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By: Senators Conway, Britt, Currie, Exum, Gladden, Hughes, Jones, Kelley, Lawlah, and McFadden

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Committee Report: Favorable with amendments

Senate action: Adopted

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CHAPTER

### 1 AN ACT concerning

2 Institutions of Maryland Higher Education Commission - Review of 3 **Duplicative Academic Programs and Funding - Parity** 

FOR the purpose of amending the Maryland Charter for Higher Education to require 4

- 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 certain academic programs at certain institutions of higher education and that
- 9 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
- and conduct a review of certain programs if a certain request for a certain 16
- determination is made by certain institutions; providing that certain decisions 17
- of the Commission concerning duplication of existing academic programs is 18 19 subject to administrative appeal and judicial review; requiring the Commission
- 20
- to contract with a consultant to conduct a comprehensive review of similarly
- 21 classified institutions of higher education in the State for certain purposes;
- 22 requiring the consultant to consider certain factors in the review required by
- this Act; defining a certain term; and generally relating to institutions of higher 23
- 24 education and parity of academic programs and funding requiring the Maryland
- 25 Higher Education Commission to make a certain determination concerning a
- 26 program implemented after a certain date under certain circumstances;

31

<del>(4)</del>

1 2 3 4	providing that certain decisions of the Commission concerning duplication of academic programs are subject to judicial review in the circuit court in accordance with certain rules; and generally relating to the review of duplicative academic programs.							
5 6 7 8 9	BY repealing and reenacting, with amendments, Article - Education Section <del>10-101, 10-203, 11-105(h), and 11-206 and 11-206.1</del> Annotated Code of Maryland (2004 Replacement Volume and 2005 Supplement)							
11 12 13 14	BY repealing and reenacting, without amendments, Article Education Section 11-105(a) Annotated Code of Maryland (2004 Replacement Volume and 2005 Supplement)  SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF							
17	MARILAN	iD, Tha	t the Laws of Maryland read as follows:  Article - Education					
18	<del>10-101.</del>							
19	<del>(a)</del>	In this	division the following words have the meanings indicated.					
20	<del>(b)</del>	"Chart	er" means the Maryland Charter for Higher Education.					
21	<del>(c)</del>	"Comr	nission" means the Maryland Higher Education Commission.					
22	<del>(d)</del>	"Gove	rning board" means:					
23		<del>(1)</del>	The Board of Regents of the University System of Maryland;					
24		<del>(2)</del>	The Board of Regents of Morgan State University;					
25		<del>(3)</del>	The Board of Trustees of St. Mary's College of Maryland; and					
26		<del>(4)</del>	The Board of Trustees of Baltimore City Community College.					
27	<del>(e)</del>	"Gove	rning body" means:					
28		<del>(1)</del>	A governing board;					
29		<del>(2)</del>	A board of trustees of a community college;					
30		<del>(3)</del>	The governing entity of nonpublic institutions of higher education; or					

The governing entity of a regional higher education center.

1	<del>(f)</del>	"Institut	ion of higher education" means an institution of postsecondary
2	education the		lly limits enrollment to graduates of secondary schools, and
			er the associate, baccalaureate, or graduate level.
	C		, 2
4	<del>(g)</del>	<del>(1)</del>	"Institution of postsecondary education" means a school or other
5		at offers	an educational program in the State for individuals who are at
			who have graduated from or left elementary or secondary
	school.	o ora arra	who have graduated from or fert elementary or secondary
′	school.		
8		<del>(2)</del>	"Institution of postsecondary education" does not include:
		(-)	
9			(i) Any adult education, evening high school, or high school
10	equivalence	program	conducted by a public school system of the State; or
	1	1 6	,
11			(ii) Any apprenticeship or on the job training program subject to
	annroval hy	the Annr	renticeship and Training Council.
12	approvar by	the rippi	entreesing and Training Council.
13	<del>(h)</del>	"Drivate	career school" means a privately owned and privately operated
	` '		ondary education other than an institution of higher education
			rs to furnish programs, whether or not requiring a payment of
			purpose of training, retraining, or upgrading individuals for
			as skilled or semiskilled workers or technicians in recognized
18	occupations	or in nev	v and emerging occupations.
19	<del>(i)</del>	"Prograi	m" or "educational program" means an organized course of study
20	that leads to	the awar	d of a certificate, diploma, or degree.
21	<del>(j)</del>	"Public	senior higher education institution" means:
22		<del>(1)</del>	The constituent institutions of the University System of Maryland;
23		<del>(2)</del>	Morgan State University; and
24		<del>(3)</del>	St. Mary's College of Maryland.
25	<del>(k)</del>	"Region	al higher education center" means a higher education facility in the
26	State that:		
27		<del>(1)</del>	Is operated by a public institution of higher education in the State or
28	a nonpublic	institutio	n of higher education operating under a charter granted by the
			nd includes participation by two or more institutions of higher
	education in	-	
			,
31		<del>(2)</del>	Consists of an array of program offerings from institutions of higher
	education ar	` /	o operate in the State by the Commission or by an act of the
			at specifically satisfies the criteria set forth in § 10 212(b) of this
	title;	Chiory th	at specifically satisfies the effecta set forth in § 10 212(0) of this
J <b>T</b>	uuc,		
35		<del>(3)</del>	Offers multiple degree levels; and
22		(2)	oriero manipio degree revers, and

1 2	established b	<del>(4)</del> <del>y statute.</del>		approved by the Commission to operate in the State or is
3	<del>(1)</del>	"Secreta	<del>ry" mear</del>	as the Secretary of Higher Education.
6	<b>CARNEGIE</b>	OUCATION CLASSI	ON THAT FICATIO	LASSIFIED INSTITUTIONS" MEANS INSTITUTIONS OF T SHARE A SIMILAR CLASSIFICATION UNDER THE ON OF INSTITUTIONS OF HIGHER EDUCATION REPORT EGIE FOUNDATION.
	education an	<del>d researc</del>	<del>h require</del>	lan for Higher Education" means the plan for postsecondary d to be developed by the Maryland Higher Education o) of this article.
11	<del>10-203.</del>			
		100 perc	ent of fu	ne State that public senior higher education institutions nding guidelines developed by the Maryland Higher
15 16				shall allocate State resources efficiently while providing tutional diversity.
18		TABLY '	<del>TO SIMI</del>	ICIES SHALL ALLOCATE STATE RESOURCES COMPARABLY LARLY CLASSIFIED INSTITUTIONS OFFERING SIMILAR OR ROGRAMS.
	<del>[(c)]</del> shall include		Funding	proposals for public senior higher education institutions
22 23	<del>institution, ε</del>	(1) as approv		nding in accordance with the role and mission of the Maryland Higher Education Commission;
24		<del>(2)</del>	Special	initiative funding:
25 26	colleges and	l universi		For academic programs at historically African American
27			<del>(ii)</del>	For the reward of academic innovation and enhancement; and
28 29	of a physica	<del>(3)</del> <del>l plant th</del>	Capital i	funding to support construction, operation, and maintenance istent with each institution's mission.
30 31	<del>[(d)]</del> <del>include:</del>	<del>(E)</del>	<del>(1)</del>	Funding proposals for regional higher education centers may
32 33	postseconda	<del>ry educat</del>	<del>(i)</del> ion in un	Ongoing operating support to provide access to affordable served and underserved areas of the State;
34 35	institutions (	of higher	<del>(ii)</del> educatio	Incentive funding to promote collaboration among the n and regional higher education centers; and

	(iii) Capital funding to support construction, operation, and maintenance of a physical plant consistent with the approved mission statement of the center.
6	(2) Operating funds for each regional higher education center that is administered by the University System of Maryland shall be included in the appropriation of the system office as a separate line item in the Governor's operating budget.
10	[(e)] (F) Student financial aid programs should be developed in order to provide reasonable access to the appropriate academic programs for individuals who exhibit financial need, who are educationally disadvantaged, or who exhibit special merit.
13 14	(a) In addition to any other powers granted and duties imposed by this title and subject to any restrictions imposed by law, the Commission has the powers and duties set forth in this section.
16	(h) The Commission:
	(1) May secure, compile, and evaluate information on any matter within its authority, in the format it requires, from any person, agency, regional higher education center, or institution subject to its authority;
20 21	(2) May engage in research, data compilation, and publication of reports concerning postsecondary education in the State;
	(3) Through its representatives, may visit at any reasonable times and make reasonable inspections of any institution of postsecondary education or regional higher education center subject to its authority;
27	(4) In consultation with the segments of higher education, shall develop guidelines to assess the adequacy of operating and capital funding based on comparisons with institutions designated as peer institutions and other appropriate factors; [and]
31	(5) (I) SHALL ENSURE THAT PARITY EXISTS BETWEEN DUPLICATE ACADEMIC PROGRAMS THAT EXISTED ON OR BEFORE JULY 1, 2006 AT GEOGRAPHICALLY PROXIMATE INSTITUTIONS AND THAT THE PROGRAMS RECEIVE EQUITABLE AND COMPARABLE FUNDING; AND
33 34	(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;

1 2	THE NEEDS OF THE STUI	<del>2.</del> DENT PO	THE DISTRIBUTION OF FINANCIAL AID CONSISTENT WITH PULATION SERVED BY THE INSTITUTION;
3	AT THE INSTITUTION;	<del>3.</del>	THE COMPOSITION AND QUALITY OF FACULTY AND STAFF
5 6	DEDICATED AND NONDE	4 <del>.</del> EDICATE	THE QUALITY OF THE INSTITUTION'S FACILITIES, BOTH D;
7 8	CENTERS AND INSTITUT	<del>5.</del> <del>ES;</del>	THE QUALITY AND EXISTENCE OF AUXILIARY RESEARCH
9		<del>6.</del>	THE AMOUNT OF OPERATIONAL FUNDING;
10		<del>7.</del>	SCHOLARSHIPS AND FELLOWSHIPS; AND
11 12	OF PROGRAM PARITY; A	<del>8.</del> ND	ANY OTHER FACTORS THAT AID IN THE DETERMINATION
15		make rec	ultation with the Department of Budget and ommendations consistent with the Charter and oction on the appropriate level of funding for
17	11-206.		
18	(a) This section do	es not app	ly to:
		on using e	proposed to be implemented by public and nonpublic existing program resources in accordance with
			d by institutions of higher education that operate in val in accordance with § 11-202(c)(2) or (3) of
			osed date of implementation, the governing body of on shall submit to the Commission each
28	(i)	A new	program; or
29	(ii)	A subst	antial modification of an existing program.
30	(2) The Co	ommissio	n shall review each such proposal and:
31 32	( <del>I)</del> REQUIREMENTS OF SUB		RMINE WHETHER THE PROPOSAL MEETS THE VERY CONTROL OF THIS SECTION; AND
33 34	{(i)} postsecondary education, eit	( <del>II)</del> her approv	4. With respect to each public institution of we or disapprove the proposal;

	education, either reco		2. nat the pr	With respect to each nonpublic institution of higher roposal be implemented or that the proposal
4 5	disapprove the propos	<del>[</del> (iii) <del>]</del> sal.	<del>3.</del>	With respect to a private career school, either approve or
6 7	(3) submission of the cor			on fails to act within 60 days of the date of the proposal shall be deemed approved.
	(4) institution of postseco proposal without the	ondary edi	acation a	led in paragraph (3) of this subsection, a public and private career school may not implement a the Commission.
13		7-105 of t	his articl	led in paragraph (3) of this subsection, and subject to le, a nonpublic institution of higher education received a positive recommendation by the
	(6) shall provide to the g the reasons for the di	overning	body tha	ommission disapproves a proposal, the Commission at submits the proposal a written explanation of
	for disapproval, the g Commission for appr	governing		evising a proposal to address the Commission's reasons ay submit the revised proposal to the
	(c) (1) that proposes to disco the Commission spec	ontinue an		nuation, each institution of postsecondary education g program shall provide written notification to
24		(i)	The nan	me of the program; and
25		(ii)	The exp	pected date of discontinuation.
	-	of a refur	nd to any	ation, the Commission may require the payment by a y student or enrollee who, because of the a, is unable to complete such program.
29 30				view and make recommendations on programs in ion that receive State funds.
31 32	(e) (1) a community college		ıbsection	n, "governing board" includes the board of trustees of
33 34	(2) determining whether			n shall adopt regulations establishing standards for ms are unreasonably duplicative.

_	(3) PROGRAM THAT U ACADEMIC PROGR	( <del>I)</del> NNECE LAM.	THE CO SSARIL	OMMISSION MAY NOT APPROVE A NEW ACADEMIC Y AND UNREASONABLY DUPLICATES AN EXISTING
4 5	UNNECESSARILY A	<del>(II)</del> AND UN		OMMISSION SHALL CONSIDER A PROPOSED PROGRAM NABLY DUPLICATIVE IF THE PROGRAM:
	HIGHER EDUCATION APPROVAL OF THE			DUPLICATES A PROGRAM OF ANOTHER INSTITUTION OF ITHIN 35 MILES OF THE INSTITUTION SEEKING OGRAM; AND
9 10	A BASIC LIBERAL	ARTS A	<del>2.</del> ND SCII	A. IS A BACCALAUREATE LEVEL PROGRAM THAT IS NOT ENCE FOUNDATION COURSE; OR
11			<del>B.</del>	IS A GRADUATE LEVEL PROGRAM.
14		progran		The Commission [may] SHALL review existing programs education if the Commission has reason to reasonably duplicative or inconsistent with an
16	<del>[</del> (4) <del>]</del>	<del>(II)</del>	The Cor	nmission <del>may</del> :
	programs exists on its	( <u>I)</u> s own ini	MAY m tiative <del>or</del>	ake a determination that an unreasonable duplication of SHALL INITIATE AND CONDUCT A REVIEW
22	affected public institu	CONCE	ostsecon	receipt of a request for determination from any directly dary education, SHALL MAKE A PROGRAM THAT IS APPROVED OR IMPLEMENTED
24 25	(5) (4) <del>(II)</del> of this subsect	(i) ion the C		ommission makes a determination under paragraph on may:
26 27	continuation or modi	fication o	1. of the pro	Make recommendations to a governing board on the grams;
28 29	resolve the duplication	on; and	2.	Require any affected governing board to submit a plan to
30 31	until the unreasonable	e duplica	3. tion is eli	Negotiate, as necessary, with any affected governing board minated.
34 35	institutions under the duplicative, the gover	governa rning boa	determin nce of dif ards of the	standing the provisions of subparagraph (i) of this es that 2 or more existing programs offered by ferent governing boards are unreasonably e institutions of postsecondary education at ave 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.
8 9 10	(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.
14	(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.
22 23	2. If timely requested, the Commission shall provide such opportunity prior to the Commission's decision to impose a sanction.
24 25	(iii) The Commission's decision {shall be final and} is {not} subject to further administrative appeal {or} AND judicial review.
26	SECTION 2. AND BE IT FURTHER ENACTED, That:
29 30 31 32	(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) the governing bodies or a designee of the governing bodies of the institutions of higher education that are being compared shall jointly select the consultant;
37 38	(c) the independent consultant shall consider the following factors in conducting the review required under subsection (a) of this section:

1		<del>(1)</del>	the distinctiveness of each institution's programmatic mission;
2 3	<del>programs;</del>	<del>(2)</del>	the uniqueness, quality, and mix of an institution's academic
6 7	academic pro	ograms of e, and wh	operational funding provided to the institution including ter the funding is consistent with the mix and degree level of fered, how the funding supports the development of research ether the funding is consistent with the academic profile of the
9 10	the institution	<del>(4)</del> <del>on;</del>	the student faculty ratio and how the ratio supports the mission of
11 12	features of the		the expanse, functionality, and architectural quality of the physical ion;
13 14	including pa		the appearance, attractiveness, ambiance, and security of the campus ways, landscaping, and lighting;
15 16	access to pu	<del>(7)</del> <del>blic trans</del>	the surrounding public infrastructure including roads, lighting, and portation;
17 18	support the 1	(8) mission a	the availability, quality, and adequacy of facilities necessary to ad programs offered by an institution;
19 20	of life on car	<del>(9)</del> <del>mpus; an</del>	the amount of funding required to support the student body's quality
21 22	necessary or	<del>(10)</del> helpful i	any other factors that the institutions or the consultant consider determining the comparability of the institutions; and
23 24	( <del>d)</del> recommenda		ultant shall complete its review and submit its findings and the Commission on or before December 31, 2006.
25	<u>11-206.1.</u>		
26	<u>(a)</u>	In this se	ction the following words have the meanings indicated.
27		<u>(1)</u>	"Public institution of higher education" means:
28			(i) A public senior higher education institution; and
29			(ii) A community college.
30 31	accredited in	(2) estitution	"Nonpublic institution of higher education" means a regionally of higher education eligible for aid under § 17-103 of this title.
32 33	(b) establish a n	(1) ew progr	A president of a public institution of higher education may propose to am or abolish an existing program if the action:

1 2	under Subtitle 3 of the	(i) is title; a	Is consistent with the institution's adopted mission statement and
3 4	the institution.	<u>(ii)</u>	Can be implemented within the existing program resources of
5 6	(2) propose to establish a	-	dent of a nonpublic institution of higher education may gram if the action:
7 8	official catalog of the	(i) e nonpubl	Is consistent with the mission statement published in the ic institution; and
9 10	institution.	<u>(ii)</u>	Can be implemented within the existing resources of the
	(3) any programs that ar paragraph (1) of this	e propose	sident of a public institution of higher education shall report ed to be established or abolished in accordance with on to:
14		<u>(i)</u>	The institution's governing board; and
15		<u>(ii)</u>	The Maryland Higher Education Commission.
		that are p	sident of a nonpublic institution of higher education shall proposed to be established in accordance with on to the Commission.
19 20	(5) all other institutions		eceipt of a proposed new program, the Commission shall notify education in the State.
21	(c) The go	verning b	oard of a public institution of higher education shall:
22	<u>(1)</u>	Review	the actions taken under subsection (b) of this section;
23 24	<u>(2)</u> president:	Ensure	that any new program proposed to be established by a
25 26	under Subtitle 3 of the	(i) his title;	Is consistent with the institution's approved mission statement
27 28	Maryland State Plan	(ii) for Posts	Meets a regional or statewide need consistent with the econdary Education;
29 30	consultation with the	(iii) e Commis	Meets criteria for the quality of new programs, developed in ssion; and
31 32	the institution, verifi	(iv) ed by a p	Can be implemented within the existing program resources of rocess established in consultation with the Commission.
33 34			gents of the University System of Maryland shall approve thin 60 days if the program meets the criteria in

1 subsection (c)(2) of this section, subject to the provisions of subsections (e) and (f) of 2 this section. 3 (e) Within 30 days of receipt of a notice of an institution's intent to establish a 4 new program in accordance with subsection (b) of this section, the Commission may 5 file, or the institutions of higher education in the State may file with the Commission, 6 an objection to implementation of a proposed program provided the objection is based 7 <u>on:</u> 8 <u>(1)</u> Inconsistency of the proposed program with the institution's 9 approved mission for a public institution of higher education and the mission 10 statement published in the official catalog of a nonpublic institution of higher 11 education; 12 Not meeting a regional or statewide need consistent with the 13 Maryland State Plan for Postsecondary Education; 14 Unreasonable program duplication which would cause demonstrable 15 harm to another institution; or 16 Violation of the State's equal educational opportunity obligations 17 under State and federal law. 18 If an objection is filed under subsection (e) of this section by the (f) (1) 19 Commission or an institution within 30 days of receipt of a notice of an institution's 20 intent to establish a new program, the Commission shall immediately notify the 21 institution's governing board and president. 22 The Commission shall determine if an institution's objection is 23 justified based on the criteria in subsection (e) of this section. 24 An objection shall be accompanied by detailed information (3) 25 supporting the reasons for the objection. 26 If the Commission determines that an objection is justified, the 27 Commission shall negotiate with the institution's governing board and president to modify the proposed program in order to resolve the objection. 29 If the objection cannot be resolved within 30 days of receipt of an 30 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 32 implementation for a nonpublic institution of higher education. A DECISION OF THE COMMISSION UNDER THIS SUBSECTION. AFTER 33 34 AN OBJECTION UNDER SUBSECTION (E)(3) OF THIS SECTION, IS SUBJECT TO 35 JUDICIAL REVIEW IN THE CIRCUIT COURT IN ACCORDANCE WITH MARYLAND RULE 36 7-201 ET SEQ. AND § 10-222 OF THE STATE GOVERNMENT ARTICLE. 37 (g) (1) The Commission shall:

1 2		<u>(i)</u> istent wi	Identify programs established under subsection (b) of this the State Plan for Higher Education; and
3 4	higher education.	<u>(ii)</u>	Identify low productivity programs at public institutions of
			ommission identifies any programs that meet the criteria set absection, the Commission shall notify the president of
		ubsection	ommission notifies a president of an institution under n, within 60 days the president of the institution shall writing:
11		<u>(i)</u>	An action plan to abolish or modify the program; or
12		<u>(ii)</u>	Justification for the continuation of the program.
13 14 15	higher education shall	l jointly o	and the governing boards of the public institutions of develop a definition and accepted criteria for programs.
16	(i) The Com	nmission	shall:
17 18	(1) under this section;	<u>Monitor</u>	the program development and review process established
	· · · · · · · · · · · · · · · · · · ·	Article,	the General Assembly on the nature and extent of any programs; and
		ic institu	vailable a copy of the report under paragraph (2) of this utions of higher education and the nonpublic n.
25 26	SECTION 3. 2. A effect July 1, 2006.	ND BE	IT FURTHER ENACTED, That this Act shall take