

SENATE BILL 623

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SB 809/07 – B&T

8lr1689

By: **Senators Rosapepe, Brochin, Colburn, Currie, DeGrange, Dyson, Exum, Forehand, Frosh, Garagiola, Jones, King, Klausmeier, Lenett, Madaleno, McFadden, Middleton, Muse, Peters, Pinsky, Pugh, Raskin, Robey, Stone, and Zirkin**

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Tuition Cap and College Opportunity Act of 2008**

3 FOR the purpose of requiring the State to provide certain General Fund support for
4 the University System of Maryland and Morgan State University; requiring the
5 Maryland Higher Education Commission to calculate, on or before a certain
6 date each year, the funding guideline for the constituent institutions of the
7 University System of Maryland and for Morgan State University; requiring the
8 Governor to include in the annual budget submission for certain fiscal years a
9 certain amount of State General Fund support for the University System of
10 Maryland and Morgan State University; requiring the Board of Regents of the
11 University System of Maryland to submit a biannual report beginning on a
12 certain date regarding certain policies and procedures; limiting, to no more than
13 a certain percent for certain academic years, the amount of the annual increase
14 in tuition that may be charged each academic year to a resident undergraduate
15 student at certain public senior higher education institutions in Maryland;
16 providing that a certain tuition limitation only applies if certain institutions
17 receive a certain General Fund appropriation and the Board of Public Works
18 does not reduce the funding of certain institutions; declaring the intent of the
19 General Assembly; defining certain terms; and generally relating to State
20 support for and tuition at public senior higher education institutions in
21 Maryland.

22 BY repealing and reenacting, with amendments,
23 Article – Education
24 Section 10–101
25 Annotated Code of Maryland
26 (2006 Replacement Volume and 2007 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article – Education
3 Section 10–203(a)
4 Annotated Code of Maryland
5 (2006 Replacement Volume and 2007 Supplement)

6 BY adding to
7 Article – Education
8 Section 11–108, 12–117, and 15–106.7
9 Annotated Code of Maryland
10 (2006 Replacement Volume and 2007 Supplement)

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

13 **Article – Education**

14 10–101.

15 (a) In this division the following words have the meanings indicated.

16 (b) “Charter” means the Maryland Charter for Higher Education.

17 (c) “Commission” means the Maryland Higher Education Commission.

18 (d) “Governing board” means:

19 (1) The Board of Regents of the University System of Maryland;

20 (2) The Board of Regents of Morgan State University;

21 (3) The Board of Trustees of St. Mary’s College of Maryland; and

22 (4) The Board of Trustees of Baltimore City Community College.

23 (e) “Governing body” means:

24 (1) A governing board;

25 (2) A board of trustees of a community college;

26 (3) The governing entity of nonpublic institutions of higher education;

27 or

28 (4) The governing entity of a regional higher education center.

1 (f) “Institution of higher education” means an institution of postsecondary
2 education that generally limits enrollment to graduates of secondary schools, and
3 awards degrees at either the associate, baccalaureate, or graduate level.

4 (g) (1) “Institution of postsecondary education” means a school or other
5 institution that offers an educational program in the State for individuals who are at
6 least 16 years old and who have graduated from or left elementary or secondary
7 school.

8 (2) “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

11 (ii) Any apprenticeship or on-the-job training program subject
12 to approval by the Apprenticeship and Training Council.

13 (h) “Private career school” means a privately owned and privately operated
14 institution of postsecondary education other than an institution of higher education
15 that furnishes or offers to furnish programs, whether or not requiring a payment of
16 tuition or fee, for the purpose of training, retraining, or upgrading individuals for
17 gainful employment as skilled or semiskilled workers or technicians in recognized
18 occupations or in new and emerging occupations.

19 (i) “Program” or “educational program” means an organized course of study
20 that leads to the award of a certificate, diploma, or degree.

21 (j) “Public senior higher education institution” means:

22 (1) The constituent institutions of the University System of Maryland;

23 (2) Morgan State University; and

24 (3) St. Mary’s College of Maryland.

25 (k) “Regional higher education center” means a higher education facility in
26 the State that:

27 (1) Is operated by a public institution of higher education in the State
28 or a nonpublic institution of higher education operating under a charter granted by
29 the General Assembly and includes participation by two or more institutions of higher
30 education in the State;

31 (2) Consists of an array of program offerings from institutions of
32 higher education approved to operate in the State by the Commission or by an act of
33 the General Assembly that specifically satisfies the criteria set forth in § 10–212(b) of
34 this title;

1 (3) Offers multiple degree levels; and

2 (4) Is either approved by the Commission to operate in the State or is
3 established by statute.

4 (L) **“RESIDENT STUDENT” MEANS A STUDENT CLASSIFIED AS**
5 **“IN-STATE” FOR THE PURPOSES OF TUITION IN ACCORDANCE WITH THE POLICY**
6 **OR REGULATION OF THE GOVERNING BOARD OF THE PUBLIC SENIOR HIGHER**
7 **EDUCATION INSTITUTION IN WHICH THE STUDENT IS ENROLLED.**

8 [(1)] (M) “Secretary” means the Secretary of Higher Education.

9 [(m)] (N) “State Plan for Higher Education” means the plan for
10 postsecondary education and research required to be developed by the Maryland
11 Higher Education Commission under § 11-105(b) of this article.

12 10-203.

13 (a) It is the goal of the State that public senior higher education institutions
14 be funded at 100 percent of funding guidelines developed by the Maryland Higher
15 Education Commission.

16 **11-108.**

17 (A) **SUBJECT TO THE PROVISIONS OF THIS SECTION, THE STATE SHALL**
18 **PROVIDE GENERAL FUND SUPPORT FOR THE UNIVERSITY SYSTEM OF**
19 **MARYLAND AND MORGAN STATE UNIVERSITY TO ACHIEVE 100% OF THE**
20 **FUNDING GUIDELINES DEVELOPED BY THE COMMISSION.**

21 (B) **ON OR BEFORE AUGUST 1 OF EACH YEAR, THE COMMISSION SHALL**
22 **CALCULATE THE FUNDING GUIDELINE FOR:**

23 (1) **THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY**
24 **SYSTEM OF MARYLAND; AND**

25 (2) **MORGAN STATE UNIVERSITY.**

26 (C) (1) **FOR EACH OF FISCAL YEARS 2010 THROUGH 2013, THE**
27 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AT LEAST THE**
28 **AMOUNT OF STATE GENERAL FUND SUPPORT NECESSARY FOR THE**
29 **CONSTITUENT INSTITUTIONS OF THE UNIVERSITY SYSTEM OF MARYLAND IN**
30 **TOTAL TO ACHIEVE:**

31 (I) **86% OF THE FUNDING GUIDELINE FOR FISCAL YEAR**
32 **2010;**

1 (II) 90% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
2 2011;

3 (III) 93% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
4 2012; AND

5 (IV) 97% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
6 2013.

7 (2) FOR EACH OF FISCAL YEARS 2010 THROUGH 2013, THE
8 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AT LEAST THE
9 AMOUNT OF STATE GENERAL FUND SUPPORT NECESSARY FOR MORGAN STATE
10 UNIVERSITY TO ACHIEVE:

11 (I) 96% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
12 2010;

13 (II) 97% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
14 2011;

15 (III) 98% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
16 2012; AND

17 (IV) 99% OF THE FUNDING GUIDELINE FOR FISCAL YEAR
18 2013.

19 (D) FOR FISCAL YEAR 2014 AND EACH FISCAL YEAR THEREAFTER, THE
20 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AT LEAST:

21 (1) THE AMOUNT OF STATE GENERAL FUND SUPPORT
22 NECESSARY FOR THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY SYSTEM
23 OF MARYLAND IN TOTAL TO ACHIEVE 100% OF THE FUNDING GUIDELINE; AND

24 (2) THE AMOUNT OF STATE GENERAL FUND SUPPORT
25 NECESSARY FOR MORGAN STATE UNIVERSITY TO ACHIEVE 100% OF THE
26 FUNDING GUIDELINE.

27 12-117.

28 (A) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE
29 UNIVERSITY SYSTEM OF MARYLAND IMPROVE ITS EFFECTIVENESS AND
30 EFFICIENCY AND REDUCE ITS COST STRUCTURE BY BECOMING THE NATIONAL
31 LEADER IN TRANSFORMING THE BUSINESS MODEL OF PUBLIC HIGHER

1 EDUCATION TO PROVIDE WORLD-CLASS EDUCATION, RESEARCH, AND PUBLIC
2 SERVICE AT BELOW AVERAGE COSTS.

3 (B) ON OR BEFORE NOVEMBER 1, 2009, AND ON NOVEMBER 1 EVERY
4 SECOND YEAR THEREAFTER, THE BOARD OF REGENTS SHALL SUBMIT, IN
5 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, A REPORT
6 ON THE POLICIES AND PROCEDURES IT HAS IMPLEMENTED IN ACCORDANCE
7 WITH SUBSECTION (A) OF THIS SECTION TO THE HOUSE APPROPRIATIONS
8 COMMITTEE AND WAYS AND MEANS COMMITTEE AND THE SENATE BUDGET
9 AND TAXATION COMMITTEE AND EDUCATION, HEALTH, AND ENVIRONMENTAL
10 AFFAIRS COMMITTEE OF THE GENERAL ASSEMBLY.

11 15-106.7.

12 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
13 MEANINGS INDICATED.

14 (2) "ACADEMIC YEAR" MEANS THE PERIOD COMMENCING WITH
15 THE FALL SEMESTER AND CONTINUING THROUGH THE IMMEDIATELY
16 FOLLOWING SUMMER SESSION AT A PUBLIC SENIOR HIGHER EDUCATION
17 INSTITUTION.

18 (3) "GOVERNING BOARD" HAS THE MEANING STATED IN §
19 10-101(D)(1) AND (2) OF THIS ARTICLE.

20 (4) (I) "TUITION" MEANS THE CHARGES AND FEES APPROVED
21 BY THE GOVERNING BOARD OF A PUBLIC SENIOR HIGHER EDUCATION
22 INSTITUTION THAT ARE REQUIRED OF ALL UNDERGRADUATE RESIDENT
23 STUDENTS BY THE INSTITUTION AS A CONDITION OF ENROLLMENT REGARDLESS
24 OF THE STUDENT'S DEGREE PROGRAM, FIELD OF STUDY, OR SELECTED
25 COURSES.

26 (II) "TUITION" DOES NOT INCLUDE:

27 1. FEES DEDICATED TO SUPPORT AUXILIARY
28 ENTERPRISES AND OTHER SELF-FUNDED ACTIVITIES OF A PUBLIC SENIOR
29 HIGHER EDUCATION INSTITUTION; OR

30 2. A FEE REQUIRED ONLY FOR ENROLLMENT IN A
31 SPECIFIC DEGREE PROGRAM, FIELD OF STUDY, OR COURSE WHEN THAT FEE IS
32 NOT REQUIRED OF UNDERGRADUATE RESIDENT STUDENTS AT THE PUBLIC
33 SENIOR HIGHER EDUCATION INSTITUTION FOR ENROLLMENT IN OTHER DEGREE
34 PROGRAMS, FIELDS OF STUDY, OR COURSES.

1 **(B) (1) FOR THE ACADEMIC YEAR BEGINNING IN THE FALL OF 2009, A**
2 **GOVERNING BOARD MAY NOT APPROVE, AND A CONSTITUENT INSTITUTION OF**
3 **THE UNIVERSITY SYSTEM OF MARYLAND AND MORGAN STATE UNIVERSITY**
4 **MAY NOT IMPOSE, AN INCREASE IN THE TUITION CHARGED FOR AN ACADEMIC**
5 **YEAR TO A RESIDENT UNDERGRADUATE STUDENT AT THE INSTITUTION THAT**
6 **EXCEEDS 4% OF THE AMOUNT CHARGED FOR TUITION AT THE INSTITUTION THE**
7 **PRECEDING ACADEMIC YEAR.**

8 **(2) THE TUITION LIMITATION IN PARAGRAPH (1) OF THIS**
9 **SUBSECTION ONLY APPLIES IF:**

10 **(I) THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY**
11 **SYSTEM OF MARYLAND AND MORGAN STATE UNIVERSITY HAVE RECEIVED A**
12 **GENERAL FUND APPROPRIATION MEETING THE REQUIREMENTS OF § 11-108**
13 **OF THIS ARTICLE; AND**

14 **(II) THE BOARD OF PUBLIC WORKS DOES NOT REDUCE**
15 **FUNDING FOR THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY SYSTEM**
16 **OF MARYLAND AND MORGAN STATE UNIVERSITY.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
18 General Assembly to move the sum of the State General Fund appropriation and
19 tuition for institutions in the University System of Maryland, on a per student basis,
20 to at least the average of their peer institutions as determined by the Maryland
21 Higher Education Commission, in order to be consistent with Chapter 246 of the Acts
22 of 1988, which formed the University System of Maryland, and with Chapter 515 of
23 the Acts of 1999, also known as the Larson Commission Act.

24 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the
25 General Assembly to continue to support Maryland's historically black institutions in
26 accordance with the agreement reached between the State of Maryland and the United
27 States Department of Education, Office of Civil Rights in December 2000.

28 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 July 1, 2008.