

SENATE BILL 431

F2

3lr2330

By: **Senator King**

Introduced and read first time: January 30, 2013

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education – University System of Maryland – Quasi-Endowments**

3 FOR the purpose of authorizing the Board of Regents of the University System of
4 Maryland to maintain and manage quasi-endowment funds; altering a certain
5 reporting requirement; defining a certain term; and generally relating to the
6 University System of Maryland.

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section 12-101, 12-104(e), and 17-301(c)(1)
10 Annotated Code of Maryland
11 (2008 Replacement Volume and 2012 Supplement)

12 BY repealing and reenacting, without amendments,
13 Article – Education
14 Section 12-104(a)
15 Annotated Code of Maryland
16 (2008 Replacement Volume and 2012 Supplement)

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

19 **Article – Education**

20 12-101.

21 (a) In order to foster the development of a consolidated system of public
22 higher education, to improve the quality of education, to extend its benefits and to
23 encourage the economical use of the State's resources, the University System of
24 Maryland is established in accordance with the provisions of this title.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) (1) In this title the following words have the meanings indicated.

2 (2) "Board" or "Board of Regents" means the Board of Regents of the
3 University System of Maryland.

4 (3) "CENTERS" OR "INSTITUTES" MEANS THE FOLLOWING
5 COMPONENTS OF THE SYSTEM UNDER THE JURISDICTION OF THE BOARD OF
6 REGENTS:

7 (I) UNIVERSITY OF MARYLAND CENTER FOR
8 ENVIRONMENTAL SCIENCE;

9 (II) COOPERATIVE EXTENSION SERVICE AND THE
10 AGRICULTURAL EXPERIMENT STATION;

11 (III) STATEWIDE MEDICAL EDUCATION AND TRAINING
12 SYSTEM;

13 (IV) FIRE AND RESCUE INSTITUTE; AND

14 (V) ANY OTHER CENTER, COMPONENT, OR INSTITUTE
15 ESTABLISHED AND OPERATED BY THE SYSTEM IN ACCORDANCE WITH ITS
16 MISSION.

17 [(3)] (4) "Chancellor" means the Chief Executive Officer of the
18 University System of Maryland and the Chief of Staff for the Board of Regents.

19 [(4) "President" means the Chief Executive Officer of a constituent
20 institution of the University System of Maryland.]

21 (5) "COMPUTER-BASED INSTRUCTIONAL TECHNOLOGY" MEANS
22 COMPUTER HARDWARE OR SOFTWARE USED BY FACULTY AND STUDENTS IN THE
23 DELIVERY OF THE INSTRUCTIONAL PROGRAM.

24 [(5)] (6) "Constituent institutions", "institutions", or "campuses"
25 means the following public senior higher education institutions under the jurisdiction
26 of the Board of Regents:

27 (i) University of Maryland, Baltimore;

28 (ii) University of Maryland Baltimore County;

29 (iii) University of Maryland, College Park;

30 (iv) University of Maryland Eastern Shore;

- 1 (v) University of Maryland University College;
- 2 (vi) Bowie State University;
- 3 (vii) Coppin State University;
- 4 (viii) Frostburg State University;
- 5 (ix) Salisbury University;
- 6 (x) Towson University; and
- 7 (xi) University of Baltimore.

8 [(6) "Centers" or "institutes" means the following components of the
9 System under the jurisdiction of the Board of Regents:

- 10 (i) University of Maryland Center for Environmental Science;
- 11 (ii) Cooperative Extension Service and the Agricultural
12 Experiment Station;
- 13 (iii) Statewide Medical Education and Training System;
- 14 (iv) Fire and Rescue Institute; and
- 15 (v) Any other center, component, or institute established and
16 operated by the System in accordance with its mission.]

17 **(7) "PRESIDENT" MEANS THE CHIEF EXECUTIVE OFFICER OF A**
18 **CONSTITUENT INSTITUTION OF THE UNIVERSITY SYSTEM OF MARYLAND.**

19 **(8) "QUASI-ENDOWMENT FUNDS" MEANS FUNDS THAT THE**
20 **UNIVERSITY SYSTEM OF MARYLAND RETAINS AND MANAGES IN THE SAME**
21 **MANNER AS AN ENDOWMENT.**

22 **(9) "TECHNOLOGY" MEANS THE LATEST STATE-OF-THE-ART**
23 **TECHNOLOGY PRODUCTS AND SERVICES, INCLUDING:**

- 24 **(I) COPPER AND FIBER OPTIC TRANSMISSION;**
- 25 **(II) COMPUTER;**
- 26 **(III) VIDEO AND AUDIO LASER AND CD-ROM DISCS;**

1 (IV) VIDEO AND AUDIO TAPES OR OTHER TECHNOLOGIES;
2 AND

3 (V) TECHNOLOGY USED FOR ONLINE LEARNING.

4 [(7)] (10) "University" or "University of Maryland" or "University of
5 Maryland System" means the University System of Maryland.

6 [(8) "Computer-based instructional technology" means computer
7 hardware or software used by faculty and students in the delivery of the instructional
8 program.

9 (9) "Technology" means the latest state-of-the-art technology
10 products and services, including:

11 (i) Copper and fiber optic transmission;

12 (ii) Computer;

13 (iii) Video and audio laser and CD-ROM discs;

14 (iv) Video and audio tapes or other technologies; and

15 (v) Technology used for on-line learning.]

16 12-104.

17 (a) In addition to any other powers granted and duties imposed by this title,
18 and subject to the provisions of Title 11 of this article and any other restriction
19 imposed by law by specific reference to the University System of Maryland, or by any
20 trust agreement involving a pledge of property or money, the Board of Regents has the
21 powers and duties set forth in this section.

22 (e) (1) The Board may:

23 (i) Apply for, accept, and spend any gift or grant from the
24 federal government, any foundation, or any other person; and

25 (ii) Maintain and manage gift and endowment funds,
26 **INCLUDING QUASI-ENDOWMENT FUNDS.**

27 (2) On or before November 1 each year, the Board shall submit to the
28 Governor, the Comptroller, the State Treasurer, and, in accordance with § 2-1246 of
29 the State Government Article, the General Assembly, an annual investment
30 performance report comparing the various components of the University's gift [and],

1 endowment, AND QUASI-ENDOWMENT investment portfolio to appropriate
2 benchmarks.

3 17-301.

4 (c) "Eligible institution" means:

5 (1) Each public senior higher education institution identified in §
6 10-101(m) or § [12-101(b)(5)] **12-101(B)(3)** of this article or its affiliated foundation;
7 and

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 July 1, 2013.