CATHI FORBES Legislative District 43B **Baltimore County** 

Appropriations Committee

Subcommittees Capital Budget

Education and Economic Development Chair, Oversight Committee on Pensions



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# The Maryland House of Delegates Annapolis, Maryland 21401

# **Testimony in Support of HB 1179 University System of Maryland – Affiliated Foundations**

Testimony of Delegate Cathi Forbes Education, Energy, and the Environment April 4, 2023

#### What this bill does

This bill is necessary to allow the University System of Maryland (USM) affiliated foundations and their employees, to continue to accept and administer certain grants. Without this legislation the USM has determined that allowing USM employees who work for foundations that accept grants may put them at risk of violations of ethics laws.

### Why this bill is necessary

This policy will allow affiliated foundations to accept certain grants, primarily to benefit faculty research. These grants are only accepted by foundations when the university cannot accept them, usually because the grant must go to a 501(c)3 entity, or because of certain other conditions that the university cannot accept.

- There are very clear rules and processes between a university and its affiliated foundations to ensure that affiliated foundations accept these grants only when all other avenues have been exhausted.
- System foundations accept several million dollars a year in these grants funds, a very small percentage of the total research dollars granted across the System, but still very important to faculty – often young faculty – seeking support for their research.
- For years, many affiliated foundations have taken on the risk and administrative burden of accepting those grants, so that research funds are available for faculty.

## Why you should vote for this bill

This legislation will allow foundations to accept grants while ensuring that foundation employees are protected and in compliance with our ethics laws. Most importantly, we want to ensure that every legitimate revenue source is available to the faculty across our system for research. In previous years these grants accepted through the foundations have accounted for between \$3 million and \$11 million of additional research funding for our institutions.

HB 1179 passed the House Environment and Transportation Committee, 22-0 and the full House, unanimously, 135-0.

I ask for a favorable report. Thank you.