly
34 on the status and effect of the implementation of the changes in procurement
35 authority granted under § 11-203(e) of the State Finance and Procurement Article.
36 On or before January 1, 2002, the Board of Regents of the University System of

1 Maryland shall submit a report to the Governor, and in accordance with § 2-1246 of
2 the State Government Article, the General Assembly on the status and effect of the
3 changes in the grievance procedures under Title 13, Subtitle 2 of the Education
4 Article.

5 SECTION ~~8~~ 11. AND BE IT FURTHER ENACTED, That the Governor is
6 requested to appoint a group to conduct a thorough review of higher education
7 reporting requirements with the goal of reducing the number of required reports to a
8 minimum. The group should consider:

- 9 (1) Eliminating redundant reports;
- 10 (2) Consolidating similar reports; and
- 11 (3) Developing a relational database capable of generating reports in
12 various formats.

13 By December 31, 1999, the group is requested to submit a report to the Governor
14 and, in accordance with § 2-1246 of the State Government Article, the General
15 Assembly, that includes recommendations for changes in State statute, regulations,
16 and policies of the University System of Maryland to achieve the reduction of required
17 reports.

18 SECTION 12. AND BE IT FURTHER ENACTED, That mission statements
19 currently under development in accordance with § 11-202 of the Education Article
20 shall be developed by the presidents of the public institutions of higher education,
21 submitted by the appropriate governing boards, and reviewed by the Maryland
22 Higher Education Commission by June 30, 1999 in accordance with the provisions of
23 law in effect prior to July 1, 1999. Since the State Plan for Higher Education will be
24 developed by April 30, 2000, revised mission statements, based on the new State Plan,
25 shall be submitted by June 30, 2000 for review by the Maryland Higher Education
26 Commission. On or before January 1, 2002, the Commission shall submit a report to
27 the Governor, and in accordance with § 2-1246 of the State Government Article, the
28 General Assembly on the impact of the mission statement development and review
29 process on the quality and accessibility of postsecondary education in Maryland.

30 SECTION ~~9~~ 13. AND BE IT FURTHER ENACTED, That Section 2 of this Act
31 shall take effect July 1, 1999. It shall remain effective for a period of 3 years and, at
32 the end of June 30, 2002, with no further action required by the General Assembly,
33 Section 2 of this Act shall be abrogated and of no further force and effect.

34 SECTION ~~10~~ 14. AND BE IT FURTHER ENACTED, That Section 3 of this Act
35 shall take effect July 1, 1999, contingent on the taking effect of Chapter
36 ____ (S.B.129/H.B.179) of the Acts of the General Assembly of 1999 and the inclusion
37 of the University System of Maryland in the applicability of the collective bargaining
38 provisions set forth in Chapter ____, and if Chapter ____ does not become effective or
39 the University System of Maryland is not subject to the collective bargaining
40 provisions in Chapter ____, Section 3 of this Act shall be null and void without the
41 necessity of further action by the General Assembly.

1 SECTION ~~44.~~ 15. AND BE IT FURTHER ENACTED, That this Act shall take
2 effect July 1, 1999.