F2 (6lr3605)

### ENROLLED BILL

-- Budget and Taxation/Appropriations --

Introduced by Senators Conway, Britt, Currie, Exum, Gladden, Hughes, Jones, Kelley, Lawlah, and McFadden

and conduct a review of certain programs if a certain request for a certain

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	Read and Examined by Proofreaders:	
		Proofreade
	ed with the Great Seal and presented to the Governor, for his approval thisday of at o'clock,M.	Proofreader
		Presiden
	CHAPTER	
1 A	AN ACT concerning	
2 3	Institutions of Maryland Higher Education Commission - Review of Duplicative Academic Programs and Funding - Parity	
4 F	FOR the purpose of amending the Maryland Charter for Higher Education to require	
5	certain funding policies to allocate certain resources in a certain manner to	
6	certain similarly classified institutions of higher education; requiring the	
7	Maryland Higher Education Commission to ensure that parity exists between	
8 9	certain academic programs at certain institutions of higher education and that certain programs receive equitable and comparable funding; requiring the	
10	Commission to determine whether certain proposed academic programs meet	
11	certain requirements; prohibiting the Commission from approving certain	
12	duplicative academic programs; requiring the Commission to consider certain	
13	programs unnecessarily and unreasonably duplicative if the program meets	
14	certain criteria; requiring the Commission to review certain existing programs	
15	at certain institutions for certain reasons; requiring the Commission to initiate	

1	<del>determi</del>	nation is made by certain institutions; providing that certain decisions						
2	of the C	Commission concerning duplication of existing academic programs is						
3	<del>subject</del>	subject to administrative appeal and judicial review; requiring the Commission						
4	to contract with a consultant to conduct a comprehensive review of similarly							
5	classified institutions of higher education in the State for certain purposes;							
6	requirin	g the consultant to consider certain factors in the review required by						
7	this Act	; defining a certain term; and generally relating to institutions of higher						
8		on and parity of academic programs and funding requiring the Maryland						
9		Education Commission to make a certain determination concerning a						
10	progran	n approved or implemented after a certain date under certain						
11		tances; providing that certain decisions of the Commission concerning						
12		tion of academic programs are subject to judicial review in the circuit						
13		accordance with certain rules and certain provisions of the						
14		strative Procedure Act; and generally relating to the review of duplicative						
15		ic programs.						
1.0	D.V. 1'							
		ng and reenacting, with amendments,						
17		- Education						
18		10 101, 10 203, 11 105(h), and 11-206 and 11-206.1						
19		ted Code of Maryland						
20	(2004 R	Replacement Volume and 2005 Supplement)						
21	BY repealir	ng and reenacting, without amendments,						
22	Article	Education						
23	Section	11 105(a)						
24								
25	5 (2004 Replacement Volume and 2005 Supplement)							
26 27		ON 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF ND, That the Laws of Maryland read as follows:						
28		Article - Education						
29	<del>10 101.</del>							
30	<del>(a)</del>	In this division the following words have the meanings indicated.						
31	<del>(b)</del>	"Charter" means the Maryland Charter for Higher Education.						
32	<del>(c)</del>	"Commission" means the Maryland Higher Education Commission.						
33	<del>(d)</del>	"Governing board" means:						
2.4		(1) The Decod of Decode of the Unit of the Court of the Unit of th						
34		(1) The Board of Regents of the University System of Maryland;						
35		(2) The Board of Regents of Morgan State University;						
36		(3) The Board of Trustees of St. Mary's College of Maryland; and						

St. Mary's College of Maryland.

"Regional higher education center" means a higher education facility in the

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31

(k) 32 State that: (3)

3	a nonpublic institution General Assembly and	Is operated by a public institution of higher education in the State or of higher education operating under a charter granted by the includes participation by two or more institutions of higher
	education in the State;	
5	` '	Consists of an array of program offerings from institutions of higher
		operate in the State by the Commission or by an act of the specifically satisfies the criteria set forth in § 10-212(b) of this
	title;	specifically satisfies the effectia set forth in § 10-212(b) of this
9	<del>(3)</del>	Offers multiple degree levels; and
10		Is either approved by the Commission to operate in the State or is
11	established by statute.	
12	(1) "Secretar	ry" means the Secretary of Higher Education.
13	(M) "SIMILA	ARLY CLASSIFIED INSTITUTIONS" MEANS INSTITUTIONS OF
		ON THAT SHARE A SIMILAR CLASSIFICATION UNDER THE
		FICATION OF INSTITUTIONS OF HIGHER EDUCATION REPORT
10	PUBLISHED BY TH	E CARNEGIE FOUNDATION.
17		"State Plan for Higher Education" means the plan for postsecondary
		h required to be developed by the Maryland Higher Education
19	Commission under §	11 105(b) of this article.
20	<del>10 203.</del>	
21	(a) It is the g	toal of the State that public senior higher education institutions
	-	ent of funding guidelines developed by the Maryland Higher
23	Education Commissio	<del>11.</del>
24	(b) Funding	policies shall allocate State resources efficiently while providing
25	incentives for quality	and institutional diversity.
26	(C) FUNDIN	IG POLICIES SHALL ALLOCATE STATE RESOURCES COMPARABLY
27	AND EQUITABLY T	O SIMILARLY CLASSIFIED INSTITUTIONS OFFERING SIMILAR OR
28	DUPLICATE ACADI	<del>EMIC PROGRAMS.</del>
29 30	<del>[(c)]</del> <del>(D)</del> <del>shall include:</del>	Funding proposals for public senior higher education institutions
31	<del>(1)</del>	Base funding in accordance with the role and mission of the
		d by the Maryland Higher Education Commission;
33	<del>(2)</del>	Special initiative funding:
34		(i) For academic programs at historically African American
_	colleges and universit	· ·
36		(ii) For the reward of academic innovation and enhancement; and

1 2	of a physical	(3) plant that		Funding to support construction, operation, and maintenance stent with each institution's mission.
3	<del>[(d)]</del> <del>include:</del>	<del>(E)</del>	<del>(1)</del>	Funding proposals for regional higher education centers may
5 6	postsecondar	<del>y educati</del>	<del>(i)</del> ion in uns	Ongoing operating support to provide access to affordable served and underserved areas of the State;
7 8	institutions o	of higher (	<del>(ii)</del> education	Incentive funding to promote collaboration among the and regional higher education centers; and
	maintenance the center.	e of a phy	<del>(iii)</del> <del>'sical plar</del>	Capital funding to support construction, operation, and not consistent with the approved mission statement of
14	administered		<del>Jniversity</del>	ng funds for each regional higher education center that is y System of Maryland shall be included in the fice as a separate line item in the Governor's operating
18	provide reas		ecess to th	financial aid programs should be developed in order to ne appropriate academic programs for individuals who ne educationally disadvantaged, or who exhibit special
21		In additi	ion to any	other powers granted and duties imposed by this title
	duties set fo			imposed by law, the Commission has the powers and
24	,	The Cor	<del>nmission</del>	
	its authority		<del>ormat it re</del>	ure, compile, and evaluate information on any matter within equires, from any person, agency, regional higher subject to its authority;
28 29	concerning j	<del>(2)</del> postsecor		gage in research, data compilation, and publication of reports cation in the State;
	make reasor		ections o	tits representatives, may visit at any reasonable times and f any institution of postsecondary education or regional to its authority;
35		<del>s with ins</del>	he adequa	ltation with the segments of higher education, shall develop acy of operating and capital funding based on designated as peer institutions and other appropriate

1 2	(5) (I) SHALL ENSURE THAT PARITY EXISTS BETWEEN DUPLICATE ACADEMIC PROGRAMS THAT EXISTED ON OR BEFORE JULY 1, 2006 AT
3	GEOGRAPHICALLY PROXIMATE INSTITUTIONS AND THAT THE PROGRAMS RECEIVE EQUITABLE AND COMPARABLE FUNDING; AND
5 6	(II) IN ASSESSING COMPARABILITY AND PARITY AS REQUIRED UNDER ITEM (I) OF THIS PARAGRAPH, SHALL CONSIDER THE FOLLOWING CRITERIA:
	1. AN INSTITUTION'S STUDENT FACULTY RATIO AS IT RELATES TO THE CARNEGIE CLASSIFICATION, MISSION, AND COMPOSITION OF THE STUDENT BODY OF THE INSTITUTION;
10 11	
12 13	3. THE COMPOSITION AND QUALITY OF FACULTY AND STAF
14 15	4. THE QUALITY OF THE INSTITUTION'S FACILITIES, BOTH DEDICATED AND NONDEDICATED;
16 17	
18	6. THE AMOUNT OF OPERATIONAL FUNDING;
19	7. SCHOLARSHIPS AND FELLOWSHIPS; AND
20 21	8. ANY OTHER FACTORS THAT AID IN THE DETERMINATION OF PROGRAM PARITY; AND
24	[(5)] (6) In consultation with the Department of Budget and Management, annually shall make recommendations consistent with the Charter and the plan under subsection (b) of this section on the appropriate level of funding for higher education.
26	11-206.
27	(a) This section does not apply to:
	(1) New programs proposed to be implemented by public and nonpublic institutions of higher education using existing program resources in accordance with § 11-206.1 of this subtitle; and
	(2) Programs offered by institutions of higher education that operate in the State without a certificate of approval in accordance with § 11-202(c)(2) or (3) of this subtitle.
	(b) (1) Prior to the proposed date of implementation, the governing body of an institution of postsecondary education shall submit to the Commission each proposal for:

35 discontinuation of an ongoing program, is unable to complete such program.

2				on that receive State funds.
3	(e) ( a community c		his subsection.	, "governing board" includes the board of trustees of
5 6	`			shall adopt regulations establishing standards for s are unreasonably duplicative.
	,		ECESSARILY	OMMISSION MAY NOT APPROVE A NEW ACADEMIC AND UNREASONABLY DUPLICATES AN EXISTING
10 11		<del>(II)</del> ARILY ANI		OMMISSION SHALL CONSIDER A PROPOSED PROGRAM NABLY DUPLICATIVE IF THE PROGRAM:
	HIGHER EDI			DUPLICATES A PROGRAM OF ANOTHER INSTITUTION OF TTHIN 35 MILES OF THE INSTITUTION SEEKING OGRAM; AND
15 16		BERAL AR		A. IS A BACCALAUREATE LEVEL PROGRAM THAT IS NOT ENCE FOUNDATION COURSE; OR
17			<del>B.</del>	IS A GRADUATE LEVEL PROGRAM.
20	at public instit	cademic pro	ostsecondary e grams are unre	The Commission {may} SHALL review existing programs education if the Commission has reason to easonably duplicative or inconsistent with an
22	ŧ	(4) <del>]</del> (II)	The Con	nmission <del>may</del> :
	programs exis	( <u>I)</u> sts on its ow		ake a determination that an unreasonable duplication of SHALL INITIATE AND CONDUCT A REVIEW
28	affected public	ATION CON	of postsecond	receipt of a request for determination from any directly dary education, SHALL MAKE A PROGRAM THAT IS APPROVED OR IMPLEMENTED
30 31	(4) <del>(II)</del> of this	5) (i) subsection t		ommission makes a determination under paragraph on may:
32 33	continuation o	or modificat		Make recommendations to a governing board on the grams;
34 35	resolve the du	plication; a		Require any affected governing board to submit a plan to

1 2	3. Negotiate, as necessary, with any affected governing board until the unreasonable duplication is eliminated.
5 6 7 8	(ii) Notwithstanding the provisions of subparagraph (i) of this paragraph, if the Commission determines that 2 or more existing programs offered by institutions under the governance of different governing boards are unreasonably duplicative, the governing boards of the institutions of postsecondary education at which the programs are offered shall have 180 days from the date of the Commission's determination to formulate and present to the Commission a joint plan to eliminate the duplication.
	(iii) If in the Commission's judgment the plan satisfactorily eliminates the duplication, the governing board of the affected institutions shall be so notified and shall take appropriate steps to implement the plan.
15 16 17	(iv) If in the Commission's judgment the plan does not satisfactorily eliminate the duplication, or if no plan is jointly submitted within the time period specified in paragraph (6) (7) of this subsection, the governing board of the affected institutions shall be so notified. The Commission may then seek to eliminate the duplication by revoking the authority of a public institution of postsecondary education to offer the unreasonably duplicative program.
21	(6) A DECISION OF THE COMMISSION UNDER THIS SUBSECTION, BASED ON A REQUEST UNDER SUBSECTION (E)(4) OF THIS SECTION, IS SUBJECT TO JUDICIAL REVIEW IN THE CIRCUIT COURT IN ACCORDANCE WITH MARYLAND RULE 7-201 ET SEQ. AND § 10-222 OF THE STATE GOVERNMENT ARTICLE.
	(6) (7) (i) Prior to imposing a sanction under paragraph (5) of this subsection, the Commission shall give notice of the proposed sanction to the governing board of each affected institution.
	(ii) 1. Within 20 days of receipt of the notice, any affected institution may request an opportunity to meet with the Commission and present objections.
29 30	2. If timely requested, the Commission shall provide such opportunity prior to the Commission's decision to impose a sanction.
31 32	(iii) The Commission's decision [shall be final and] is [not] subject to further administrative appeal [or] AND judicial review.
33	SECTION 2. AND BE IT FURTHER ENACTED, That:
36 37 38	(a) On or after July 1, 2006, and subject to subsection (b) of this section, the Commission shall contract with an independent consultant to conduct a comprehensive review of similarly classified institutions of higher education in the State that offer similar academic programs. The consultant's review shall determine whether the State has distributed resources equitably so that the similarly classified institutions are comparable and are able to compete equally for the student
	population served by the duplicate academic programs;

	(b) institutions o consultant;			dies or a designee of the governing bodies of the that are being compared shall jointly select the
4 5	(e) conducting th			consultant shall consider the following factors in under subsection (a) of this section:
6		<del>(1)</del>	the distin	nctiveness of each institution's programmatic mission;
7 8	<del>programs;</del>	(2)	the uniq	ueness, quality, and mix of an institution's academic
11 12	academic pro	n of whet ograms o e, and wh	<del>her the fu</del> f <del>fered, he</del>	nal funding provided to the institution including unding is consistent with the mix and degree level of ow the funding supports the development of research funding is consistent with the academic profile of the
14 15	the institutio	<del>(4)</del> <del>n;</del>	the stude	ent faculty ratio and how the ratio supports the mission of
16 17	features of th			nse, functionality, and architectural quality of the physical
18 19				arance, attractiveness, ambiance, and security of the campus adscaping, and lighting;
20 21	access to pul			ounding public infrastructure including roads, lighting, and
22 23		<del>(8)</del> <del>nission a</del>		ability, quality, and adequacy of facilities necessary to arms offered by an institution;
24 25	of life on car	<del>(9)</del> npus; and		unt of funding required to support the student body's quality
26 27				or factors that the institutions or the consultant consider ining the comparability of the institutions; and
28 29	` /			all complete its review and submit its findings and mission on or before December 31, 2006.
30	<u>11-206.1.</u>			
31	<u>(a)</u>	In this se	ection the	e following words have the meanings indicated.
32		<u>(1)</u>	"Public i	institution of higher education" means:
33			<u>(i)</u>	A public senior higher education institution; and
34			<u>(ii)</u>	A community college.

1 2	accredited in	(2) stitution		blic institution of higher education" means a regionally education eligible for aid under § 17-103 of this title.
3	(b) establish a ne	(1) ew progra		lent of a public institution of higher education may propose to olish an existing program if the action:
5 6	under Subtitle	e 3 of thi	(i) s title; an	Is consistent with the institution's adopted mission statement d
7 8	the institution	<u>1.</u>	<u>(ii)</u>	Can be implemented within the existing program resources of
9 10	propose to es	<u>(2)</u> stablish a		lent of a nonpublic institution of higher education may gram if the action:
11 12	official catal	og of the	(i) nonpubl	Is consistent with the mission statement published in the ic institution; and
13 14	institution.		<u>(ii)</u>	Can be implemented within the existing resources of the
15 16 17			propose	sident of a public institution of higher education shall report d to be established or abolished in accordance with in to:
18			<u>(i)</u>	The institution's governing board; and
19			<u>(ii)</u>	The Maryland Higher Education Commission.
20 21 22			hat are p	roposed to be established in accordance with to the Commission.
23 24	all other inst	( <u>5)</u> itutions o		ceipt of a proposed new program, the Commission shall notify education in the State.
25	<u>(c)</u>	The gov	erning bo	pard of a public institution of higher education shall:
26		<u>(1)</u>	Review	the actions taken under subsection (b) of this section;
27 28	president:	<u>(2)</u>	Ensure t	hat any new program proposed to be established by a
29 30	under Subtit	le 3 of th	(i) is title;	Is consistent with the institution's approved mission statement
31 32	Maryland St	ate Plan	(ii) for Posts	Meets a regional or statewide need consistent with the econdary Education;
33 34	consultation	with the	(iii) Commis	Meets criteria for the quality of new programs, developed in sion; and

1 2	(iv) Can be implemented within the existing program resources of the institution, verified by a process established in consultation with the Commission.
5	(d) The Board of Regents of the University System of Maryland shall approve the proposed new program within 60 days if the program meets the criteria in subsection (c)(2) of this section, subject to the provisions of subsections (e) and (f) of this section.
9 10	(e) Within 30 days of receipt of a notice of an institution's intent to establish a new program in accordance with subsection (b) of this section, the Commission may file, or the institutions of higher education in the State may file with the Commission, an objection to implementation of a proposed program provided the objection is based on:
14	(1) Inconsistency of the proposed program with the institution's approved mission for a public institution of higher education and the mission statement published in the official catalog of a nonpublic institution of higher education;
16 17	(2) Not meeting a regional or statewide need consistent with the Maryland State Plan for Postsecondary Education;
18 19	(3) <u>Unreasonable program duplication which would cause demonstrable</u> harm to another institution; or
20 21	(4) <u>Violation of the State's equal educational opportunity obligations</u> <u>under State and federal law.</u>
24	(f) (1) If an objection is filed under subsection (e) of this section by the Commission or an institution within 30 days of receipt of a notice of an institution's intent to establish a new program, the Commission shall immediately notify the institution's governing board and president.
26 27	(2) The Commission shall determine if an institution's objection is justified based on the criteria in subsection (e) of this section.
28 29	(3) An objection shall be accompanied by detailed information supporting the reasons for the objection.
	(4) If the Commission determines that an objection is justified, the Commission shall negotiate with the institution's governing board and president to modify the proposed program in order to resolve the objection.
35	(5) If the objection cannot be resolved within 30 days of receipt of an objection, the Commission shall make a final determination on approval of the new program for a public institution of higher education or a final recommendation on implementation for a nonpublic institution of higher education.
37 38	(6) A DECISION OF THE COMMISSION UNDER THIS SUBSECTION, AFTER AN OBJECTION UNDER SUBSECTION (E)(3) OF THIS SECTION, IS SUBJECT TO

	JUDICIAL REVIEW IN THE CIRCUIT COURT IN ACCORDANCE WITH MARYLAND RULE 7-201 ET SEQ. AND § 10-222 OF THE STATE GOVERNMENT ARTICLE.				
3	<u>(g)</u> <u>(1)</u>	The Con	mmission shall:		
4 5	section that are incon	<u>(i)</u> sistent wi	Identify programs established under subsection (b) of this ith the State Plan for Higher Education; and		
6 7	higher education.	<u>(ii)</u>	Identify low productivity programs at public institutions of		
	(2) forth in paragraph (1) the institution.		ommission identifies any programs that meet the criteria set absection, the Commission shall notify the president of		
	paragraph (2) of this provide to the Comm	subsection	ommission notifies a president of an institution under on, within 60 days the president of the institution shall writing:		
14		<u>(i)</u>	An action plan to abolish or modify the program; or		
15		<u>(ii)</u>	Justification for the continuation of the program.		
	16 (h) The Commission and the governing boards of the public institutions of 17 higher education shall jointly develop a definition and accepted criteria for 18 determining low productivity programs.				
19	(i) The Co	mmission	shall:		
20 21	(1) under this section;	<u>Monitor</u>	the program development and review process established		
	the State Government duplication or prolife	t Article,	annually to the Governor and, in accordance with § 2-1246 of the General Assembly on the nature and extent of any programs; and		
	subsection to the publinstitutions of higher	olic institu	vailable a copy of the report under paragraph (2) of this utions of higher education and the nonpublic n.		
28 29	SECTION 3. 2. effect July 1, 2006.	AND BE	IT FURTHER ENACTED, That this Act shall take		