



SENATE BUDGET & TAXATION COMMITTEE  
FRIDAY, MARCH 6, 2009

Testimony of William Kirwan, Chancellor  
**Support SB 861**

Chairman Currie, Vice Chairman Kasemeyer, and Committee members, thank you for the opportunity to testify on SB 861. The University System of Maryland (USM) supports SB 861.

I am particularly proud to have been a part of The Commission to Establish the Maryland Funding Model for Higher Education. Before beginning my testimony on the recommendations, I would like to point out how timely those recommendations are. As you saw in his speech Monday night, President Obama has focused on education—and the need for additional higher education in particular—as one of three areas that are “absolutely critical” to our nation’s economic future. At a time of unprecedented economic challenge, the president has targeted education as one of just three areas in his budget to be the beneficiary of increased, sustained investment (healthcare and energy being the other two). The goal he has set -- “by 2020, America will once again have the highest proportion of college graduates in world” – is lofty but it is also necessary.

To back up this goal, the president has committed enormous resources to enhancing our nation’s universities and the advanced R&D that takes place there. Through his stimulus package we see the federal government is investing billions in such areas as energy research, health and health care treatment research, climate research, and the modernization of research facilities and instrumentation. These funds go along with billions more the federal government is targeting for increased student financial aid. Clearly, the president has seized on support for higher education—and the new knowledge and services that our universities generate—as the way to ensure revitalize our economy and ensure the long-term competitiveness of our nation. I am proud to say that that is the same view that the Funding Commission arrived for Maryland.

Turning now to the recommendations--

- We fully support the funding model developed by the Commission and the priority it places on ensuring Maryland's competitiveness in the new economy. We think that this is rational, well integrated model that appropriately measures Maryland's system of higher education against that of the states it competes with for employers and jobs.
- We support the Commission's recommendation to address the issue of the competitiveness and comparability of our HBIs through the lens and mechanism of the educational success of their undergraduate students. As the Commission study lays out, this success will only be achieved through a coordinated effort that includes increased base funding, integrated services focusing on improving graduation rates, and continued capital support.
- We support the Commission's recommendation to increase the amount of capital funding going to the state's public 4-year institutions and community colleges through the Governor's Capital Improvement Program (CIP). We see this as important to helping our institutions provide both not just the access to higher education that the state needs and but also ensuring that we have the quality of classroom and laboratories needed to build on and sustain the state's preeminence in research and development. For this

latter reason we also strongly support the Commission's recommendation to study and develop a mechanism for creating a separate funding category in the CIP for research space.

- We support the recommendation to address the state's workforce needs through enhanced funding of high-cost, high-need programs, and special, focused initiatives as necessary.
- Finally, we support the Commission's recommendation to reform and improve accountability reporting in the state.

In conclusion I want to say again how proud I am of the work that the Commission carried out over the past two years and supportive of the recommendations it produced. Working cooperatively, that group identified the challenges to Maryland's future and laid out a course that, if followed, will strengthen its institutions, its citizens, and its economy over the coming decades. While I know that, given the current economic climate, we cannot achieve all that the Commission has laid out—and indeed certain language or sections in it may still need to be clarified or tweaked—I am confident that we have charted the correct course. The task for us now is to follow the glidepath that the Commission has set out and make good on those recommendations as the economy improves and allows.

Thank you for allowing the University System of Maryland to share these thoughts about SB 861. We deeply appreciate this committees' support for higher education.