Last evening, the Maryland General Assembly completed their work for the 2008 legislative session and went Sine Die at Midnight.

The major responsibility of each legislative session is to prepare and advance the annual operating and capital budgets for the 11 universities, two research institutions, two regional higher education centers that comprise the University System of Maryland (USM). In addition, the USM Office of Government Relations tracked more than 100 individual bills that would have had varying impacts on the system, its faculty, staff and students. Working closely with the USM State Relations Council, and often with our colleagues and peers in the independent and community college sector, USM succeeded in blocking or amending heavily several bills that would have made imposed onerous new regulations -- from pest management at state funded buildings to legislatively-mandated student admissions standards. At the same time, USM supported legislation to protect students from predatory credit card practices and to increase strategies for campus sustainability and energy efficiency.

The End-of-Session report is a snapshot of the major issues the System faced during the Session and their final resolution. The report is broken into three parts: Operating Budget, Capital Budget, and Bill Watch.

**USM OPERATING BUDGET**

Following up on the Special Session that for the first time created a dedicated fund source for Higher Education – the Higher Education Investment Fund the 2008 Legislative Session has been a huge success for the University System of Maryland. The commitment of Governor O’Malley and the General Assembly to ensure that the University System of Maryland (USM) institutions are of the highest quality, affordable and accessible was ensured with the passage of the Fiscal Year 2009 budget.
In difficult economic times the state must prioritize what it can and cannot afford. This commitment clearly demonstrates that the Governor and the General Assembly have made higher education one of this state’s top priorities.

The fiscal year 2009 operating budget provides a total of $1.080 billion dollars of General Fund and Higher Education Investment Fund (HEIF) support for USM or $75.1 million above the FY 2008 level. The action represents approximately a 9% increase in state funds available for higher education when the cost-of-living-adjustment funding is factored into the equation.

From the onset, USM opposed the recommendation for any cuts on the grounds that the System had already reduced mandatory costs by $17.1 million -- $8.1 million upon the Governor’s request and another $9.0 million through the Effectiveness and Efficiency initiative. USM argued strenuously that further reductions could result in programmatic-related cuts. However, given the state of the economy, the operating and capital budgets speak volumes of the Governor and General Assembly’s support for public higher education and USM.

In the end, the legislatively-adopted budget for USM approved a net reduction of $7.2 million in current general funds. Previously, the USM cut stood at $6.8 million, but with late negotiations regarding the Hagerstown Regional Higher Education Center, that amount climbed by $400,000 to $7.2 million (discussed below).

The allowance for fiscal year 2009 provides a 4% growth in general fund and Higher Education Investment Fund (HEIF) revenues per full-time equivalent student over fiscal year 2008. The HEIF $10,555,683 enrollment funding initiative may only be expended based on enrollment attainment. Budget conferees rationalized that this allows USM to increase spending per full-time equivalent student while accommodating enrollment growth of 1.5% or 1,529.

The biggest priority for Governor O’Malley was the extension of his tuition freeze on in-state undergraduate tuition for students attending a public institution of higher education. In just 3 short years Maryland will have gone from the 6th highest Public University tuition state in the country to 16th. This investment will ensure that the highest quality higher education programs are available to Maryland residents at an affordable rate. With the continued support of the Governor and the General Assembly, and barring any additional reductions to the USM budget, Chancellor Brit Kirwan is prepared to recommend to the USM Board of Regents that our USM universities hold in-state undergraduate tuitions frozen for the third consecutive year.

The conference negotiations also reduced the USM general fund budget by $28,000,000 and allow USM to transfer $27,600,000 from the HEIF -- replacing the general funds with HEIF funds.
In addition, the fiscal 2009 allowance included $13,000,000 in HEIF for three USM capital projects at the University of Maryland College Park for the projects for the School of Public Health in the amount of $7,500,000; the Biosciences Research Building (Biology-Psychology Building) in the amount of $1,500,000; and the UMCP Physical Sciences Complex capital projects in the amount of $4,000,000. Ultimately, the General Assembly funded these projects with general obligation bonds.

**Operating Budget Highlights**

**Hagerstown Regional Higher Education Center**

Earlier in the Session, the House led by Delegate John Bohanan restricted $2,065,825 of their appropriation for the Hagerstown Regional Higher Education Center (USMH) for additional grants to be awarded by the Maryland Higher Education Commission (MHEC) for Regional Higher Education Centers administered by the commission and the Hagerstown Center administered by the University System of Maryland Office. The House further restricted an additional $1 million in the USM Office budget for the purpose of providing $1 million for the Hagerstown Regional Higher Education Center. The Senate version of the bill supported full funding of USMH.

In the final conference committee negotiation, the Senate held their ground and kept hammering the House position with the Governor’s Office weighing-in on the discussion.

The final result is that the System will transfer $400,000 from USMH. However, additional language allows USM to replace up to $300,000 of these funds with other funds in the USM budget without harming the operations and budgets of the other USM institutions. The net result is that the USMH budget will be reduced by $100K – not the than $1.4 million the House had sought.

The USMH funding model will become a significant topic of discussion when the Bohanan Commission to Develop the Maryland Model for Funding Higher Education resumes its work. USM will be ready to defend the important work that goes on at our centers and to make the case that they must have adequate funding.

**Advertising**

The budget requests all public institutions of public higher education to submit a report that provides information on advertisements utilized to market the university. The report should include the fund source, expenditures (prior year actual, current year working and allowance), the various types of advertisement utilized by the university and the objectives of the marketing efforts (e.g. increased applications, increased donations). The report should also provide information on the effectiveness of the advertisements in meeting the objectives for the university or college.
Data Collection and Reporting
Each USM institution must submit data on all categories of institutional aid (need-based, merit, mission and athletic) in the same format it is submitted to the Maryland Higher Education Commission.

USM to submit a report by August 1, 2008 that examines total funding per student, the proportion of State support, and how State support is allocated across USM, and particularly comprehensive institutions, to support current and projected enrollments.

Public institutions of higher education with performance goals to increase minority enrollment are required to include data for each individual minority group.

Given the state of the economy and the need to adjust state funding for significant revenue write downs the funding provided to USM shows a significant commitment and support for higher education by Governor O’Malley and the Maryland General Assembly.

USM CAPITAL CONSTRUCTION BUDGET

With a commitment of well over $200 million dollars in fiscal year 2009 the Governor and General Assembly are launching a $1.2 billion dollar capital investment in USM higher education facilities over the next five years.

Coppin State University

New Health and Human Services Building -- $3.48

The new (89,825 NASF/160,000 GSF) Health and Human Services Building is currently under construction and scheduled for occupancy in August 2008. The new facility will house academic programs such as Nursing, Criminal Justice, Social Work, Applied Psychology and Rehabilitation Counseling, and Graduate Studies. The building will contain classrooms, laboratories, offices, diagnostic and treatment, clinical service areas, as well as an early childhood demonstration suite.

New Physical Education Complex -- $39.43 million (includes $30M pre-authorized in last year’s bill)

The new (146,975 NASF/246,359 GSF) Physical Education Complex is currently under construction and scheduled to be completed fall 2009. The PEC project is designed to support indoor & outdoor facilities to support Health/Physical Education/Recreation and Dance (HPERD) academic programs as well as the community outreach mission of the institution.
The project features classrooms, laboratories, auxiliary gyms, faculty/staff offices, dance studios, racquetball courts, weight training/fitness facility, basketball arena, and swimming pool. The facility will also contain a Satellite Central Utility Plant (SCUP), maintenance work shops, campus security operations, office areas, centralized mail and duplicating services, central receiving, vehicular maintenance, etc. Outdoor improvements include outdoor track, multipurpose soccer field, tennis courts, softball field, parking spaces, road work expanse, and new campus entrance on Gwynns Falls Parkway.

**Campuswide Utilities/Security Systems Improvements -- $6.96 million**

Phase III is a continuation of the campus-wide utilities upgrade that will include conversion of the old electric heating system in the main library—to a hot water distribution system. The project consist of removing the existing air distribution equipment served by electric resistance type heating and replacing it with new distribution equipment served by hot water type heating systems. The heating hot water systems will be served from the new Satellite Central Utility Plant (SCUP) and campus wide distribution system.

**New Science and Technology Center -- $6.29 million**

The new Science and Technology Center (STC) will address critical needs in the Natural and Management Sciences. These include the studies of Management Science and Economics, Mathematics, Computer Science, Information Technology, Data Center Consolidation, Physics, Chemistry, Biology, and Bio-technology, etc. This building will provide focus on the University’s highest quality educational mission to students, faculty, staff, and the community; providing state of the art classrooms, lecture halls, computer labs, science labs, research areas, conference areas, multidisciplinary workshops, technical support spaces, office spaces, clinical & community outreach facilities, and other support services traditional to academic science and technology buildings.

**University of Maryland, Baltimore**

**School of Pharmacy Addition and Renovation -- $62.2 million**

The Pharmacy Hall Addition will result in 112,565 GSF/65,018 NASF of new space and include lecture halls, teaching laboratories, research laboratories, faculty offices and student study and lounge areas. The project also includes the renovation of approximately 11,400 GSF of Pharmacy Hall space where the new Addition interfaces with the existing facility. The result will be an integrated complex able to support the School of Pharmacy’s planned enrollment growth of 82%.
University of Maryland, College Park

Tawes Fine Arts Building Conversion -- $2.45 million for equipment

The renovation of the Tawes Building will enhance the ability of the Department of English to support 21st century English education for the 20,000 students they serve each year, provide them with the writing skills necessary to compete in today's workforce and prepare them to be productive citizens. In addition, it will provide urgently needed renewal to the Tawes Fine Arts Building which will be almost 50 years old when the renovations are completed, an age when building systems are well past their useful life. This project is a priority because it will enhance critical core mission educational services that impact every undergraduate student, and because it will provide appropriate accommodations for a department that will have been in cramped, temporary space for 19 years.

New Journalism Building -- $6.0 million for construction

The purpose of this project is to provide a new, state-of-the-art facility for the Philip Merrill College of Journalism that will elevate its existing academic, research, and public outreach programs and lift the College to be the nation’s top Journalism program. This project is for the construction of a 53,412 GSF / 30,233 NASF office/classroom building located northwest of the Tawes Fine Arts Building. The new building will enable the College to vacate the undersized and aging Journalism Building and consolidate, from seven on- and off-campus buildings, its academic, administrative, research, professional outreach and support operations into a single building.

Additional University of Maryland, College Park projects

New Physical Sciences Complex, Phase I -- $4.0 million for design and planning

Maryland Fire and Rescue Institute Northeast East Regional Training Center -- $650,000 for planning

School of Public Health, Health and Human Performance Building -- $7.5 million for renovation

Biology-Psychology Building -- $1.5 million for renovations

Towson University

College of Liberal Arts Complex -- $9.3 million

The construction of the campus utility plant expansion and upgrades has been underway and demolition of Lida Lee Tall was completed in May 2007. Ninety three percent of the total building debris from the demolition of Lida Lee Tall building was recycled and reused, including 12,200 tons of concrete/masonry materials and 167 tons of metal. Utility relocation
and site preparation for the new building is expected to be complete this summer. Construction of the building foundation and structure will begin this fall. Phase 1 of the College of Liberal Arts Complex is on schedule and will deliver approximately 100,000 of the 253,000 gross square feet of the total building by fall 2009.

**Campuswide Safety and Circulation Improvement, Phase I -- $18.27 million**

The project is for the completion of a variety of safety, infrastructure and site improvements to provide a safer and more functional campus, and to prepare for building and enrollment growth. The improvements are focused geographically in the main academic precinct of campus. Each project will focus on life safety, infrastructure, ADA and pedestrian/vehicular improvements and is intended to address both existing campus deficiencies and provide the necessary infrastructure for development of facilities in the Campus Master Plan.

**University of Baltimore**

**Law Center -- $4.0 million**

The key goal of this project is to adequately house current and projected courses of study as well as faculty and administration offices, a library, new information technologies, and the associated program clinics and centers in a single facility. The project program contains 192,000 gross square feet, yielding a space ratio of 206 square feet per student—within range of the ABA national average. In keeping with good stewardship of the environment and with our Campus Sustainability Program, UB has proposed that the new law school building achieve LEED Certification with a goal of a Silver rating. The proposed site of the new facility is an existing parking lot located between Charles and St. Paul streets, north of Mount Royal Avenue. This space offers a prominent location for an important building that will be a signature addition to campus and will greatly add to the unique urban qualities of the University of Baltimore; it will also strengthen and enhance UB’s role in the community.

**University of Maryland Center for Environmental Science**

**Oyster Production Facility -- $1.34 million to equip an oyster production facility at the Horn Point Laboratory**

The Horn Point oyster hatchery produces a variety of oyster spat for use in research, restoration, and educational projects. The HPL hatchery has produced over one billion oyster spat that have been deployed in the Chesapeake Bay during the past decade.

**University System of Maryland**

**Capital Facilities Renewal Program – $17 million**
USM BILLWATCH

Passed with USM Support

House Bill 689 – Access to Public Records

House Bill 689 was a bill worked very diligently this legislative session for the protection of privacy for the students, faculty and staff that comprise the University System of Maryland. House Bill 689 requires that any request by a person or entity wanting to inspect a record containing personal information be made in writing and sent by first-class mail. Moreover, if the information is requested for commercial purposes, a denial is permissible of the part of the record containing personal information including information that identifies an individual including an individual’s address; driver’s license number or any other identification number; medical or disability information; name; photograph or computer generated image; Social Security number; or telephone number.

House Bill 1210 – Credit Cards and Student Applicants

House Bill 1210 requires institutions of higher education to develop policies regarding credit card marketing activities and merchandising conducted on the campus by credit card issuers. The bill also creates certain exemptions for credit card issuers advertising in newspapers, magazines, or similar publications or within a financial services business located on campus. House Bill 1210 began as an outright ban on the solicitation or marketing by credit card issues on USM campuses. Given the diversity of rules governing such activity from one USM campus to the next, sponsors and opponent were able to come to agreement on several key points. Most important, is that the bill requires that campuses have a credit card merchandising and marketing policy and that the policy be made available to students upon request.

Senate Bill 208/House Bill 376 – High Performance Buildings Act

Senate Bill 205 mandates that new or renovated state funded buildings must be constructed as energy efficient and requires the Department of Budget and Management and the Department of General Services to establish jointly a waiver process. USM supported this legislation enthusiastically, and in January, Chancellor Kirwan testified in support of the Senate Bill 208. He told legislators that environmental stewardship one of “the top priorities…we must address as a State and as a University System.” He explained to the Committee that USM is “uniquely suited” the help the state and nation address impact of global climate change. The Chancellor highlighted areas of policy, programs, and practices where USM institutions are making the largest impact. They range from BayStat and Smart Growth to undergraduate and graduate programs focused on environmental issues. Additionally, USM institutions strive to employ environmentally friendly practices on our campuses. He alerted the Committee of the implementation of the American College and University Presidents Climate Commitment and how it has helped inform strategies for campus sustainability and energy efficiency, as they relate to new facility construction, renovation, and operation.
Senate Bill 438/House Bill 905 – Plans for Cultural Diversity

Senate Bill 438 requires USM campuses to report certain findings regarding cultural diversity planning at their respective institution. Dr. John Wolfe, USM’s Associate Vice Chancellor for Academic Affairs and Diversity, testified twice before committees of Maryland’s General Assembly on cultural diversity programs systemwide. USM successfully offered an amendment to the legislation to clarify that the hate crimes reporting provision refer to Maryland’s existing hate crime law.

At some USM institutions, programmatic efforts to increase inclusion and diversity remain substantial and ongoing. Senate Bill 438 allows public higher education to reaffirm and strengthen a shared commitment to become more culturally competent and engaged. USM has implemented numerous initiatives to ensure our institutions become more culturally competent and representative. For example, the 13-institution Diversity Network was established in 1995 continues to serve as a catalyst to promote a greater awareness of and appreciation for diversity. The Diversity Network works collaboratively with the administration of the USM institutions to meet the increasingly difficult challenges of a diverse world.

Senate Bill 735/House Bill 1409 – Coordinating Emerging Nanobiotechnology Research (CENTR) in Maryland Program

Senate Bill 735 establishes the Coordinating Emerging Nanobiotechnology Research (CENTR) in Maryland Program to be administered by the Maryland Technology Development Corporation. The program creates a fund within the Office of the Treasurer to provide grants for nanobiotechnology research projects in postsecondary education institutions.

Subject to available funding, the CENTR Maryland Program shall award capital and operating grants from the fund to private sector entities and institutions of higher education in the state to: leverage federal funding for the establishment or construction of research centers in the state; provide pilot funding for faculty to develop initial research data for the development of larger grant funding proposals; foster public-private partnerships; and assist with the transfer of nanobiotechnology research into commercial applications.

USM Suggested Referrals to Funding Commission

*During the legislative session, USM encountered several bills that would be better served with additional discussion and consideration in this summer’s convening of the Funding Commission. While these bills did not pass this Session, the proposals, collectively, raise important issues and topics. These bills include:*  

House Bill 1388 – Maryland Truth in Tuition Act

Requiring a governing board to develop, on or before July 1, 2009, a long-term tuition plan for certain public senior higher education institutions; providing that the purpose of the long-term tuition plan is to ensure that specified students enrolling in and specified individuals who apply
for admission to public senior higher education institutions are informed of the tuition that will be charged for 4 academic years of enrollment; requiring a governing board or public senior higher education institution to publish specified rates

**Senate Bill 623/House Bill 1501 – Tuition Cap and College Opportunity Act of 2008**

Requiring the State to provide General Fund support for the University System of Maryland and Morgan State University to achieve 100% of the Maryland Higher Education Commission funding guidelines by 2014; providing for a phase-in of increased General Fund support for the University System of Maryland and Morgan State University

**Senate Bill 867 -- Blount-Rawlings-Britt HBI Comparability Program**

Establishing the Blount-Rawlings-Britt HBI Comparability Program to provide supplemental funding assistance to the State's public 4-year historically black institutions (HBIs); stating the purpose of the Program; requiring the Maryland Higher Education Commission to adopt specified standards and procedures; requiring the Governor to provide funds for the Commission to distribute to HBIs; specifying operating and capital budget funding for HBIs

**USM Defeated Bills**

**House Bill 538/HB 1220 -- Collective Bargaining for Adjunct Faculty and Graduate Student Employees**

On March 3rd, House Bill 538 -- extending collective bargaining rights for adjunct faculty and graduate students -- was resoundingly defeated by the General Assembly. An intense lobbying effort was waged by USM joined by Nariman Favardin, Provost at the University of Maryland College Park (UMCP), Jessy Warner-Cohen, President of the University of Maryland Baltimore County Graduate Assistants Association, and Brooke Shrader, a PhD student at UMCP and the founding president of the Engineering Graduate Student Council.

The University System of Maryland has nearly 4,775 graduate assistants and adjunct faculty members and current Maryland law prohibits unionization activity by “a student employee, including a teaching assistant or a comparable position, fellow, or post doctoral intern” in addition to a “contingent, contractual, or temporary employee whose position is funded through a research or service grant or contract, or through clinical revenues.”

House Bill 538 sought to impose a “one-size-fits-all” approach which would have created a confusing maze of litigation regarding which “groups” of graduate students may be allowed to organize, neglects the disparity in the needs of graduate assistants, and ignores the diversity and cultures of fellow graduate students. Moreover, the cost of negotiation, and potential for productivity slow downs for both faculty and students, far outweighed any perceived benefit.
Currently, USM graduate assistants receive a tuition-free education, fully subsidized state health care, and stipend increases in each year of a contract. USM graduate assistants enjoy rights concerning workload, grievance procedure, personal leave, professional evaluation, and discipline.

Regarding adjunct faculty, USM argued that the policy goal should be to reduce reliance upon part-time adjuncts -- not institutionalize adjunct teachers with collective bargaining privileges. Adjuncts have different tasks across institutions and do not always work continuously. Many adjuncts teach one semester but not the next and many adjuncts teach at more than one institution.

Died in Committee or on the Floor

**Senate Bill 464 – Program Duplication**

In an example of cross-sector collaboration, USM was able to work collaboratively with MHEC, the Maryland Community College Association, and the Maryland Independent Colleges Association to address the elimination of unnecessary program duplication. Senate Bill 464 is the result of a collaborative process that fostered an agreement on the scope and standards of what has truly been tough topic.

Unfortunately, Senate Bill 464 died in the House Appropriations Committee.

Under the current process, the ability to offer a new program is subject to review based on workforce demands, the institution’s stated mission, alignment to the state plan for higher education, and avoidance (to the extent possible) of unwarranted academic duplication as provided in law. Most important, the Maryland Higher Education Commission is obligated by law to consider whether a less racially segregating alternative to a duplicative program is feasible – this is not an easy task. While the longstanding and rigorous program approval process currently in place has worked to address most vital concerns over duplication, Senate Bill 464 provides an opportunity to create a fairer playing field.

Senate Bill 464 would have required the Maryland Higher Education Commission to adopt regulations that establish definitions for determining unreasonable duplication of program. Senate Bill 464 outlined nine key factors in the analysis of whether an academic program is unreasonably duplicative including, but not limited to: the degree to be awarded, an analysis of market demand, and whether a cooperative program between the institutions may be feasible to eliminate or reduce unnecessary duplication.

**Senate Bill 952 – Task Force on the Use of College Entrance Examinations for Admission to Public Institutions of Higher Education**

As introduced, Senate Bill 952 would have prohibited a public institution of higher education from conditioning admission on a student’s score on a scholastic aptitude test or an equivalent nationally accepted college entrance examination. The bill, first heard in the Senate Committee on Education, Health, and the Environment, and again before House
Appropriations Committee late in the Session. Associate Vice Chancellor, PJ Hogan, testified in opposition to Senate Bill 952 on both occasions stating that the bill was “premature” and substantial differences in funding, curricula, grading, and rigor exist among Maryland’s secondary schools. Senate Bill 952 did not take into account factors such as local control or the prevalence of private, distance, and home-schooled students. He argued further that ACT/SAT scores are intended to supplement the secondary school record and help admission officers put local data such as course work, grades, and class rank in a national perspective.

The Committee was informed of Salisbury University’s five-year pilot study of an SAT-optional admissions process for applicants with a high school GPA of 3.5 or higher. Salisbury University’s five-year pilot study of SAT-optional admissions was approved by the USM Board of Regents in December of 2006. In addition, Hogan told the committee that the University of Maryland University College (UMUC) does not require SAT scores because of the institutions “open enrollment” mission and the demographic and geographic nature of their students.

The Committee seemed inclined to take a “wait-and-see” approach until more information about the Salisbury University pilot study was available. In a last minute maneuver, the Senate Committee adopted amendments to establish a task force on the use of college entrance examinations for admission.

Senate Bill 952 received an “unfavorable” report by Appropriations and died in committee.

**Senate Bill 49 – Review of Duplicative Academic Programs**

The Legislative Session went Sine Die without a vote of the full Senate on Senate Bill 49. Senate Bill 49 would have required the Maryland Higher Education to shut down the successful MBA program at Towson University – a program MHEC has already approved -- and compel students to re-enroll in the MBA program at Morgan State University. Generally, with the introduction of judicial review by the courts, Senate Bill 49 created the possibility of major delays in academic program approvals since resolving a dispute under judicial review can easily become a multi-year process. Most disturbing, the bill threatened higher education’s ability to respond rapidly to ever-changing demands from students, business and the state.

With fall 2007 enrollment up 123%, the MBA program offered jointly by the University of Baltimore (UB) and Towson University is justified educational and has rapidly become model of cooperation and collaboration. In March 2005, MHEC approved the joint UB/Towson MBA program and helped position Towson University as a key USM growth Institution for absorbing a large share of the expected 5,900 student enrollment growth over the next 10 years.

MHEC determined there is no discernable harm to the MBA programs existing at a Historically Black Institution (HBI) and Towson University is better able to recruit and retain business faculty. In addition, MHEC ruled that Towson was in the strongest position to handle a well-documented unmet need of regional employers for business administration graduates.
As the region’s primary provider of undergraduate business degrees, Towson and MHEC agreed in 2005 that approval of the joint MBA would increase access to a well-crafted MBA program in the region at an affordable cost.

Senate Bill 49 may have died for 2008, but the bill’s sponsor vowed to introduce the legislation next session, and each session thereafter. USM expects to address the issue of program duplication in the 2009 Legislative Session and mobilize to protect the interest of students and faculty in approved academic programs.

House Bill 1067 and Senate Bill 657 – Textbooks

With minutes to go until Sine Die, House Bill 1067 died on the Senate Floor when the chamber rejected concurrence with the House amendments. After toiling for months, legislators couldn’t come to agreement on the scope and reach of several administrative and technical provisions.

As far back as January 10th, the Senate Education, Health, and Environmental Affairs Committee conducted a briefing on “Affordability and Accessibility of Textbooks in Higher Education.” The Department of Legislative Services (DLS) provided background on the textbook issue and prior legislation and followed by representatives of the National Conference of State Legislatures who discussed national textbook legislation. Students, faculty, publishers and bookstore managers also presented information to the committee.

A number of legislators were interested in finding some solution to the rising cost of textbooks but acknowledged generally that there is no simple answer. As the Session progressed, USM supported many provisions in a number of bills aimed at making textbooks more affordable. However, House and Senate advocates of textbook affordability never came to agreement.

Associate Vice Chancellor Hogan explained that while the University System of Maryland (USM) supported the intent of these bills, each continued to pose serious questions about the effective and cost-efficient purchase of textbooks. Hogan greeted efforts from faculty, bookstores, and the publishing community to reduce the cost of textbooks for USM students. He explained also the complicated and time-sensitive nature of coursebook adoption and the negative impact of mandated disclosure requirements.

For example, one bill would have eliminated the final stage of the textbook adoption process required that course adoption lists be published on-line before the final stage of the textbook adoption process has been completed. This could have resulted in preliminary and inaccurate information being provided to students leading to costly mistakes in ordering. Hogan argued that students may purchase a book on-line or buy from another student only to find that the faculty member has cancelled his textbook order due insufficient supply. The student may be either stuck with the book or have to pay charges for returning the item only IF the seller has a return policy. One bill neglected to mention institutions that outsource bookstore operations, and treated the International Standard Book Number (ISBN) as an exact science when multiple ISBN numbers may exist for the same textbook.
The University System of Maryland is deeply concerned about the rising cost of textbooks. Current negotiations regarding the federal Higher Education Act (HEA) Reauthorization will place most of the responsibility of the high price of textbooks at the feet of the publishing industry.

**House Bill 1467 – Charitable Funds Management**

Several USM officials testified in support of House Bill 1467 – the Uniform Prudent Management of Institutional Funds Act. The bill was heard before the House Committee on Judiciary. UPMIFA is designed to replace the existing Uniform Management of Institutional Funds Act (UMIFA), which was approved by NCCUSL in 1972 and has since been enacted in 47 states. Since 1972, UMIFA has provided uniform and fundamental rules for the investment of funds held by charitable institutions and the expenditure of funds donated as “endowments” to those institutions. The rules supported two general principles: 1) that assets would be invested prudently in diversified investments that sought growth as well as income, and 2) that appreciation of assets could prudently be spent for the purposes of any endowment fund held by a charitable institution. House Bill 1467 continues these fundamental principles and is Maryland’s contribution to what is a national effort to upgrade UMIFA. Both investment in assets and expenditure for charitable purposes have grown since UMIFA was drafted. House Bill 1467, UPMIFA, is an up-date and successor establishing a more sound and unified basis for charitable fund management.

Regrettably, House Bill 1467 was not scheduled for a vote in the Senate Judicial Proceedings Committee prior to adjournment.