

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

House Bill 597

(Chair, Appropriations Committee)

(By Request – Departmental – Higher Education Commission)

Appropriations

Budget and Taxation

Higher Education - Regional Centers - Approval to Operate in Maryland

This departmental bill requires a regional higher education center to either be approved by the Maryland Higher Education Commission (MHEC) or established in statute. In addition, all institutions of higher education partnering in a regional higher education center must be approved to operate in the State by either MHEC or an act of the General Assembly. MHEC must ensure that each regional higher education center provides access to affordable higher education programs in an underserved area and responds to the needs of the area it serves.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: MHEC could monitor and approve regional higher education centers with existing personnel and resources.

Local Effect: None.

Small Business Effect: MHEC has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: MHEC has statewide coordinating responsibility for regional higher education centers. MHEC may require a center to submit a strategic plan and may provide grants to a center if the center's operations are consistent with the State Plan for

Higher Education and the approved mission statement of the center. MHEC must administer programs of State support for regional higher education centers and ensure that courses and programs offered by a center are within the scope of its approved mission. Funds for a regional higher education center must be spent prudently and in accordance with State guidelines.

Regional higher education centers must: (1) provide access to affordable higher education programs to citizens in unserved and underserved areas; (2) respond to the needs of local businesses and industries; and (3) encourage participation by institutions of higher education for the benefit of students and serve the needs of, and provide programs to, elementary and secondary schools, business and industry, and governmental agencies.

Background: There are currently seven regional higher education centers in Maryland serving more than 6,000 students and offering more than 120 different academic programs. Two of the centers, Shady Grove and Hagerstown, are operated by the University System of Maryland. Five other centers – the Southern Maryland Higher Education Center, the Eastern Shore Higher Education Center, the Waldorf Center for Higher Education, the Higher Education and Applied Technology Center located in Harford County, and the Laurel Center – are operated through partnerships with a number of academic institutions as well as local governments and businesses. An eighth center at Arundel Mills has applied to MHEC for recognition as a regional higher education center, and the application is currently pending.

In response to a requirement in the 2004 *Joint Chairmen's Report* (JCR), MHEC convened a workgroup to examine the State's goals for regional higher education centers and funding mechanisms that will allow the centers to achieve the goals. In a report from October 2004, the workgroup recommended changes to statute that would require MHEC to approve regional higher education centers. This bill codifies that recommendation. The JCR response also notes that State operating and capital funding for regional higher education centers has been sporadic. The report suggests that "consistent and equitable" State funding will enable the centers to meet the needs of their regions.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2005
n/rhh

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