

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 Enrolled - Revised

Senate Bill 897

(Senator Ferguson)

Budget and Taxation

Appropriations

University of Maryland Joint Steering Council – Renaming, Duties, and Funding

This bill renames the University of Maryland Joint Steering Council to be the MPowering Joint Steering Council. The Governor must include specified amounts of general funds in the annual State budget for the council and for the University of Maryland Baltimore County (UMBC) for specified purposes. Funding for the council is \$2.0 million in fiscal 2021, phasing up to \$10.0 million in fiscal 2025 and each fiscal year thereafter. For UMBC, funding is \$400,000 in fiscal 2021, phasing up to \$2.0 million in fiscal 2025 and each year thereafter. By July 1, 2020, the MPowering Joint Steering Council must report on its research into opportunities to create registered apprenticeship programs in nursing and other specified fields. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase by \$2.4 million in FY 2021 and escalate to \$12.0 million beginning in FY 2025. Revenues and higher education funding formulas are assumed to not be affected, as discussed below. **The bill establishes mandated appropriations beginning in FY 2021.**

(\$ in millions)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	2.4	4.8	7.2	9.6
Net Effect	\$0.0	(\$2.4)	(\$4.8)	(\$7.2)	(\$9.6)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The Governor must include in the annual State budget for the council a general fund appropriation in the following amounts: \$2.0 million in fiscal 2021; \$4.0 million in fiscal 2022; \$6.0 million in fiscal 2023; \$8.0 million in fiscal 2024; and \$10.0 million in fiscal 2025 and each fiscal year thereafter. In addition, to further its mission as a research university and to complement the economic development and research activities of the council, the Governor must include in the annual State budget for UMBC a general fund appropriation in the following amounts: \$400,000 in fiscal 2021; \$800,000 in fiscal 2022; \$1.2 million in fiscal 2023; \$1.6 million in fiscal 2024; and \$2.0 million in fiscal 2025 and each year thereafter.

The money appropriated under the bill is supplemental to and may not take the place of funding that otherwise would be appropriated to the council or UMBC.

The bill adds to the charge of the council exploring opportunities to create registered apprenticeship programs in nursing and other fields that include integration of high school career and technology education programs and University of Maryland graduate and undergraduate programs.

Current Law/Background:

MPowering

In 2011, the General Assembly charged the University System of Maryland (USM) Board of Regents and, thus, University of Maryland, College Park Campus (UMCP) and University of Maryland, Baltimore Campus (UMB) with developing a plan to have an even greater impact on the State, its economy, the job market, and the next generation of innovators. The result, MPowering, was launched in 2012. Language in the fiscal 2014 budget restricted \$6.7 million of USM's appropriation to be used to fund MPowering initiatives and programs. These activities were part of an alliance between UMCP and UMB leveraging the resources of each institution to further advance transitioning research from laboratory to commercial application. The [MPowering website](#) lists 20 initiatives, including the Agriculture Law Education Initiative and the Center for Health-Related Informatics and Bioimaging.

The University of Maryland Strategic Partnership Act of 2016 (Chapter 25), codified the MPowering council as the University of Maryland Joint Steering Council. The council consists of members appointed by the presidents of UMCP and UMB. As established in current law, the council must:

- develop guidelines for faculty appointments that are joint faculty appointments;
- make recommendations to the presidents on joint faculty appointments;
- make recommendations to the presidents identifying competitor state peers for UMB and UMCP;
- establish a process by which undergraduate and graduate programs are evaluated to determine whether the students, the University of Maryland, and the State would benefit from alignment and collaboration and make recommendations to the presidents;
- carry out the programs and policies established under the MPower program as directed by the presidents; and
- perform any other duties assigned by the presidents.

State Expenditures: As shown in **Exhibit 1**, the bill mandates a total of \$2.4 million in general fund expenditures in fiscal 2021, escalating to \$12.0 million in fiscal 2025. The \$12.0 million in annual general fund appropriations remains level after fiscal 2025.

Exhibit 1
Mandated General Fund Expenditures
MPowering Joint Steering Council and University of Maryland Baltimore County
(\$ in Millions)

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
MPowering	\$2.0	\$4.0	\$6.0	\$8.0	\$10.0
UMBC	0.4	0.8	1.2	1.6	2.0
Total	\$2.4	\$4.8	\$7.2	\$9.6	\$12.0

UMBC: University of Maryland Baltimore County

Source: Department of Legislative Services

This estimate assumes that the funds are added to the budget in a manner that does *not increase* any funds not intended for the bill’s purposes. Adding the funds directly to the UMCP or UMBC budget would increase the average full-time equivalent student funding for selected public four-year institutions, which would result in increases to the higher education funding formulas for community colleges and private institutions of higher education. Adding the funds directly to the UMB budget or creating a new budget code within USM will not impact the higher education funding formulas.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): University System of Maryland; Department of Budget and Management; Department of Legislative Services

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