



HOUSE APPROPRIATIONS COMMITTEE

House Bill 762

Maryland Higher Education Commission - Higher Education Goals - Revisions

February 11, 2025

Letter of Information

Chair Barnes, Vice Chair Chang and members of the committee, thank you for the opportunity to offer testimony on House Bill 762. The bill identifies key State goals for postsecondary education to help align higher education with economic development goals and serving the State and its citizens.

The University System of Maryland (USM) is composed of twelve distinguished institutions and three regional centers. We award eight out of every ten bachelor's degrees in the state. Each of USM's institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

Since 2013, the State has been pursuing the goal of 55% of Marylanders having a degree by 2025. Institutions of higher education have exceeded their annual goals to help reach that marker, but in- and out-of-state migration means the State is just shy of that goal. Nonetheless, Maryland's economic strength is clearly tied to the relatively high level of education that its workforce possesses. Recent reports from *Forbes* and elsewhere point to the continued need for bachelor's degree growth if we are to fulfill most good-paying jobs. Having a State degree goal has been important to Maryland and will remain so. The number of degrees USM awards climbed 15% over the past decade—to 42,200+ last year. And 80% of USM undergraduates are Maryland residents. That means many of them stay in Maryland following graduation, contributing their wealth to our economy and their service to our communities.

Access and affordability to put a college education within the reach of any Marylander who wants one is USM's most essential mission. But we also understand there are some good jobs that require postsecondary education but not necessarily a bachelor's degree. When we look at education completion including certificates, Maryland educational attainment continues to fare well against competitor states. It makes sense for Maryland to track this metric as well, so long as we do not lose sight of the importance of baccalaureate and graduate degrees in an innovation economy. We therefore recommend amendments that would explicitly call out a degree goal as well as having a goal about credentials of value.

We do not have a static population, so our work cannot guarantee we reach our attainment goal, but segmental degree goals can provide a strong marker of our progress. As we pursue the goal of having

a highly educated economy, segments are ready to partner with MHEC to identify these goals, as well as the other goals that our next State Plan for Higher Education will set.

The USM is fully committed to a robust research agenda and partners willingly with the State in many arenas. Just last year, USM venture support helped launch 182 Maryland startups – 9,000 people working for 200 companies, bringing to market innovations that improve our health, protect the environment, keep Marylanders safe, and connect our world. The combined R&D expenditures of USM’s two biggest research universities – the University of Maryland, College Park and the University of Maryland, Baltimore – rank them 11th among all U.S. public universities. Altogether, the USM expended \$1.6 billion last year in research and sponsored programs, up 29% in the past five years. The USM ranks 15th among the country’s academic institutions in U.S. utility patents issued. But USM has concerns about having a State research goal when critical research is driven by federal priorities. Having such a goal implies reporting and more administrative work, which would disincentivize faculty research here rather than attract it. We recommend deleting goal 3 as it appeared in the original bill.

Finally, the fourth goal in the original bill is too broad and could therefore have considerable unforeseen consequences, financial and otherwise. There are already processes in place for MHEC, or indeed the legislature, to follow with respect to forming new policy. This goal is both unnecessary and problematic. Since MHEC has pledged to partner with the segments, we look forward to setting goals together through the State Plan process.

Thank you for accepting these comments. Should the committee determine that the bill be amended striking D (3) and (4) as well as incorporating a percentage goal back into the original goal plan, the USM could support the bill.

