

TESTIMONY

House Appropriations Committee

HB 152 – Budget Reconciliation and Financing Act of 2020

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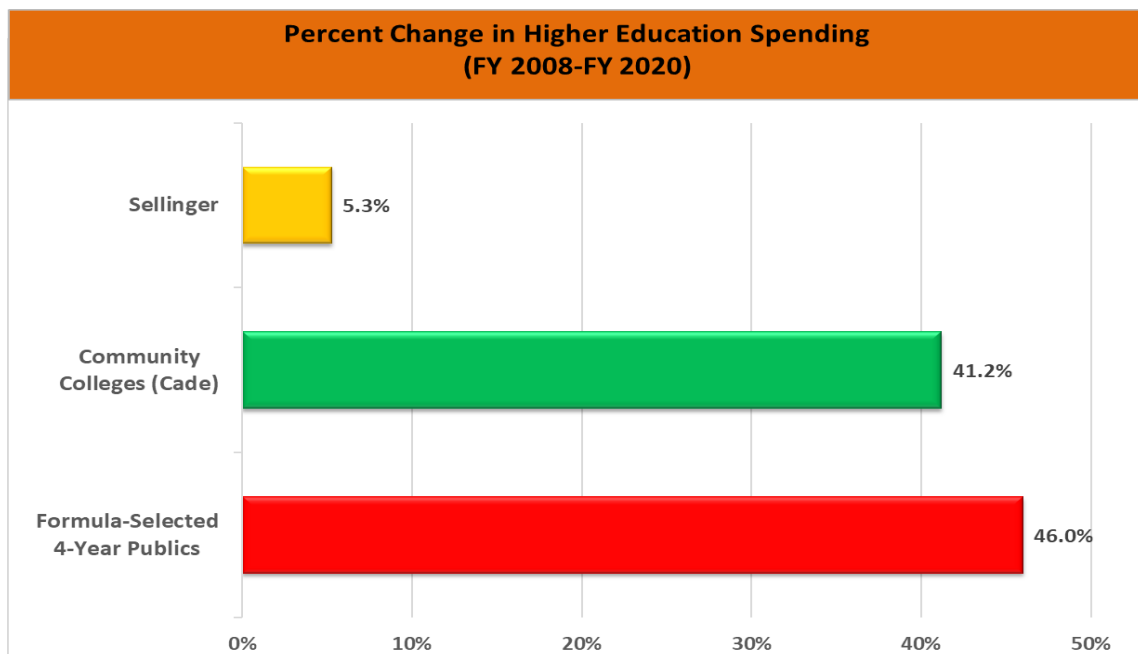
On behalf of the 13 State-aided MICUA member institutions, I submit this testimony in opposition to several provisions in *House Bill 152 – Budget Reconciliation and Financing Act of 2020* and request amendments to delete these provisions.

The legislation eliminates the link between the Sellinger Program – *Aid to Independent Colleges and Universities* – and selected 4-year public institutions of higher education in the State. This link was established in the 1970's, and has been a long-standing partnership in which we have been proud and honored to be involved. **This link ensures that a rising tide lifts all boats.** Further, this link encourages cooperation and collaboration among the State's public and private nonprofit colleges and universities. The link strengthens the opportunities for and access to a choice in higher education for all of Maryland's students.

In lieu of this thoughtful and successful link, this legislation instead caps future appropriations for the Sellinger Program to the amount of aid provided in the current fiscal year increased by 1% less than the General Fund revenue growth projected by the Board of Revenue Estimates. This new method of funding would severely undermine the Sellinger Program and perhaps even more alarmingly, limit the ability of the General Assembly to establish fiscal priorities. The Maryland General Assembly cannot increase an appropriation in the operating budget, add an item to the operating budget, or move funds around within the operating budget. The only mechanism the General Assembly has to establish budget priorities is to enact legislation mandating specific appropriations in future State budgets. If this new funding method is adopted, the General Assembly would relinquish its budgetary power in this regard. **We urge you to restore the link between the Sellinger Program and the 4-year public institutions of higher education in the State.**

Additionally, the legislation level-funds the Sellinger Program from fiscal 2020, eliminating \$32 million that would have otherwise been allocated to our institutions under the current statute. Further, in level-funding the Sellinger Program, the legislation does not distribute funds to each eligible institution in accordance with enrollment. If this provision is adopted by the General Assembly, Sellinger funds will not “follow the student.”

Between fiscal 2008 and fiscal 2020, the Sellinger Program has not kept pace with State aid to public institutions, as represented graphically below. It is also worth noting that these cuts have come at a difficult time for independent higher education. Several private, nonprofit colleges and universities in Maryland and across the nation have closed due to financial instability.



We urge you to restore the Sellinger Program statutory appropriation and reject the \$32 million cut effectuated by this legislation.

The Sellinger Program was established to ensure that Maryland’s independent institutions remain viable and vibrant and to recognize the services and savings the independent colleges and universities bring to Maryland. Today, the MICUA institutions provide educational services at more than 180 locations throughout the State, offer over 1,600 approved academic programs, and serve 65,600 students. The demographics of these students are similar to the demographics of students attending the State’s public universities. To maintain this diverse student body, MICUA member institutions invest in student financial aid and are enrolling a greater number of low and very-low income students from Maryland’s working class families. To increase access, the MICUA institutions have made good on their pledge to use their own resources to match the Guaranteed Access grants awarded to some of the lowest income students. **Last year, 89% of Sellinger funds were used to provide financial aid to Maryland residents.** The remaining Sellinger funds were used to support the State’s goals for higher education.

Thank you for the opportunity to comment on the Budget Reconciliation and Financing Act of 2020. Please find below draft amendments that would effectuate the concerns described above.

AMENDMENTS TO HB 152

BY: Maryland Independent College and University Association (MICUA)

On page 12, in line 26, strike the brackets; and in the same line, strike “, **(5)**, AND **(6)**”.

On page 13, in line 26, strike “AND” and in lines 29 and 32, strike the brackets.

On pages 14 and 15, strike in their entirety the lines beginning with line 9 on page 14 down through line 6 on page 15, inclusive.