

**Department of Legislative Services**  
**Maryland General Assembly**  
**2006 Session**

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 313 (Senator Conway, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

**Community Colleges - Baltimore City Community College - Governance**

This bill increases the required annual appropriation from Baltimore City to the Baltimore City Community College (BCCC) from \$800,000 to \$1,000,000 beginning July 1, 2006. The bill also makes modifications to the powers and authority of the BCCC president and board of trustees.

The bill takes effect June 1, 2006.

**Fiscal Summary**

**State Effect:** Higher education revenues and expenditures would increase by \$200,000 annually beginning in FY 2007 due to the additional funding for BCCC provided by Baltimore City. The bill would not impact the State’s annual general fund appropriation for BCCC.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Higher Ed Rev.	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Higher Ed Exp.	200,000	200,000	200,000	200,000	200,000
Net Effect	\$0	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Baltimore City expenditures would increase by \$200,000 annually beginning in FY 2007 to provide the required city appropriation to BCCC. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

## Analysis

**Bill Summary:** Beginning in fiscal 2007, Baltimore City must provide at least \$1 million annually to BCCC. Of this amount, at least \$400,000 must be used to provide tuition reimbursements or scholarships to BCCC students. The remainder of the funding must be expended in a manner consistent with the educational mission of the college. The BCCC Board of Trustees must report annually on the expenditure of the funds received from Baltimore City.

The bill prohibits the BCCC Board of Trustees from participating in the day-to-day operations of BCCC, and its authority to establish policies is limited to broad policy and long-range planning. The board of trustees is required to appoint an interim BCCC president to perform the duties of the president within 90 days after the position becomes vacant, but may not appoint a member of the board to the position. The BCCC president must act as the sole liaison between the board and BCCC's faculty, administrators, and staff.

**Current Law:** Baltimore City must provide \$800,000 annually to BCCC to support education at the college, including \$500,000 that must be used to provide tuition reimbursements or scholarships to BCCC students. The other \$300,000 must be used in a manner consistent with the educational mission of BCCC.

The board of trustees of BCCC consists of nine members appointed by the Governor with the advice and consent of the Senate. The board exercises general control and management of BCCC. The board appoints the BCCC president and may establish other offices and provide for the appointment of qualified persons to those offices. The president reports directly to the board of trustees and hires and discharges employees as authorized by the board.

**Background:** In November 2004, the Maryland Higher Education Commission completed an evaluation of BCCC to determine whether the college was in compliance with the *Minimum Requirements for Degree-granting Institutions* in the *Code of Maryland Regulations* (COMAR). The evaluation was conducted in response to concerns with actions taken by the BCCC Board of Trustees over the previous year. The report found that the board, while acting within its statutory authority, was operating beyond the regulatory authority granted to higher education governing boards. The report further noted that the statutory authority granted to the board is greater than the authority granted to the other locally-operated community colleges in the State. Several recommendations were made to align the BCCC board's statutory authority with COMAR and the boards of trustees for other community colleges.

BCCC has a mission to provide “outstanding educational, cultural, and social experiences” and to offer “accessible, affordable, comprehensive programs.” Unlike the rest of the State’s community colleges, BCCC is operated by the State. The fiscal 2007 State budget includes \$35.1 million in State general funds for BCCC. The full budget for BCCC, including State funds as well as tuition and fees and other revenue sources, is \$80.3 million.

**State Fiscal Effect:** Higher education revenues and expenditures would increase by \$200,000 annually beginning in fiscal 2007 due to the increase in the required payment from Baltimore City to BCCC. Of the total \$1 million annual appropriation from Baltimore City, BCCC must use at least \$400,000 to provide tuition reimbursements or scholarships to BCCC students. The remaining funds must be expended in a manner consistent with the educational mission of the college. BCCC advises that the current \$800,000 appropriation from Baltimore City is used exclusively for tuition reimbursements and scholarships.

**Local Expenditures:** Baltimore City expenditures would increase by \$200,000 in fiscal 2007 to provide the required \$1 million appropriation to BCCC. The bill states that the source of the funding is not limited to tax or fee revenues generated by the city.

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### Additional Information

**Prior Introductions:** A similar bill was introduced last year as SB 672. Different versions of the bill were passed in the two chambers. The Senate appointed conference committee members to resolve the differences, but the House did not.

**Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission, Baltimore City, Baltimore City Community College, Department of Legislative Services

**Fiscal Note History:** First Reader - February 13, 2006  
ncs/rhh Revised - Senate Third Reader - April 3, 2006  
Revised - Enrolled Bill - May 4, 2006

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