A Report from the USM State Relations Council

Bowie State University
Coppin State University
Frostburg State University
Salisbury University
Towson University
University of Baltimore
University of Maryland, Baltimore
University of Maryland, Baltimore County
University of Maryland Center for Environmental Science
University of Maryland, College Park
University of Maryland Eastern Shore
University of Maryland Global Campus

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A MESSAGE FROM CHANCELLOR JAY A. PERMAN

I’m delighted to write to you at the close of Maryland’s 2023 legislative session. It was an extremely busy one, with scores of bills affecting the University System of Maryland (USM), the work we do, and the students we serve. That you steered us through these hectic months—with a new administration in place and many changes in legislative leadership—speaks equally to your skill and to your stamina. I thank you for both.

I’ve often said that the USM enjoys a relationship with its elected leaders that higher education systems in many other states would envy. The state’s support of our tri-part mission in education, research, and service is matched by the work we do to make Maryland stronger, more prosperous, more equitable, and more just.

These goals were advanced by an operating budget that allows us to limit our tuition increase for in-state undergraduates. The budget funds Year 2 of enhanced investment in our historically Black institutions. It supports new facilities that expand our academic and research capacity. And it covers pay raises and climbing benefits costs for our employees, helping us attract and retain the very people who drive our excellence. Our capital budget supports construction and renovation projects across the state, creating spaces that don’t just house our work in education and discovery, but that nurture and enrich it, enabling it to grow.

As always, we saw a significant number of bills that affected the System and our people. But there is one in particular whose passage I celebrated. Senate Bill 426 authorizes the Board of Regents to establish a quasi-endowment fund of up to $150 million, generating income to support financial aid for our students. This is just one way we’re serving our lower income students—doing our part to ensure not only that they can access a USM education, but that they can afford to stay in school until they have that diploma in hand.

I’m grateful to all of Maryland’s elected leaders for their commitment to the University System and the work we do. I’m grateful for their faith in our students and their boldest ambitions. And I’m grateful to everyone who undertook the hard, hard work of guiding us through such a productive session.

Sincerely,

Jay A. Perman
Chancellor
University System of Maryland
FISCAL YEAR 2024 OPERATING BUDGET

The Governor proposed, and the General Assembly approved, FY 2024 state support for the USM totaling $2.12 billion, coming from the General Fund and the Higher Education Investment Fund. This is an increase of $204.57 million—or 10.8 percent—over the FY 2023 revised budget.

The FY 2024 state funding provides allocations for:

- FY 2023 November 4.5% COLA annualization
- New Facilities Operating
- State fringe benefit inflationary increases
- Other institutional-specific increases

The state funding level also enables the USM to hold the resident undergraduate tuition rate to a modest 2 percent increase. As part of the budget process, the Department of Legislative Services (DLS) made budget funding recommendations, including a $4.8 million increase to the Maryland Energy Administration (MEA) budget for green initiatives on campuses and $5.0 million increase to the Maryland Higher Education Commission (MHEC) budget to strengthen USM pathways for community college and other nontraditional students. Ultimately, the legislature approved the $4.8 million increase to the MEA budget and cut the $5.0 million increase to the MHEC budget.

Included in DBM Personnel budget is funding for FY 2024 2% July COLA ($51.48 million) and FY 2024 July Increment ($62.81 million).

The Governor provided additional deficiency funding to USM for the FY 2023 November 4.5% COLA annualization, by way of Supplemental #1, in the amount of $10.27 million.
KEY BUDGET ACTIONS

• The budget provides $198 million for salary increases and cost of living adjustments for USM employees.

• Fully restores the $93.8 million cut to the USM’s base budget made by the Board of Public Works in July 2020. At that time—with COVID infections on the rise, the economy on near lock-down, and a vaccine still months away—the state's strategy of caution was the right approach, and making the cut was prudent.

• The budget provides more than $25 million to offset the increased costs of fringe benefits, primarily in the form of increased health insurance costs, for employees across the USM.

• The budget also includes more than $22 million in new funding for Bowie State University, Coppin State University, and the University of Maryland Eastern Shore. This is the first installment of the historic $577 million settlement Maryland finalized last year on behalf of Maryland’s Historically Black Institutions (HBIs). The funding will have an enormously positive impact on supporting student scholarships, faculty recruitment, and the expansion of high-profile academic programs.

• The USM successfully advocated for supplemental funding during the legislative session which added to the initial budget allocation, including $20 million for needs-based financial aid and $1 million to support an improved transfer platform.

• The budget contains $3.7 million to help offset operating expenses associated with newly opened facilities. This funding expands academic and research capacity across the state. These new and renovated buildings, many housing STEM and health sciences disciplines, will strengthen Maryland’s innovation ecosystem—from the Eastern Shore to Western “Mountain” Maryland, from the Baltimore/Washington corridor to Southern Maryland and the Tri-County region.

• The budget continues to support the strategic partnership between the University of Maryland, Baltimore (UMB) and the University of Maryland, College Park (UMCP), known as MPowering the State ($7 million) and adds dollars to increase funding guideline attainment for three institutions ($4M).

• The select initiatives also includes $7 million to UMB in support of critical care services—funding that will be especially important in terms strengthening rural health care in Maryland.

• University of Maryland, Baltimore County (UMBC) will receive $3 million for its CyberSecurity Center and $500,000 for the new Institute for Innovative Computing, which will help the state address its most urgent needs in cybersecurity and data analytics.

• Universities at Shady Grove will receive $5 million to begin implementation of its Strategic Plan.
FISCAL YEAR 2024 CAPITAL CONSTRUCTION PROJECTS

The USM Capital Planning Office, in coordination with the debt financing expertise within the USM Office of the Comptroller, coordinate the development and approval of the annual capital budget and the 5- & 10-year Capital Improvement Program (CIP) and Academic Revenue Bond activity. Planning Office staff guide the CIP request through an iterative cycle of development, review, approval, submission, and funding with institutional presidents, the Regents, the Governor’s budget departments, and the budget committees of the General Assembly.

With a commitment of over $295 million dollars in fiscal year 2024, the General Assembly approved all of the USM projects included in the Governor’s Capital Budget. This year’s capital budget made critical additions to the CIP while accelerating several other projects. Actions taken by the General Assembly related to the Capital Bill (House Bill 201) this session were in three parts. All of these are detailed in the Capital Budget “Scorecard” produced by the USM (see appendix).

CAPITAL CONSTRUCTION PROJECTS—BY CAMPUS

UNIVERSITY OF MARYLAND, BALTIMORE

Central Electric Substation and Redundancy: $4.56 million for construction and equipment.

This is a multi-year, multi-phased project to construct new electric substations at the north and south end of campus, to replace the existing Greene Street substation, and to upgrade the existing electrical infrastructure servicing campus. The two new substations will be fed from two different Baltimore Gas and Electric (BGE) sources, providing redundancy for the campus. The project will also provide new duct banks and cable throughout campus. The northern substation includes space for the University of Maryland, Baltimore (UMB) campus recycling center. The project addresses the end of the useful life of the Greene Street substation, which also does not meet current code; failing Baltimore City duct bank to Greene Street substation; failing cables in duct banks; increasing electrical demand; and lack of electrical redundancy.

New School of Social Work Building: $3.68 million for planning.

This project will construct a new School of Social Work building. Originally, this project was intended to renovate the School of Social Work East and West buildings that were constructed in 1932 and 1983, respectively, and construct an addition. However, based on a facility condition assessment, it was determined that renovating the current facilities would not be cost effective and that new construction was necessary. In addition, the adjacent land lacks sufficient space to accommodate the construction of an addition. The current facility and remote off-campus leased space is insufficient to accommodate the 20-year growth in student and faculty. Between 2006 and 2019, enrollment in the school has grown 17.1%, from 879 full-time equivalent students (FTES) to 1,029 FTES; faculty increased from 74 full-time equivalents (FTE) to 131 FTE; and the number of staff has doubled. The Child Welfare Academy cannot hire additional staff due to lack of space. The Field Education department is housed in another building, and the school also leases 14,390 square feet of off-campus space. The project will also address the functionally inadequate space of the current buildings, which is not conducive to collaborative faculty research. There has been no significant renovation to the buildings, resulting in $22.6 million in deferred maintenance. Mechanical and electrical systems have exceeded their useful lives and are functionally inadequate, and neither building complies with life safety and accessibility requirements.
Institute for Health Computing: $2 million for FY24 and $2 million Pre-Authorization for FY25’

MPower is leading a transformative partnership to revolutionize health care, bringing together the expertise from UMB and UMCP in partnership with the University of Maryland Medical System (UMMS), Montgomery County, and collaborators from the Universities at Shady Grove and the University of Maryland, Baltimore County. The University of Maryland Institute for Health Computing will leverage recent advances in artificial intelligence and computing to create a premier learning health care system that evaluates both de-identified and secure digitized medical health data to diagnose, prevent, and treat diseases in patients across Maryland. To be based in North Bethesda, the institute will catalyze a clinical data science ecosystem and tap into industry as well as federal partners like the National Institute of Standards and Technology, National Institutes of Health, Food and Drug Administration, Walter Reed National Military Medical Center, and Naval Medical Research Center. The new facility will bring together world-class researchers from the University System of Maryland’s partner institutions prominent in artificial intelligence, machine learning, and the virtual/augmented reality fields with researchers and clinicians at the UMMS. The Institute is expected to open in leased space in early 2023, with final completion of laboratory and office space at the North Bethesda Metro location in 2028. $2 million was approved to provide funds to design, construct, renovate, and capital equip laboratory and office space at the North Bethesda Metro location (Montgomery County) and a $2 million preauthorization for the Institute for Health Computing was approved for fiscal 2025.

Dental Ambulatory Surgery Center: $700k for equipment

In Maryland, and across the country, access to hospital operating rooms for the dental care of patients who are compromised due to age, behavior/cognitive impairment, complexity of care, and/or compromising medical conditions has become a growing problem. Securing appointments for Maryland children requiring the administration of sedation or general anesthesia for dental care could take up to three months. The current wait time to get an appointment for an adult requiring treatment in a hospital operating room is nearly a year. Limitations in access to sedation and general anesthesia figures prominently as a barrier to oral health care children and adults with disabilities is of increasing concern throughout the State of Maryland.

The University of Maryland School of Dentistry is planning to stand up a Dental Ambulatory Surgery Center to address this rapidly growing and increasingly costly health care need. In FY2022, the School of Dentistry provided dental services to nearly 5,000 Medicaid-eligible patients. This state-of-the-art Dental Ambulatory Care Center will also serve as home to cutting-edge research focused on innovation and discovery in the delivery of dental services to residents requiring sedation/anesthesia in an ambulatory surgical environment. We aim to improve the health and quality of life of Maryland’s citizenry and serve as a nation-wide model.
UNIVERSITY OF MARYLAND, COLLEGE PARK

Chemistry Building Wing 1 Replacement ($9.43M for Construction and Equipment)

This project renovates and upgrades parts of the 70-year-old Chemistry Building to provide modern research and office space and demolish and replace Wing 1, with a new structure outfitted with state-of-the-art research laboratories. It will enhance the ability of the Department of Chemistry and Biochemistry to partner with government and industry in pursuit of innovative technologies in the fields of energy, sustainability and health.

The upgraded and new facilities will also transform chemistry teaching from the traditional lecture/lab to a research-based approach. Students will investigate real world problems guided by faculty and industry partners (who will also conduct translational research in the same building as the instructional labs). This will increase learning and produce better-trained graduates for Maryland’s workforce. Nearly half of UMCP’s undergraduate students take chemistry during their first year, and advanced coursework in chemistry and biochemistry is agricultural sciences, public health, and engineering.

Campuswide Building Systems and Infrastructure Improvements ($12.5M for Planning and Construction)

This program provides UMD with annual capital funds to help address a portion of our tremendous facilities renewal need, which is estimated at $1.2 billion. This funding is critically needed to improve safety and protect lives, prevent major service interruptions and reduce on-going maintenance and repair costs.

Aging and inadequate HVAC and electrical systems limit the type of research that can be conducted, interfere with instruction, and hinder our ability to meet our strategic goals. Failing exterior lighting can compromise the safety of pedestrians and vehicles; failing storm drain lines can result in exterior flooding, disrupting university operations; failing roofs can result in interior flooding that can damage parts of buildings and equipment and disrupt university operations, as well as pose safety issues for building occupants; and failing elevators can trap passengers and compromise their safety.

Zupnik Hall, Interdisciplinary Engineering Building ($32.21M for Planning and Construction)

This project leverages $55M of donor funds, coupled with a State contribution of $159.4M, to construct a $214.4M state-of-the-art engineering building. The building will house the Department of Civil and Environmental Engineering and elements of other departments in the Clark School of Engineering. It will also include space for collaboration with institutional and industrial partners, including the Center for Advanced Transportation Technology, and spaces for identity-based student organizations including the Society of Hispanic Professional Engineers, Society of Women Engineers and Black Engineers Society. It will enhance the University’s ability to meet its strategic goals for growth of its engineering programs, secure sponsored research opportunities and contribute to the economic growth of the State and region.

Zupnik Hall will enhance the University’s ability to produce more well-qualified engineers for Maryland’s workforce and help spur innovation in Maryland’s defense, construction, manufacturing, and cybersecurity industries as well as the emerging fields of energy, transportation and unmanned vehicle systems. With this building, the University expects to increase undergraduate majors in these fields by 15% and graduate majors by 29% by 2030 to help meet this demand. In addition, the building will support a projected 25% increase in the number of invention disclosures, patents, and licensing agreements as well as approximately 25 new start-up companies over the next decade.
Renovate Portions of Hornbake Library for the College of Information Studies ($10 Million for Planning, Construction and Equipment)

This project will renovate portions of Hornbake Library to provide improved and expanded space for the rapidly growing College of Information Studies (iSchool). The iSchool has been on a steady growth trajectory for the last decade, but as the demand for training in information technology has exploded, the School has experienced even more rapid growth.

Hornbake Library is 50 years old and has had only limited, piece-meal renovations since the original construction. This project will renovate existing iSchool space and other underutilized space in the building to provide improved and expanded space for the iSchool and make needed building infrastructure improvements. A portion of the ground floor will be converted to create iCommons, a dynamic patchwork of labs, amenities and flexible spaces that will give students a place to make, connect and discover.

Graduate Student Housing ($5 Million for Construction—$5 Million Pre-Authorizations in FY25 and FY26)

This funding will contribute to the redevelopment of a 10.75 acre site known as the Leonardtown Area for a mixture of new housing for graduate students, faculty and staff, and affiliates. UMD enrolls approximately 10,000 graduate students, which is about one-quarter of the student body. Graduate students are especially price sensitive to rental rates and often commute to campus to avoid the high cost of living in Greater College Park. The College Park housing market has a very low supply of dedicated graduate student housing units in a market in which rents are driven by undergraduate student housing demand and are not affordable to many graduate students. This project will build up to 900 beds of affordable high quality housing for graduate students. To meet the price points that graduate students can afford, a state subsidy is vitally important.

Health and Human Sciences Complex (Pre-Authorizations, $4.95 Million FY25, $31.7 Million FY26, $27.1 Million FY27)

This project will fit-out portions of the new Cole Field House to house the Health and Human Sciences Complex which will include the newly created Brain and Behavior Institute and two units in the School of Public Health, the Department of Kinesiology and the Maryland Institute for Applied Health. The Complex will provide valuable research and clinic space for researchers to respond to current and future public health needs and enhance UMD’s ability to secure sponsored research funding.

The Brain and Behavior Institute will promote innovative multidisciplinary approaches to the most pressing problems of nervous system functions and disease such as Alzheimer’s disease, Parkinson’s disease and autism. It will position the University to be a world leader in advancing innovations in experimental and analytical approaches to understanding the brain and behavior, and will continue to strengthen interactions with collaborators at other institutions, including the University of Maryland, Baltimore (UMB). The programs in the School of Public Health address complex societal issues including obesity, climate change, wellness, substance abuse, aging, health disparities, and pandemics. Co-locating the Brain and Behavior Institute and the School of Public Health programs will promote increased collaboration to address these important health and human science issues.
BOWIE STATE UNIVERSITY

Build a new Martin Luther King, Jr. Communication Arts and Humanities Building: $67.1 million for construction and equipment.

Construction of a new Martin Luther King, Jr. Communication Arts and Humanities Building to house the Departments of Communications; History and Government; Language, Literature and Cultural Studies; and Military Science (ROTC). The project includes the demolition of the old Martin Luther King, Jr. Building. The new facility will replace functionally inadequate and poorly configured space in the existing building. The new building will include 192,000 gross square feet, 1500-seat auditorium, 2 TV studios and 2 radio station studios, 2 tiered classrooms (150 seats), 18 active learning and collaborative instructional spaces and laboratories and a ROTC plaza.

Existing Classrooms Are Too Small: The current Martin Luther King, Jr. Building has 2 existing lecture halls and 22 general purpose classrooms. The average station size for these 2 lecture halls and 22 classrooms currently are roughly half of the net assignable square footage (NASF) per student based on current standards.

Lack of Specialized Class Laboratory and Functionally Inadequate Laboratories: Disciplines such as history and government do not have required class laboratories. In addition, spaces such as the Channel 74 Studio were not designed for the purposes for which they are now used and are functionally inadequate.

Existing Building Does Not Meet Current Codes: Several instructional spaces are not Americans with Disabilities Act accessible. In addition, the existing elevator and electrical and fire protection systems do not meet current codes.

Failing Infrastructure: The current Martin Luther King, Jr. Building is 48 years old, and its mechanical and electrical systems have exceeded their useful lives and are failing. The recommended service life for mechanical systems is 20 years. Due to the inadequate mechanical systems, building users frequently complain of the lack of cooling in summer and heating in winter.

Lack of ROTC Space: The scope was modified to include a total of 4,485 NASF for the university’s ROTC program. The ROTC program has never had an appropriate location and has always been fitted into available space where it existed.


This project will construct a new facility to replace the existing Thurgood Marshall Library, which is not cost effective to renovate. The existing 45-year-old 166,869 gross square feet (GSF) library has never had a major renovation, and its mechanical and electrical systems have exceeded their useful lives. In addition, the roof and building envelope are compromised, resulting in water intrusion. The current facility is too small to accommodate the growth in university enrollment. Many of the essential library spaces remain unchanged, and the building has not been updated to keep pace with the technological and programmatic demands of a modern academic library. The building houses various non-library functions such as the Division of Information Technology (including one of BSU’s two primary computer server centers), Office of the Controller, Honors Program, Equity Compliance (EEO Officer and Title IX Coordinator), Disability Support Services, and classrooms, computer labs and other academic administrative offices. The new building will have a larger seating capacity and include individual and group study space. There will be a Special Collections Reading Room along with a Writing Center, Tutoring Center and a Faculty Resource Center. Also included will be an assembly space for accommodation of events and larger meetings making for a technology-rich collaborative learning and research environment.
TOWSON UNIVERSITY

Health Professions Building: $43 million for construction and equipment.

A new College of Health Professions building will accommodate the college including nursing, occupational therapy and science, speech-language pathology and audiology, part of kinesiology, and the dean's office. The new facility will house the various departments in the College of Health Professions, which are geographically dispersed throughout campus, limiting opportunities for collaboration and interaction among faculty, staff, and students. It will also address the lack of space to support current and future enrollment growth.

Smith Hall Renovation: $20.8 million for planning and construction.

This project will renovate Smith Hall, the old science building that was vacated by its occupants in January 2021. The project will adaptively reuse the existing building allowing for the consolidation of three departments (departments of mass communications, communication studies, and electronic media and film) within the College of Fine Arts and Communications, which are currently dispersed across campus.

The renovation will adaptively reuse an existing facility located in the middle of campus that would be largely unusable without the renovation. Most of the vacated space (about 60%) is obsolete science laboratories that would be decommissioned if not renovated. An analysis confirmed a complete renovation of the building was the best option for it would cost less, take less time to design and construct, provide the highest square footage, meet programmatic objectives, and would not negatively impact the Glen Arboretum.

The renovation will replace inadequate building systems including HVAC, electrical, plumbing, and fire suppression and provide technology-based, scalable, active teaching and learning spaces for classes, study areas, and media production.

Academic Achievement Center: $3.5 million planning, construction and equipment

This project would build an addition to the field house to provide space for the Athletic Academic Support team that offers advising, counseling, leadership, supervision, monitoring, and tutoring to student-athletes.

UNIVERSITY OF MARYLAND EASTERN SHORE

Agricultural Research Education Center: $12.6 million for construction and equipment.

Construction of a new Agricultural Research Education Center that will include specialized research laboratories (soil and water quality, microbiology/plant pathology, genomics/molecular biology, and animal science), meeting rooms, as well as staff offices and support spaces. The project also includes three research greenhouses with a head house. The building will support the research and extension programs of the School of Agricultural and Natural Sciences. UMES was able to secure federal funding from the U.S. Department of Agriculture (USDA) through its National Institute for Food and Agriculture's 1890 Facilities Capacity Building Grant program. The new facility will include a new hydroponic greenhouse to replace the one destroyed by a fire in 2011.

Radio Tower: $600,000 for planning, construction, and equipment

The UMES tower, which houses the WESM antenna and the Bloosurf equipment, was found to need major repairs. WESM (91.3 FM) is a listener-supported public radio station located on the Eastern Shore of Maryland. The station broadcasts a variety of formats, including jazz, news and information, blues, world, American folk music, and gospel programming. WESM is also an affiliate of National Public Radio, Public Radio Exchange, American Public Media and other network program providers. Licensed to the Town of Princess Anne, the station is currently owned and operated by the University of Maryland Eastern Shore. WESM 91.3 FM began broadcasting in March 1987. Broadcasting at approximately 50,000 watts, WESM's FM signal covers most of the lower Delmarva Peninsula, including the Eastern Shores of Maryland & Virginia, Sussex County, Delaware, and portions of Southern Maryland & Virginia's Northern Neck.
**FROSTBURG STATE UNIVERSITY**

Technical Infrastructure Upgrades: $500,000 for planning, construction and equipment.

A number of buildings have insufficient fiber and wireless infrastructure to support modern educational practices. Technology advances so rapidly that even some of our “newer” buildings are out of date. We would also be able to replace and upgrade 860 computers on campus. Replacing that large number will position us to be on a 5-year replacement cycle so no machine would be older than five years.

**COPPIN STATE UNIVERSITY**

Athletic Facilities Infrastructure Upgrades: $1 million for planning, construction, and equipment.

Coppin State University will receive $1 million for athletic facilities infrastructure upgrades. The funds received will significantly advance an initiative to expand and improve facilities for the fourteen (14) teams, including men's and women's basketball, men's and women's cross country, men's and women's tennis, women's bowling, softball, volleyball, baseball, and both women's and men’s indoor and outdoor track and field, housed within the university. In addition, The Physical Education Complex will be upgraded to provide better access to Game-day facilities.

**SALISBURY UNIVERSITY**

Blackwell Hall Renovation: $2.2 million for planning.

Blackwell Hall formerly housed the library that moved to the Academic Commons in 2016. This project will fully renovate the facility and construct a two-story addition on the west side of the building. Once completed, Student Services will be consolidated in one location creating a one-stop shop for students that will include Admissions, Financial Aid, the Bursar, Academic Advising, Student Health Center, Counseling Services, Career Services, the Office of the Dean of Students, and the Testing Center.

**UNIVERSITY OF MARYLAND GLOBAL CAMPUS**

Adelphi Building Renovations: $650,000 for planning, construction, and equipment.

The $650,000 in capital funds will go towards the renovation of the UMGC Administration Building to address our new hybrid workforce, with the majority of employees only needing short-term office and meeting spaces for specific projects or initiatives. This renovation involves transitioning the existing upper floors of the building from primarily “owned” spaces, assigned private offices, to shared “hoteling” spaces, with a variety of workspace types. It includes meeting rooms and project rooms of various sizes and configurations, spread throughout, for ease of accessibility.
UNIVERSITY OF MARYLAND,
BALTIMORE COUNTY

Sherman Hall Renovation: $23.8 million for construction.

This project will renovate the 42-year-old Sherman Hall, which houses several academic departments within the College of Arts, Humanities, and Social Sciences, and the College of Natural and Mathematical Sciences. It also houses enrollment management and undergraduate academic affairs. The project includes restoration of the building envelope; correcting barriers to accessibility; and replacing and upgrading the mechanical, electrical, plumbing, and life safety systems. Since renovations of an occupied building can be complex, the work will be implemented in phases.

UNIVERSITY OF MARYLAND,
CENTER FOR ENVIRONMENTAL SCIENCE

Chesapeake Analytics Collaborative Building: $11 million for construction and equipment.

This project will construct a new facility at the Chesapeake Biological Laboratory (CBL) in Solomons Island. The new facility will house CBL’s library collection and include modern interdisciplinary research space and information technology (IT) space to support research and instructional programs. The project will address the following facility problems:

Lack of Research Collaboration Space: CBL lacks medium to large spaces that can accommodate 20 to 250 people that would allow representatives from various fields to develop proposals and presentations and analyze and synthesize data; and there is a need for breakout spaces with modern IT.

Lack of Classroom Space: Two rooms serve as classrooms, but there are no collaborative spaces in which students can interact to collaborate or work on group projects.

Inadequate Library Space: CBL’s library collection was located on the second floor of Beaven Hall, when in 2016, a structural engineer determined that the weight load of the collection had caused structural damage to the building. As a result, CBL moved its collection to an offsite storage facility, and a limited number of textbooks and some historical holdings were returned to the second floor of Beaven Hall after renovation. Journals and other reference material are housed in offsite storage locations and at a temporary storage space at CBL that is only accessible to the library staff. This limits student, faculty, and staff access to materials.
UNIVERSITY SYSTEM OF MARYLAND OFFICE

Colwell Center (formerly the Columbus Center)  
Deferred Maintenance Project: $4.9 million for planning and construction

This project was added to the 2023 Capital Improvement Program (CIP) due to the deterioration of the 29-year-old tension fabric roof. The project also includes critical HVAC and related mechanical improvements needed in the facility. While the University of Maryland Baltimore County (UMBC) manages and maintains this facility, it is not part of its facilities inventory because it is a “systemwide” facility and therefore became a request from the University System of Maryland Office (USMO).

Systemwide Facilities Renewal Program: $25 million for planning, construction and equipment.

The USM annually surveys its institution to access the size and magnitude of the system’s deferred maintenance and facilities renewal needs. The survey instrument has been revised in recent years to measure the backlog more precisely. Currently, institutions categorize deferred maintenance cost as either structural/envelope, mechanical/electrical systems, or life safety/regulatory. In addition, institutions report on costs associated with programmatic improvements which include renovations, remodeling, reconfiguration, modernization, and information technology/communications.

Academic Revenue Bonds

The USM manages the debt issuance for each of the twelve member institutions, three regional higher education centers, and central office through a single, System-wide Revenue Bond program that provides funding for both state-supported academic projects, but also the capital needs of self-supporting activities like dorms, dining halls and athletics. Thorough strategic planning and financially responsible management has enabled the USM to maintain a Aa1/AA+ bond rating, which provides for bonds to be sold at a premium, with low interest rates, to finance all necessary projects without straining the USM’s debt capacity.

House Bill 735 authorizes the use of $25 million in academic facilities bonds for the purpose of financing construction, renovation, and renewal projects at USM buildings. Similar legislation has been approved each year for the past 2 decades. Specifically, the bill authorizes $5 million in academic facilities bonds for an infrastructure project at the University of Maryland, College Park Campus and an additional $25 million for facilities renewal on buildings across the system. The bill allows non-residential institutions to use proceeds from real property sales for operating expenses.
# FINAL STATUS OF BILLS

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ACADEMIC & STUDENT AFFAIRS

HOUSE BILL 295
Public Institutions of Higher Education—Student Withdrawal Policy—Reimbursement of Tuition and Fees
USM Position: Favorable with Amendment
Status: Did Not Pass

House Bill 295 would have required each public institution of higher education to adopt a policy authorizing students to withdraw for extenuating circumstances such as illness, injury, hospitalization and mental health and wellness.

University System of Maryland institutions work closely with students experiencing challenges with physical and mental health to help them complete their studies or return to campus after a hiatus. Presently, each USM institution has specific policies and processes to support these students. One commonality is that withdrawal policies begin with the first day of instruction and the failure to attend the university or attend classes does not change this policy. Institutions and students must consider the implications of withdrawal for the purposes of the return of federal financial or Return of Title IV funds (R2T4). For the student, the percentage of funds returned decrease in the first three weeks of a semester. The funds schedule may vary campus-to-campus, but generally, students can expect a 90% refund in the 1st week; 50% in the second week; and 25% in the 3rd week. Regardless, students receiving Title IV federal financial aid must complete exit counseling as a condition of their loan agreement. That process begins here: https://studentaid.gov/exit-counseling/ Beyond that timeframe, our focus is to work with students so that they may complete the course successfully.

At one USM institution in 2021, the Exception to Enrollment Policy received approximately 200 applications. The school approved 33% of them. In many cases, the student was able to receive a W grade, which allowed them to withdraw from a course instead of failing. Further, for extenuating circumstances in which the student’s verified last date of attendance/participation in the course was during the published refund period, in addition to the retroactive enrollment adjustment (i.e. grade change from F to W), the student would be refunded accordingly.

HOUSE BILL 356
Public Institutions of Higher Education—Pregnant and Parenting Students—Policy
USM Position: Information
Status: Did not Pass

Equal treatment and support for pregnant and parenting students is critical to ensuring that all female students have equal access to educational opportunities. The campuses that comprise the USM have consistently implemented timely policies to keep these students in school, ensure their children’s health — and in the end get their diploma.

The U.S. Department of Education’s Office for Civil Rights (OCR) enforces, among other statutes, Title IX of the Education Amendments of 1972. Title IX protects people from discrimination based on sex in education programs or activities that receive federal financial assistance. One of the less well-known aspects of Title IX is that it protects the rights of pregnant and parenting students to stay in school and confer a status of “…pregnancy, childbirth, false pregnancy, termination of pregnancy, or recovery therefrom.”

Generally speaking, this means that USM institutions must give all students who might be, are, or have been pregnant (whether currently parenting or not) equal access to school programs and extracurricular activities. Schools must treat pregnant and parenting students in the same way that they treat other students who are similarly able or unable to participate in school activities. And Title IX requires schools to prevent and address sex-based harassment, which includes harassment based
on pregnancy. Pregnant and/or parenting students may not be prevented from attending class on the basis of pregnancy. Separate programs or schools for pregnant and parenting students must be completely voluntary and must offer opportunities equal to those offered for non-pregnant students.

Academic accommodations are generally made on a case-by-case basis as it pertains to the physical circumstances of pregnancy and any related medical conditions. This is a distinct time period that may include: the duration of the student's pregnancy, physical recovery and/or post pregnancy medical or psychological conditions that would be considered a disability under the Americans with Disabilities Act (ADA).

**HOUSE BILL 372 (SENATE BILL 289)**

**Higher Education—Veterans of the Afghanistan and Iraq Conflicts Scholarship—Altering Name of Scholarship**

**USM Position:** Favorable  
**Status:** Passed

House Bill 372 alters the name of the Veterans of the Afghanistan and Iraq Conflicts Scholarship to the “Douglas J. J. Peters Veterans of the Afghanistan and Iraq Conflicts Scholarship.” Currently, veterans and active-duty members of the U.S. Armed Forces who served in Afghanistan and Iraq, and members of the reserve or Maryland National Guard who were activated as a result of the conflicts, are eligible for the scholarships, as are their children, stepchildren, and spouses.

USM cannot think of a more fitting recognition of former Maryland State Senator Doug Peters than to name this significant and meaningful scholarship after him. Douglas J. J. Peters is a former Maryland State Senator from 2007 to 2021 where he served as Majority Leader and Chair of Capital Budget. He was a Prince George’s County Councilmember from 2002 to 2006 and Bowie City Councilmember from 1998 to 2002. He served as a Captain in the United States Army Reserve (1988-1998), served in Operation Desert Storm and was awarded the Bronze Star Medal. Peters is a Past Commander of the Bowie American Legion and VFW Posts He is a 1985 graduate from the University of Maryland, College Park Business School majoring in Finance and 1990 graduate of the University of Baltimore with a Masters of Business Administration.

As a state senator for 14 years, Senator Peters distinguished himself as an ardent supporter of the University System of Maryland. That support has culminated in his continued service as a valued member of the USM Board of Regents where he sits on several committees including the Committee on Education Policy and Student Life and the Committee on Intercolligate Athletics and Student-Athlete Health and Welfare.

**HOUSE BILL 452**

**Food Supplement Benefits—Students—Eligibility**  
**(SNAP for Students)**

**USM Position:** Favorable  
**Status:** Did Not Pass

House Bill 452 would require the Maryland Department of Human Services to provide food supplement benefits to eligible students enrolled in an institution of higher education. Food insecurity—the lack of reliable access to sufficient quantities of affordable, safe, nutritious food—is a genuine problem for many Americans, including young adults across the USM. Growing evidence suggests the potential negative impact on educational success and efforts to mitigate food insecurity among students must remain a top priority.

The Supplemental Nutrition Assistance Program (SNAP) is the nation’s largest domestic food and nutrition assistance program for low-income Americans. SNAP offers funds preloaded on an Electronic Benefits Transfer (EBT) card that eligible low-income individuals and families can use to purchase certain foods, including fruits and vegetables, dairy products, bread and cereals, meat, poultry, fish, and other pantry and convenience items, from authorized retailers.

Higher rates of food insecurity for college students have been attributed to the growing population of low-income students, insufficient financial aid, and the fact that many college students are not eligible for SNAP. Before the COVID-19 pandemic, students had to meet a strict set of criteria to receive SNAP benefits. Only students ages 18 to 49 who worked more than 20 hours...
per week, studied less than half-time, or had childcare responsibilities could apply. These stringent eligibility requirements left out many other students who were also struggling with food insecurity.

During the pandemic, as many students lost work-study jobs they had relied on to support and feed themselves, Congress temporarily expanded SNAP eligibility for college students by passing the Consolidated Appropriations Act in December 2020, which required states to add two temporary exemptions to the eligibility list until the COVID-19 federal public health emergency is lifted.

The Biden Administration announced that it will end COVID-19 emergency declarations on May 11. Students who are eligible for state or federally funded work-study programs now qualify for SNAP even if they do not participate. The amended requirements also allow college attendees whose families are expected to make no financial contribution to their education in the current academic year to begin to collect SNAP benefits.

HOUSE BILL 477 (SENATE BILL 341)
Public Senior Higher Education Institutions—Reproductive Health Services Plans—Requirements

USM Position: Favorable with Amendments
Status: Passed with USM Amendments

House Bill 477 would require USM institutions to develop and implement reproductive health services plans including referrals to off-campus health providers. The USM testified that reproductive health care is an issue that uniquely impacts college students. An unwanted or unplanned pregnancy can prevent people of both sexes from finishing school, leaving students with loan debt, no degree, and fewer pathways to career and salary advancement. Research shows many factors can prevent female college students from accessing reproductive health services, including fear of social stigmas or judgment, a lack of transportation, cost, or misinformation and distrust. The main factor preventing female college students from accessing reproductive health care, however, is a lack of knowledge about what services are available or how to access them.

The Supreme Court’s Dobbs decision highlighted the importance of access to reproductive health care, including emergency contraceptives, birth control, and accurate information on preventing STDs and unwanted pregnancy for college students. It is particularly challenging for students to access Plan B, for example, or other forms of emergency contraception, as most college campus health centers are not stocked with it. Even the few on-campus health centers that do have emergency contraceptives have limited hours and are usually closed on weekends and holidays.

The ability of students to access accurate information, and procure reproductive health services swiftly, is an important part of any plan. It is also important to recognize the challenge of building the capacity to recruit, train, and/or contract with community providers, as needed, to provide reproductive health services.

Members of the State Relations Council worked with the sponsor and committee to focus the scope of the legislation where it can make the biggest impact. By concentrating this effort around residential USM institutions with on-campus health facility centers, officials are able to better track the readiness and efficacy of a reproductive health service plan.

HOUSE BILL 912
Public Institutions of Higher Education—Faith-Based and Religious Beliefs—Academic Accommodations Policy

USM Position: Favorable with Amendments
Status: Amended Language Added to a Different Bill (HB 923 - Passed)

House Bill 912 would require each public institution of higher education to adopt a written policy that provides reasonable academic accommodations for students to practice sincerely held faith-based or religious beliefs. The USM, while supportive of the intent of the legislation, requested an amendment that reflects existing policies and procedures and is based on federal law related to accommodations for students and strikes the requirement to provide exclusive spaces for religious observances.
The USM is committed to providing welcoming and inclusive learning and workplace environments. USM institutions comply with Board of Regents policy concerning religious observance and the federal anti-discrimination policy. The USM prohibits discrimination, harassment, and retaliation on the basis of religion and requires institutions to regularly publish information about accommodations in appropriate faculty and student media. Any student who is unable to attend classes on a particular day or days or at a particular time of day because of the tenets of a sincerely held religious practice or belief “…shall not be penalized because of observances of their religious holidays and shall be given an opportunity, whenever feasible, to make up within a reasonable amount of time any academic assignment that is missed due to individual participation in religious observances.”

The Board of Regents entrusts that key university personnel and supervisors will consider religious accommodations requests by students, faculty, and staff, based on the totality of the circumstances. Additionally, it is the expectation of each USM president that faculty make available to each student who is absent from academic activities because of a sincerely held religious practice or belief an equivalent opportunity to make up any examination, study or work requirements which has been missed because of such absence.

The provisions in House Bill 912 would undermine the flexible nature of existing policies related to accommodations for students and set unnecessarily prescriptive requirements on faculty, including requiring syllabi to include language about policies, a specified number of excused absences, and grievance procedures that already exist in student handbooks and on the institution website. House Bill 912 also requires institutions to provide a space on campus for faith-based or religious practices that could require reconstruction or renovation of existing spaces to comply. Furthermore, because the University of Maryland Global Campus (UMGC) does not have academic facilities and its student instruction is online, the space requirements are impractical.

**HOUSE BILL 923 (SENATE BILL 662)**

**Higher Education—Appointment of Secretary and Student Financial Assistance—Accommodations at Public Institutions for Religious Beliefs**

**USM Position:** Favorable with Amendments

**Status:** Passed

The USM has long-sought modifications and clarifications in the relationship with the Maryland Higher Education Commission (MHEC) in making financial awards to students. House Bill 923 goes a long way toward that goal. While the bill could have a significant fiscal impact—the amount of which was difficult to quantify.

In the end, the bill alters the eligibility requirements for the Guaranteed Access (GA) Grant component of the Delegate Howard P. Rawling Educational Excellence Awards (EEA) program and requires institutions of higher education, rather than the Maryland Higher Education Commission (MHEC) Office of Student Financial Assistance (OSFA), to notify award recipients beginning July 1, 2025. The bill also changes the eligibility requirements for the Maryland Community College Promise (MCCP) Scholarship and requires community colleges in the State, not OSFA, to select scholarship recipients and verify recipient eligibility.

Finally, the bill requires each public institution of higher education to (1) adopt a policy to accommodate students’ faith-based or religious practices and (2) provide a space on campus for such practices.

House Bill 923 essentially eliminates MHEC’s role in income eligibility verification, awarding, award reporting and award notification for the Guaranteed Access Grant (GA) and shifts responsibility to higher education institutions. That shift requires institutions to verify each GA applicant’s income criteria using Federal Verification standards.
**HOUSE BILL 1219**

**Maryland Educator Shortage Act of 2023**

**USM Position:** Favorable with Amendment  
**Status:** Passed with USM Amendments  

Senate Bill 893 calls for the State Department of Education to implement specified goals that help to promote the overall retention and recruitment in teaching preparation programs. The Maryland Education Deans Council offered amendments that will further aid in fostering an efficient and effective pipeline to help prepare a diverse and qualified pool of teacher candidates for a sustainable career in education.

Some of their proposed amendments consist of the following: Implement alternative programs for pre-kindergarten and early childhood educators that require all candidates to hold a Bachelor's Degree in Early Childhood/Elementary Education; Require the Maryland State Department of Education (MSDE) to perform an analysis and report on teacher shortage areas by region and grade level/content area and set targets to ultimately reduce and eliminate teacher shortages in Maryland; Ensure that MSDE policies and programs like that of the Teaching Fellows for Maryland and Grow Your Own scholarship are sufficiently structured to implement an efficient application and award process; Urged for staunch support of the Educator Internship Stipend Program for eligible teachers.

**SENATE BILL 142 (HOUSE BILL 428)**

**USM—Board of Regents—Student Member Grant**

**USM Position:** Favorable  
**Status:** Passed  

Senate Bill 142 authorizes the Board of Regents (BOR) to award a grant consisting of private donor funds to a student member of the board during the first year of a two-year term. This is in addition to the tuition waiver the board may already grant in a student member's second year. The grant may not exceed the cost of the tuition. In 2020, the USM successfully sought legislation that authorizes the USM BOR to grant a tuition exemption to a student member.

The USM Board of Regents, including two student regents, governs the system. Appointed by the governor, president of the senate, and the speaker of the house, the regents oversee the system's academic, administrative, and financial operations; formulate policy; and appoint the USM chancellor and the presidents of the system's 12 institutions. With the exception of the student members, each regent is appointed for a term of five years and may not serve more than two consecutive terms. Student regents are appointed for a two-year term and may be reappointed. Regents serve on the board without compensation.

Regents are selected through a process that ensures that the most qualified, experienced, and committed candidates, representing a diverse set of backgrounds, are chosen for the position. Regents must share a personal or professional interest in the USM and possess the necessary qualifications needed to strengthen the board; demonstrate a willingness to devote adequate time and effort to the office; and display thoughtfulness and in working with others.

The intent of Senate Bill 142 is to further acknowledge the sacrifices made by USM students who volunteer for service as a regent. Tuition relief will help ensure that students who want to serve are not dissuaded by the large commitment that makes working and accepting other opportunities difficult if not impossible. This exemption will provide relief as well as incentive for students interested in this time-consuming but substantive and vital role.

**SENATE BILL 248 (HOUSE BILL 384)**

**Institutions of Higher Education—Transcripts—Prohibition on Punitive Measures Related to Student Debt**

**USM Position:** Favorable with Amendment  
**Status:** Passed  

Senate Bill 248 prohibits a higher education institution from refusing to provide a current or former student with a transcript because the student owes a debt to that institution. Additionally, the bill prohibits a higher education institution from charging a higher fee to obtain a transcript if the student owes a debt, providing
less favorable treatment of a transcript request when the student owes a debt, or using a transcript issuance as a tool for debt collection. The USM supports the intent of Senate Bill 248 in providing transcripts to students who owe debt to allow access to transcripts for purposes of transfer to another institution, application to graduate school, or application for employment. Unlike statutory language related to restricting registration for students with debt, SB 248 prohibits the use of transcript withholding regardless of the amount of debt.

The USM Board of Regents policy on academic transcripts allows an institution to withhold transcripts if a student is delinquent in his or her financial obligations. Also, the US Department of Education’s Stafford and Perkins loan programs encourage the withholding of transcripts if the federal loan is in default. Once a transcript is released to a student there is no reason for the student to pay any unpaid balance to the institution. Moreover, if a student with an outstanding debt at one institution was able to secure an official transcript and apply and be admitted to another school, that student would certainly be at a considerable risk for non-payment and accrue even more debt. This would not be good for the student as they would now owe two institutions.

**SENATE BILL 353**

**Higher Education—Hunger-Free Campus Grant Program—Alterations**

**USM Position:** Favorable

**Status:** Did Not Pass

Senate Bill 353 would require the Governor to include a $1,500,000 appropriation in the annual budget bill starting fiscal year 2025 for the establishment of a matching grant program at public institutions of higher education to address hunger and food insecurity. The USM testified that the programs outlined in Senate Bill 353 would help to enhance the institution’s efforts to provide food and other basic needs security to our students. As the USM has always prioritized the basic needs of our students, all USM institutions have established food pantries, emergency funds, and implemented other programs to help meet students’ most basic needs while they are attending our institutions.

The USM emphasized that with the continued growth of our student population especially among students in higher-risk populations, it is important that we continue to meet students’ needs to help increase their opportunities for success at USM institutions and beyond.

**SENATE BILL 812**

**Higher Education—Disciplinary Records—Use in Admissions and Disciplinary Proceedings**

**USM Position:** Unfavorable

**Status:** Did Not Pass

Senate Bill 812 would prohibit institutions of higher education from using an admissions application that contains questions about the disciplinary record of the applicant. The bill would allow institutions of higher education to use third–party admissions applications that contain questions about the disciplinary record of the applicant as long as that application is not used to disqualify an applicant based on the applicant’s disciplinary record. Here, a disciplinary record is defined as any information relating to the discipline of a student from a school in any state including a public or private primary or secondary school; a private career school; a community college; and an institution of higher education.

Presently, USM institutions may exercise the option to ask about students’ disciplinary records. This is a standard part of the admissions process that has never been used automatically or systematically to disqualify an applicant. Students are reviewed without looking at the disciplinary record. Then, once the general determination has been made, the disciplinary record is reviewed. Rarely has a decision ever been changed based on that record. The information is, however, used as one of many mechanisms to keep our university communities safe.

It is also important to note that this information should be accessible to professionals, so they can make informed decisions about admissions, as many of our degree programs are preparing students for careers in fields that have character and fitness requirements that must be satisfied in order to work in that field. USM institutions would not want students to have paid tuition for years and not be eligible for the job(s) for which they trained.
When a student indicates they have an issue on their disciplinary record, admissions professionals reach out to learn from the applicant more about the issue on their record. Every admissions cycle, students with previous disciplinary record issues are granted admission to USM institutions when admissions officers thoroughly and fairly review students’ records from high school or another level of education and determine that the issue has little to no chance of affecting the safety and security of a campus if the applicant enrolls in the institution.

On the other hand, when a student’s record and subsequent examination and conversations reveal the possibility of continued, substantive disruptive behavior (including but not limited to stalking, violence to others, racially motivated violence or harassment), schools do have and should continue to have the ability to individually assess those situations and deny admission if it is in the best interest of the larger campus community. Institutions simply need the ability to address students’ disciplinary records on a case-by-case basis with the goal of admitting students while keeping the campus community safe.

**SENATE BILL 668**

**Teacher Degree Apprenticeship**

**USM Position:** Favorable with Amendments

**Status:** Did Not Pass

Represented as a member of the Education Deans Council, the USM provided testimony in support, with amendments, of Senate Bill 668. The Maryland Education Deans Council represents all twenty-one (21) Education Deans and Directors at the USM, Maryland Independent College and University Association (MIC-UA) institutions, Morgan State University, and St. Mary’s College of Maryland. The Maryland Association of Community Colleges joined in the testimony.

The Education Deans Council and the Maryland Association of Community Colleges are supportive of a teacher apprenticeship pathway into the profession, which could expand outreach to a broader and more diverse pool of candidates who might become teachers. This pathway into teaching may be particularly attractive to low-income candidates, since earning a salary while engaged in a teacher preparation program could be an attractive incentive. The Deans Council offered several suggestions for the Committee’s consideration:

1) Include reference to the existing CTE pathways for teaching that are designed to bring high school students into the teaching profession. Program examples include Maryland’s CTE approved Teacher Academy of Maryland (TAM), Teacher Assistant/Aide, Early Childhood Education-Childcare, and Early Childhood Education-Infant Toddlers. Educators Rising is a national program that has been adopted by many Maryland school systems. These are high quality, attractive high school programs that include earning college credits while in high school and offer experiential learning. We recommend that existing CTE pathways and Educators Rising, as well as future CTE approved pathways leading into the teaching profession, should be mentioned as Teacher Apprenticeship programs eligible for funding under this bill.

2) Include institutions of higher education (IHEs), especially community colleges that have approved CTE pathways, in the list of required participants in apprenticeship sponsors. Since the bill references both high school and college students, we think that IHEs should be included.

3) Allow for registered teaching apprenticeships to be offered by one local school system, with appropriate funding. Each school district has unique needs and some IHEs work with only one local school system, so requiring three local systems will slow down implementation.

4) Sponsors establish a career path with three levels: Level One is a tutor; Level Two is a paraeducator; and Level Three is a teacher. As proposed, it appears that 11th and 12th grade students might serve as the teacher of record. All teachers of record should have a bachelor’s degree. We recommend that Level Three career path should be achieved post-certification.
ADMINISTRATION & FINANCE

SENATE BILL 426
USM—Board of Regents—Quasi-Endowment Funds

USM Position: Favorable
Status: Passed

Senate Bill 426 authorizes the USM Board of Regents to establish quasi-endowment funds and use investment income produced to provide student financial aid.

A quasi-endowment is an investment established by the governing board with the expectation that the fund be managed to produce spendable income annually that would be used for a specific purpose. Like other types of endowments, the expectation is that the original invested amount be invested and managed to last in perpetuity, with only the income used annually for the specified purpose. In 2013 and 2017, the General Assembly passed similar bills for the establishment of quasi-endowment funds for $50 million each to support development activities and facilities renewal projects.

The USM, along with affiliated fund-raising foundations pool their endowment funds and invest them in a single portfolio that is managed to last into perpetuity. The spending from the funds is guided by a policy that determines how much can be taken out of the funds. The spending rate is a target of 4.25% of market value each year. The combination of the investment and spending policies are designed to ensure that the fund grows in value each year and is managed to maintain its purchasing power into the future.

As most USM institutions have a large population of students who are Pell eligible, it is imperative that we continue to prioritize making higher education accessible and affordable for all students.

Senate Bill 426 will allow USM to establish a quasi-endowment of no more than $150,000,000 from balances held and invested by the State Treasurer. Spendable income, by the direction of the Board, will be used to provide scholarships to our students. Senate Bill 426 will also provide a funding stream of over $6,000,000 to fund scholarships to students.

HOUSE BILL 1154
State Procurement—Payment Practices

USM Position: Unfavorable
Status: Did Not Pass

House Bill 1154 would reduce from 45 to 15 the number of days following receipt of an invoice after which the state owes accrued interest on certain unpaid procurement contract amounts.

The accounts payable operations of the USM are decentralized and vast in scale. The shortcomings of this would only be compounded by being integrated within the state’s own accounts payable function. Under House Bill 1154, normal and reasonable delays in this essential business process will carry with them significant financial penalty. House Bill 1154 would require the USM to take on additional staff or to compromise its own internal control processes. Campuses report that current staff levels are generally at the minimum needed to process current volume of invoices. In addition, some vendors are recurring and send multiple invoices at the same time every month, which means that some weeks campuses have significantly higher numbers of invoices than others. In order to process the high volume of invoices in a shorter period of time would require additional staff.
House Bill 124 (Senate Bill 131)

Mandated Reports—Revisions

USM Position: Favorable
Status: Passed

Last year, the Department of Legislative Services (DLS) requested that the USM assist with a quadrennial review of mandated reports to the General Assembly and Governor. Section 2-1209 of the State Government Article requires DLS, “…in consultation with State agencies and institutions, to review and make recommendations regarding the repeal or modification of any mandated reports based on whether they are obsolete, duplicative, impractical, inefficient, or otherwise unnecessary.”

The DLS and the USM came to agreement to repeal several of these reports.

The USM understands the importance of providing relevant and current content to Legislative and Executive department decision-makers and found several reports that prove relevant and timely. The USM staff also noticed some reports that are a few years to more than a decade overdue.

House Bill 112

State Personnel—Whistleblower Law—Procedures and Remedies (First Amendment and Public Employees Protection Act)

USM Position: Letter of Information
Status: Did Not Pass

House Bill 112 would alter the prohibition on reprisal against certain employees for disclosures and actions under the Maryland Whistleblower Law. The USM highlighted existing policies that protect an individual who discloses information reasonably believed to be evidence of an abuse of authority, gross mismanagement, a gross waste of money, or a substantial and specific danger to public health and safety. The USM established a Fraud Hotline, administered by the USM Office of Internal Audit, as a non-retaliatory mechanism for employees, students, and others in the community to report such matters confidentially. The USM Board of Regents have promulgated at least seven policies that provide protections to individuals sometimes referred to as whistleblowers under various federal and state laws, including the state's Whistleblower Act, Title IX, Title VII, the Americans with Disabilities Act, and others.

The USM described how institutions will likely experience higher legal costs associated with managing these whole new causes of action. Campuses would need additional human resources staff FTEs to intake, process, and investigate a broader type of complaint that will be brought under the amended Whistleblower law; amend the USM's policies to reflect the changes; and develop an effective communications strategy to inform employees.
HOUSE BILL 184 (SENATE BILL 131)
State Personnel—Education and Transportation—Grievance Procedures

USM Position: Favorable with Amendments
Status: Passed with USM Amendments

House Bill 184, as written, would have altered the established definition of a grievance in a way that would have suggested that an employee in the USM may be permitted to file a grievance on practically anything and everything, including the “general level of wages” and “other broad areas of financial management”—the breadth and scope of which cannot be understated. If interpreted in this way, an employee could challenge an institution’s financial management or staffing decisions through the grievance procedure.

After hearing from several witnesses, the bill language was amended to require the grievance policies and procedures of the Maryland Department of Transportation (MDOT) and public State institutions of higher education to be consistent with those that apply for other State employees and to include a redress of any violation of an employee’s rights related to wages and payroll, including the award and payment of damages. The bill also expressly authorizes a grievance to be filed by an employee of MDOT or of a public State institution of higher education (or the employee’s exclusive representative) when payroll information is not reported in a timely or accurate manner to the Central Payroll Bureau (CPB).

HOUSE BILL 275 (SENATE BILL 247)
State Personnel—Collective Bargaining—Faculty, Part-Time Faculty, and Graduate Assistants

USM Position: Unfavorable
Status: Did Not Pass

House Bill 275 would authorize faculty, part-time faculty, and graduate assistants at the USM, Morgan State University, and St. Mary’s College of Maryland to collectively bargain. The bill takes effect July 1, 2023. The USM testified about the effectiveness and intrinsic value of Shared Governance, which has been an integral part of higher education for 100 years. Shared Governance is a way of ensuring meaningful faculty and graduate student participation in overall institutional governance. The USM, however, did ask the committees to adopt an unfavorable report on House Bill 275.

Shared Governance within the USM is dynamic and nimble. It has been informed over the years by consistent dialogue including actionable items on faculty governance and academic freedom; budgetary and salary matters; financial exigency; the selection, evaluation, and retention of administrators; college athletics; governance and collective bargaining; and the faculty status of college and university librarians. The USM explained, also, that it should not be understated that graduate assistant and faculty collective bargaining in Maryland, and subsequent unionization of these units would cause significant disruption to operations across every administrative and academic unit of each university. While the shift would be felt most acutely day to day by Academic Affairs, the administrative offices of Human Resources would be tasked with leading, facilitating, and otherwise maintaining the formal labor relationship with the bargaining units’ elected representatives.

For faculty, both tenure-track and adjunct, a collective bargaining structure would tend to eliminate institutions’ attention to salary competition within disciplines. Such standardization of scales—common to organized labor pay structures—would conceivably dilute competition for higher end faculty positions (e.g., STEM, Business, Health Professions), and further affect both recruitment and retention of highly qualified faculty.
Such a structure risks USM institutions being hamstrung to continue incentivizing people to stay through retention raises and equity adjustments, which they now have the flexibility to administer, and may not under a collective bargaining structure.

Faculty and graduate students play an integral part in the ability of USM institutions to provide the scope and quality of educational experiences expected of Maryland’s senior public institutions of higher education. Graduate assistants, in addition to pursuing their own education and master’s or doctoral degree through taking classes and conducting research, complement the teaching and research activities of the faculty, and in doing so allow the faculty to engage more students in focused instructional opportunities. They also provide the institution with an ability to more rapidly adjust the educational opportunities to meet student needs and preferences that can’t be accommodated for by the faculty alone. The USM values the vital role played by graduate assistants in facilitating an institution’s charge to promote teaching, research, and public service, and also wants to emphasize that they are students first. Graduate assistants’ tuition is paid for by the institution where they are attending in addition to health benefits and a stipend.

**HOUSE BILL 984 (SENATE BILL 367)**

**Public Employee Relations Act**

**USM Position:** Unfavorable  
**Status:** Passed with USM Amendments

House Bill 984 proposed a drastic restructuring of the collective bargaining process in the state of Maryland including for USM institutions. Among other things, the bill, as originally presented, (1) redefined key aspects of the labor-management relationship, (2) modified the bargaining and dispute resolution processes, (3) amended the election process for certifying an exclusive representative, (3) established binding interest arbitration through a requirement to include a binding arbitration clause in a MOU, and (4) established a new consolidated labor relations board with expanded regulatory and enforcement powers. The scope and magnitude of this bill as proposed would have had an immeasurable fiscal and operational impact on the institutions.

Several favorable amendments were made to HB 984, eliminating the concerns on some of the more egregious provisions of the bill. Changes to the definitions of management rights, strike, and confidential employee would have effectively eliminated management’s ability to run its operations and would have made it legal for employees to refuse or fail to perform employment duties or engage in a work slowdown. Through amendments, the existing definitions of these terms were all restored and have been maintained. Any references to binding arbitration or binding interest arbitration have been struck from the bill, and a provision allowing the terms of a MOU to be disputed through any existing grievance procedure was removed. The bill, as originally presented, would have made prior labor board cases persuasive authority, allowing a new Board to overturn many years of prior precedent; in its current form, HB 984 establishes prior opinions and decisions of the existing boards as binding. Other clarifying amendments were made as well.

House Bill 984 repeals the State Higher Education Labor Relations Board (SHELRB), serving public institutions of higher education, and the other currently existing boards serving executive agencies and K-12 public schools. Instead, one single Board will oversee the collective bargaining laws. The SHELRB has functioned as the expert for labor disputes in higher education for over 20 years. The newly enacted Board may not have the bandwidth to accomplish what was previously handled by three (3) boards and may not have the expertise in higher education necessary to understand or appreciate the nuances. The result could be decision-making that impacts the level of education provided to students or that more negatively impacts the campus community. House Bill 984 also establishes a “card check process” by which a union will automatically be recognized as the exclusive representative of a bargaining unit if it collects showing-of-interest cards, which are valid for up to 18 months, from over 50% of the proposed bargaining unit. Not only do employees lose the right to vote by secret ballot and choose how their interests would be best represented without undue influence or pressure exerted upon them, but these changes are sure to create some significant operational challenges across the System.
SENATE BILL 218 (HOUSE BILL 380)

Arbitration Reform for State Employees Act of 2023

USM Position: Unfavorable
Status: Did Not Pass

Senate Bill 218 proposed a significant overhaul of the collective bargaining process in the state of Maryland – including the institutions that compromise the USM. The USM testified that placing ultimate decision-making authority into the hands of a single third party is antithetical to the collective bargaining process. Binding interest arbitration would allow an outside party, who is neither accountable to the public nor subject to the consequences of their decisions, to unilaterally decide the terms of a union contract and award wage and other increases requiring expenditure of tax dollars – raising a constitutional question about a state’s delegation of such broad authority.

The bill (1) puts the ultimate decision-making authority into the hands of a single third party, (2) undermines the process of negotiations by imposing binding interest arbitration, and (3) expands the scope of bargaining, among other changes. As proposed, the establishment of binding interest arbitration would have serious, potentially grave fiscal consequences for the USM and particularly its smaller institutions.

In October of 2019, the USM, Morgan State University (MSU), and St. Mary's College of Maryland (SMCM) were required to complete a Joint Chairmen's Report on Mental Health Services. Since January 2020, the USM began regularly convening the counseling center leadership from our constituent institutions. With these (at least) every-other-month meetings, counseling center and mental health professionals talk and collaborate directly with their peers on topics including, but not limited to: campus updates and sharing of best practices; outreach to students; assessment of data; effects of budget constraints; supporting out-of-state students; serving the needs of students as they pertain to changes and adjustments that can be attributed to COVID-19 and civil unrest; unique ways to provide services and address student needs while easing and monitoring health safety protocols; and the disproportionate impact of the pandemic and racial injustice on underrepresented communities.

USM has and will continue to examine challenges in meeting the demand for mental health services, best practices for off-campus mental health services, best practices for the implementation of services, staffing, regional concerns, best models for providing care, and more.

Our institutions were able to handle this request with few challenges because for the three years prior, USM, MSU, and St. Mary's vice presidents for student affairs (VPSAs), in close partnership with campus health center directors, counseling center directors, and the USM Office of Academic and Student Affairs, embraced the challenges surrounding mental health services in higher education. These in-depth conversations include the sharing of best practices and the evaluation of efforts deemed less successful.

One of the group's most recent organized efforts to study access to mental health care in higher education was the creation of a survey. The VPSAs developed the survey, which included questions about staffing for on-campus centers; the profile of counseling centers and services including accreditations; trends in demand for services; strategies being used/considered to meet escalating demand; counseling center staff to student ratio; scope of services; expenditures; appointment management; outreach and education; best practices; evaluation of

SENATE BILL 263 (HOUSE BILL 573)

Maryland Higher Education Commission—Access to Mental Health Advisory Committee—Establishment

USM Position: Favorable with Amendments
Status: Passed with USM Amendments

Senate Bill 263 establishes the Access to Mental Health Advisory Committee within MHEC to study the access to mental health services for students. Senate Bill 263 brings some of this work to the MHEC Secretary, and while the USM appreciates the participation, amendments were offered to strengthen a well-established process.
mental health services over time; availability of off-campus resources; reasons students seek support; and services to off-campus student populations.

The Board of Regents dedicated an Educational Forum to mental health during one of its 2021-2022 academic year meetings. The hope is that members of the General Assembly remain aware of the significant work that is being done by higher education institutions in Maryland.

The USM seeks to quantify the number of campus-based counseling center directors and clinical psychologists participating in the advisory committee. This is important to encapsulate the diversity of USM institutions and ensure that the Chancellor appoints these important representatives. Secondly, the General Assembly deserves the most detailed and accurate information. Extending a final report deadline to December 1, 2024, allows for the time and care necessary to provide a clear picture of service and care at USM institutions.

**SENATE BILL 298 (HOUSE BILL 183)**

**State Personnel—Collective Bargaining—Supervisory and Managerial Employees**

**USM Position:** Unfavorable  
**Status:** Did Not Pass

Senate Bill 298 would have a significant negative impact on the USM and its constituent institutions. The proposed amendments would materially and substantially expand collective bargaining rights to additional groups of employees by removing certain exclusions from existing law in contravention of long-standing labor relations principles. The USM urged an unfavorable report.

Currently, the collective bargaining statute codified in the State Personnel and Pensions Article (SPP), § 3-101 et seq., specifically restricts collective bargaining rights from extending to “any supervisory, managerial, or confidential employee of a State institution of higher education...” (SPP § 3-102(b)(12). These exclusions have been in place for over 20 years, since the establishment of public sector collective bargaining rights in the state of Maryland.

Granting collective bargaining rights to supervisory and managerial employees through this bill would defy many years of well-established prior precedent. The National Labor Relations Act (NLRA or the Act), passed in 1935, is the federal law which governs collective bargaining in the federal government and the private sector. While the Act itself is inapplicable to State and local government, the State Higher Education Labor Relations Board (the Board), the body responsible for overseeing our collective bargaining law, looks to the NLRA for guidance when interpreting Maryland’s law. The NLRA has not included supervisory or managerial employees as those to whom collective bargaining rights extend. The Act specifically excludes supervisors and persons in managerial positions from the definition of “employee” (29 U.S.C. § 151, et seq.), and the National Labor Relations Board (NLRB) as a matter of policy further excludes from bargaining units those employees considered to be professional employees and those who act in a confidential capacity.

Excluding supervisory and managerial employees from collective bargaining is well-supported and well-reasoned. Extending collective bargaining rights to supervisory and managerial employees creates an inherent conflict of interest. As the Board of Regents (BOR) has defined these terms, a supervisory employee is an employee who has authority to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward or discipline other employees, or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature but requires the use of independent judgment.
SENATE BILL 355 (HOUSE BILL 900)

Occupational Safety and Health—Public Buildings—Indoor Air Quality

USM Position: Information
Status: Did Not Pass

Senate Bill 355 would impose new requirements for mandatory training associated with indoor quality along with requiring that each public employer conduct an annual assessment of the operations and maintenance of each public building’s HVAC systems. The bill also creates the obligation for a public employer to receive, investigate, and respond to indoor air complaints. This annual assessment must include input from employees, including the building’s engineering staff, and must consider their comments and those of their exclusive representative(s). The bill requires each public employer to certify in writing that each building’s HVAC systems have been inspected and are being operated as designed.

The USM emphasized the complexity of this bill as there are currently hundreds of buildings in USM building inventories. This new requirement for institutions to conduct annual assessments of each building’s HVAC systems must include the input of certain stakeholders in the assessment.

Facilities management teams across the USM already perform many of the functions the bill will require, and institutions have an effective process for prompt response to (and investigation of) employee health complaints related to their workplace. Remediation, repair, or other corrections are made when building-related issues are found, and employee health complaints and follow-up actions are documented.

SENATE BILL 421 (HOUSE BILL 528)

State Personnel – Teleworking Programs, Policies, and Guidelines – Requirements

USM Position: Unfavorable
Status: Did Not Pass

Senate Bill 421 would substantially revise the recently amended current laws governing (1) collective bargaining negotiations for the USM institutions and (2) telework for all state employees. Last year, the legislature amended the law governing collective bargaining at USM institutions to allow “consolidated” bargaining on an exclusive employee representative’s demand. This means that a union can require all institution bargaining units it represents at any of the 12 USM institutions to negotiate, through the USM Chancellor, a consolidated memorandum of understanding covering all of those units.

However, the law states that certain issues, including telework, may not be included in a consolidated memorandum, but instead shall be negotiated locally by the president of the institution and memorialized in a separate institutional agreement. This law reflects an understanding that certain issues are best handled at the institution level, not the System level. The USM is concerned that Senate Bill 421 would dilute an institution president’s statutory authority and right to make key operational determinations to carry out their institution’s unique mission and needs.

Each USM institution has implemented a telework policy and procedure under the authority of the institution’s president. Telework is widely available at all USM institutions, but is not appropriate for all positions, particularly certain student-facing positions. The requirement that telework be negotiated as a consolidated matter ignores the key distinctions that exist between the USM’s institutions, their diverse missions, their operations, and the students they serve. For example, not all institutions have undergraduate students who live on-campus. Not all institutions have students who attend classes on-campus each day. Telework is best negotiated locally at the institution, under the authority of the institution’s president, as current law provides.
A second concern about Senate Bill 421 is that it largely removes a USM institution’s authority to determine the most efficient, effective way to manage its workforce by making individualized decisions about whether a particular position should be eligible for telework. The bill prohibits the university from denying an employee’s application to telework if another eligible employee “in the same job position or classification” is found eligible for telework. It is noteworthy that this bill does not apply such prohibition to employees in the same department or job, but rather, the same job position or classification.

This means that an institution may be required to approve telework requests for countless employees merely because a single employee in the same job classification has been deemed telework-eligible. There may be hundreds of employees who share the same job classification, but they may work in units as distinct as Student Affairs, the Bursar’s Office, the History Department, Human Resources or Dining Services. A “coordinator” in those different units would likely have quite different duties and quite different obligations regarding interacting with students. An “assistant professor” might teach an online course, while most assistant professors teach courses that meet in person.

Moreover, the bill would require consideration of whether a position has been performed via telework in the past, which may include telework arrangements during the height of the global pandemic when operations were vastly different from current university operations—all USM institutions shifted to online virtual classes, rather than in-person classes, at different points during the pandemic. These provisions would limit the university’s ability to ensure that there is adequate staffing and coverage to support faculty, staff, and students throughout the varying operations on campus and would hamstring a university’s right to make innovative changes in operations.

Finally, this bill provides an employee the right to grieve termination of a telework agreement and provides an outside hearing officer the authority to reinstate the employee’s agreement based on that individual’s judgment, without regard for the institution’s right to determine the best way to manage its operations and serve its students and the citizens of the state of Maryland.
RESEARCH & ECONOMIC DEVELOPMENT

HOUSE BILL 552
Economic Development—Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023)

USM Position: Favorable
Status: Passed

House Bill 552 establishes the Build Our Future Grant Pilot Program within the Department of Commerce. The program awards grants to universities and projects that, in collaboration with private industry partners, offer significant economic impact.

As confirmed in a recent report on Maryland Competitiveness, performed in response to a Joint Chairmen’s Report from the 2022 General Assembly, “Maryland needs to be proactive and develop a comprehensive strategy to spur stronger high-tech industry and innovation-led growth, make the needed investment to execute that growth, engage industry and diverse communities, and act quickly to remain competitive with other states in attracting and retaining industry and talent.”

House Bill 552 could provide much-needed, catalytic capacity to the research engine at the base of innovation-led growth and the training ground for tomorrow’s innovative workforce.

The tie between research and innovation activity and economic impact is critical. The University System of Maryland (USM) has strengthened its focus on research and research-derived economic benefits, including establishing the USM Office of Research and Economic Development, led by USM’s first Vice Chancellor for Research and Economic Development.

As part of $1.3 billion in research and development activity annually, the USM performs and operates research facilities throughout the state, many of which are supported by federal funds and other investment from outside the state. Investment from Maryland in the state’s infrastructure will provide better leverage to obtain these external funds, many of which require matching commitment. House Bill 552 recognizes the importance of tailored and targeted support for emerging industries and innovation clusters, economic growth and community development. The USM and competing institutions across the country recognize that successful venture creation and innovation-driven economic development requires the right environment or “place” in which to occur.

HOUSE BILL 556 (SENATE BILL 516)
Cannabis Reform

USM Position: Informational
Status: Passed

House Bill 556 redesignates the Alcohol and Tobacco Commission as ATCC and establishes the Cannabis Regulation and Enforcement Division (the cannabis division) in ATCC; the cannabis division is funded by the newly established Cannabis Regulation and Enforcement Fund (CREF). The cannabis division is tasked with overseeing the regulation of adult-use cannabis and is the designated successor of MMCC in all matters concerning the regulation of medical cannabis.

Among other things, the bill establishes an advisory board on medical and adult-use cannabis and establishes civil and criminal penalties for specified violations.

HOUSE BILL 781 (SENATE 699)
Maryland Technology Development Corporation—Equitech Growth Fund and Commission

USM Position: Favorable
Status: Passed

House Bill 781 would establish both the Equitech Growth Fund and Commission within the Maryland Technology Development Corporation (TEDCO) to support the economic competitiveness, infrastructure assets and long-term goals for growing Maryland’s inclusive innovation economy.

As one of the main engines that powers the state's economy, the USM is working towards expanding graduates...
in key fields, diversifying the workforce, and increasing entrepreneurship and private sector partnerships. Through the competitive pursuit of research gifts, grants and contracts, the USM has grown the discovery enterprise and attracted more money to projects. USM institutions currently perform over $1.3 billion in research and development annually, which feeds the institutional and Maryland innovation ecosystem.

Since 2012, USM has been particularly successful in facilitating the creation of new businesses, having helped develop over 1,000 new ventures. Many of these ventures stay within the state, following national trends of businesses remaining in those communities where they first received funding, investment and/or mentorship support. The pace of USM intellectual property-based startup growth has increased as well and in 2016, the USM began making investments in early-stage startups to help fuel their growth in Maryland.

The USM continues to strengthen its focus on research and research-derived economic benefits, including establishing the USM Office of Research and Economic Development, led by USM’s first Vice Chancellor for Research and Economic Development. The establishment of the Equitech Growth Fund and Commission can aid in further strengthening Maryland’s role within the nation’s research and innovation industries.

The USM Board of Regents has established a policy that governs approval and operation of all affiliated foundations. That policy requires the foundation to enter into an agreement with the Board of Regents formalizing the Board’s recognition of the foundation and limiting the scope of the foundation’s activities to those that are outside the normal scope of the institution’s operations. The policy also requires the affiliated institution to develop a conflict-of-interest management plan for each university employee who performs operational duties for the foundation so that all parties interacting with the foundation understand the role and capacity of the university employee.

There are currently nine foundations that have a primary mission of accepting funds to benefit their affiliated campuses. (An additional seven support particular units or functions, such as athletics or specific schools). They support activities such as annual and major gift fundraising, advancement services, donor stewardship, and funds administration and management. Eight USM campuses report benefiting from the ability to use an affiliated foundation to accept certain grants; in aggregate, the value of these grants can range from $3 to nearly $12 million on an annual basis.

Maryland law permits university officials or employees to serve as a director, official, or employee of a foundation “organized to foster fundraising and provide related services for the benefit of the institution” without fear of running afoul of certain restrictions under the Maryland Public Ethics Law. Without such legal protection, the Ethics Law would prohibit such service as a conflict of interest.

House Bill 1179 would have clarified current law by unequivocally extending that provision to foundations “organized to accept research grants for the benefit of the institution if (1) the foundation is a tax-exempt organization under section 501(c) (3) of the IRS code and (2) the university has determined that it cannot directly accept the research grant because of conditions required by the grantor.” Without such legal clarification, there is a concern that foundations that currently accept research grants would need to cease doing so, to the detriment of the universities.

**HOUSE BILL 1179**

**University System of Maryland—Affiliated Foundations**

**USM Position:** Favorable  
**Status:** Did not pass

House Bill 1179 would have amended the section of the Education Article addressing affiliated foundations at USM to clarify that, under certain circumstances, university employees may, in accordance with the Maryland Public Ethics Law, serve as directors, officials, or employees of an affiliated foundation that is “organized to accept research grants for the benefit of the institution.” Current law encourages public higher education institutions to “promote private fundraising by strengthening institutional development activities and by maintaining relationships with affiliated foundations.”
SENATE BILL 333 (HOUSE BILL 471)
Economic Development—Regional Institution Strategic Enterprise Zone Program—Alterations and Financing

**USM Position:** Favorable  
**Status:** Passed

Senate Bill 333 alters the period of time that an area may be designated as a Regional Institution Strategic Enterprise (RISE) zone, repeals the prohibition on the Secretary of Commerce from approving more than a certain number of RISE zones in a certain area, and extends the termination date of the RISE Program.

RISE Zones leverage USM assets for economic development. These assets include student/faculty entrepreneurship, industry-sponsored research, and related innovation activity. All this activity drives an increase in the development of co-working spaces, innovation labs, startup incubators and tech accelerators on, or in close physical proximity to, our USM campuses.

The USM has long supported the intent of the RISE Zone program and has supported recent changes that have improved the program. Numerous national studies suggest that of those startups who survive, 80 percent will remain in those communities where they first received funding, investment and/or mentorship support. The RISE Zone program provides this type of support, specifically the granting of rent subsidies and provision of other stated benefits direct to the startup company.

The RISE Zone program incentivizes public-private partnerships that create a virtuous cycle of economic growth and community development. The USM and competing institutions across the country recognize that successful venture creation and innovation-driven economic development requires the right environment or “place” in which to occur. These “places” also need to offer the support necessary to retain, scale and attract startup activity. Successful innovation-driven communities call this “place-making.” However, good “place-making” practices do not occur organically and must be nurtured through programs such as the RISE Zone.

Since 2012, the USM has been particularly successful in facilitating the creation of new businesses, having helped launch over 1,000 new ventures. The pace of USM intellectual property-based startup growth has increased as well and in 2016, the USM began making investments in early-stage startups to help fuel their growth in Maryland. USM institutions perform over $1.3 billion in research and development annually, which feeds the institutional and Maryland innovation ecosystem. More growth is anticipated, and USM has strengthened its focus on research and research-derived economic benefits, including establishing the USM Office of Research and Economic Development, led by USM’s first Vice Chancellor for Research and Economic Development.

SENATE BILL 495
Research Facilities and Testing Facilities That Use Animals—Licensing and Regulation

**USM Position:** Unfavorable  
**Status:** Did Not Pass

Senate Bill 495 would have established requirements for the use and treatment of dogs or cats by research facilities and prohibits the use of certain dogs and cats for research or testing purposes.

The USM testified against this sweeping legislation that would add a new state regulatory office and set of procedures for licensing and monitoring animal research facilities that is a huge overstep from the current USDA requirements.

All laboratory animal work at USM institutions must be approved by the Institutional Animal Care and Use Committee (IACUC) in accordance with the Animal Welfare Act, The Guide for the Care and Use of Laboratory Animals, and other federal regulations. Researchers consider all alternatives to procedures by employing appropriate, protocol specific search strategies, regardless of species. They are guided by the approach of the Three Rs which represents a practical method for implementation referring to replacement, refinement, and reduction when deciding to use animals in research and in designing humane animal research studies. In terms of justifying the use of an animal model, the principal investigator must submit to the IACUC whether
other alternatives (e.g. cell culture, computer/modeling/simulation) to animal usage exist and why they are not feasible for this particular research protocol.

USM institutions conduct animal research models in conjunction with federal research grants and contracts and adhere to all federal regulations relating to animal research. Institution facilities are inspected once a year and are subject to unannounced inspections by federal agencies. They also have internal protocol measures and oversight in place and provide an annual report to the USDA as a registered research facility.

Senate Bill 495 did not clearly define the term animal and does not specifically rule out applicability to other species that are commonly used in animal research. That ambiguity is concerning since the universe of animal populations that might be used in studies is a large one. The bill also creates another level of licensing requirement and inspection cycle within the Maryland State Department of Agriculture with a specific focus on dogs and cats and already existing species covered as well as requiring additional reporting which is duplicative of the USDA requirements and guidelines. It also uses federal reporting to trigger state inspections of facilities which may be outsourced to contractors who are not held to the same inspection standards as of federal agency.

**HOUSE BILL 626 (SENATE BILL 560)**

**Animal Testing and Research—Human-Relevant Research Funding and Animal Testing and Research Contributions**

**USM Position:** Favorable with Amendments

**Status:** Passed

This bill requires specified entities that conduct research using nonhuman animals to make a payment to the Maryland Department of Health (MDH) each year based on the number of animals used in their research. The Secretary of Health must distribute the revenues to the Human-Relevant Research Fund (HRRF), a special fund created by the bill in the Maryland Technology Development Corporation (TEDCO) to promote State-funded research intended to develop human-relevant alternatives to using nonhuman animals in testing and research through grants and loans.

By January 15 each year, beginning in 2024, each research facility that is located in the State and is required to submit an Animal and Plant Health Inspection Service (APHIS) Form 7023 must make a payment to MDH based on the total number of animals used in its research.

Of the 35 registrants required to make annual payments under the bill based on the 2021 APHIS Form data, 4 are public senior institutions of higher education. Based on the number of animals listed on the form, those institutions must pay a combined $120,000 each year beginning in fiscal 2024, as follows:

- Towson University, $5,000;
- Frostburg State University, $5,000;
- University of Maryland, College Park Campus, $55,000; and
- University of Maryland, Baltimore Campus, $55,000.

USM researchers shared through their testimony that they consider all alternatives to procedures by employing appropriate, protocol specific search strategies, regardless of species being guided by the approach of the Three Rs which represents a practical method for implementation referring to replacement, refinement, and reduction when deciding to use animals in research and in designing humane animal research studies. We were successful in offering amendments that were accepted by the advocates and legislature which considered current practices that all laboratory animal work must be approved by the Institutional Animal Care and Use Committee (IACUC) in accordance with the Animal Welfare Act, The Guide for the Care and Use of Laboratory Animals, and other federal regulations.
IT & CYBERSECURITY

HOUSE BILL 1065 (SENATE BILL 868)
State Government—State and Local
Cybersecurity—Revisions

USM Position: Favorable with Amendment
to Exempt the USM
Status: Withdrawn by Sponsor

House Bill 1065 would have made broad changes to the structure of cybersecurity across the executive branch of Maryland. USM agrees wholeheartedly that cybersecurity is essential to the risk management of any organization. With that in mind, the USM has already developed cybersecurity policies, in keeping with this bill and approved by the Board of Regents, which are appropriate for higher education institutions. The USM cybersecurity policy is also functionally compatible with State of Maryland IT security policy, as required by MD. Education Code Ann. § 12-112 (2020) (b).

The USM also has its own cybersecurity oversight structure. At the system level, the USM has the USM Chief Information Security and Privacy Officer to oversee cybersecurity and privacy policy. The USM IT Security Council, consisting of members of each USM institution, also works together regularly and has been meeting monthly, for over 20 years, to adjust USM cybersecurity policy, share intelligence, and advise each other of best practices.

Lastly, USM institutions operate very differently than the agencies of the executive branch. While the agencies of the executive branch function like business enterprises, USM institutions function much more like small cities. USM institutions operate broad and wide-ranging education and research enterprises, covering a multitude of topic areas and types of information. USM institutions also conduct activities related to many other verticals including (but not limited to) healthcare, housing, food service, guest services, and event management. Lastly, the USM institutions all have a unique and varied educational research function that carries its own set of unique compliance and cybersecurity requirements. The varied, city-like nature of the operations of USM institutions is incompatible with many of the business enterprise related structures and policies of the executive branch.

Given that the USM already has its own cybersecurity policy and oversight structure and given that the USM operates very differently from the executive branch; the USM requested an amendment to be exempted from oversight by the Director of State Cybersecurity and the other requirements called for under House Bill 1065.

HOUSE BILL 1141
State Information Technology - Prohibited Applications and Websites

USM Position: Favorable with Amendment to Exempt the USM
Status: Did not pass

House Bill 1141 requires the ban of all applications and websites developed by ByteDance Ltd. and TenCent Holdings Ltd. on all state owned or leased “information technology” (as defined in the State Finance and Procurement Article, Section 3.5-301 of the Maryland Code. This would essentially require that USM institutions block any application and/or website by ByteDance or TenCent Holdings from all information technology and networks owned, operated, or leased by an institution or its agents. This also requires a ban on all applications and/or websites from the statewide education and research networks that the USM operates for groups across the state. By requiring the ban on statewide education and research networks, the effect of the ban will go far beyond the original public sector scope and impact private institutions as well as any other organization that partners with Maryland’s research and education networks. This could have a harmful effect on interinstitutional collaboration on our statewide education networks. Lastly, it would impact the use of applications and websites by ByteDance and TenCent Holdings on personal devices that connect to an institutional or state network. That would impact on the experience of all students and guests of our institutions in addition to employees.

Within USM institutions, gaming platforms are at the heart of many video game design and data visualization classes. Video Game design classes rely on the ability to research and play games that are on the market.
Students also use development tools provided by video game companies to develop new games. In particular, Unreal Engine, by Epic Games, is used across many USM video game programs and activities. Unreal Engine is an incredible tool for developing games, as well as non-game interactive and VR applications; and with source code, students can learn how game design engines work from the inside. Beyond video game classes, data visualization instruction also uses game-based data visualization tools to teach data analysis. Classes across the institutions also use voice and instant messaging tools such as Discord for formal class discussion and informal student to student discussions. Taking away these tools would harm video game and data visualization classes and take away a popular tool for class and student discussion.

House Bill 1141 would have impacted research in several areas of the USM. While the bill allowed for security research, it would block all other types of research. For example, UMBC uses the Unreal Engine, by Epic Games, for data visualization research. Unreal Engine is the only large-scale commercial-quality game engine available with full programming source code. The Unreal Engine is the underlying framework for the UMBC Imaging Research Center’s three plus year research project to build visualization solutions for clients such as the City of Baltimore and US Military Intelligence. Banning applications and websites from ByteDance and TenCent Holdings would have a catastrophic impact on these data science / visualization research programs.

A total ban of TikTok would have dramatic impacts on marketing and entertainment across the USM. Many university admissions departments use TikTok to advertise programs to high school students. Institutions also use TikTok to reach our current students and alumni, promote events, solicit donations, and announce accomplishments. Lastly, our athletics programs utilize TikTok heavily to draw attention to our athletic teams, advertise upcoming games, and attract new athletes. A ban of TikTok would impact the USM’s ability to engage with its community around the globe and grow its programs.

The gaming impact on university communities would be tremendous. TenCent Holdings is one of the largest gaming conglomerates in the world. As shown above, they own part or all of nearly fifty different gaming companies, including many of the biggest titles in gaming and four of the five major e-sports environments. The University of Maryland, College Park has over 1500 students enrolled in intermural e-sports as well as intercollegiate esports competition teams. All other USM institutions also have students participating in gaming and e-sports activities. In addition to student entertainment, many students use video games as a stress relief tool and mental health aid. Cutting off students from the game networks they have paid to participate in and are passionate about will have a dramatic impact on our communities.

**SENATE BILL 698 (HOUSE BILL 807)**

**Consumer Protection – Online and Biometric Data Privacy**

**USM Position:** Favorable with Amendment to Exempt the USM

**Status:** Did Not Pass

Senate Bill 698 would make broad changes to the structure of data privacy across the state. The USM recognizes the sensitivity of the information we are entrusted to hold and the importance of keeping that information private. During the 2020 legislative session, the USM worked vigorously to pass a Maryland higher education privacy law that is appropriate for higher education institutions (2020 HB1122/SB588). The bills passed in the 2020 session are set to go into effect in October 2024, and all USM institutions are currently working to implement the 2020 requirements.

USM institutions operate broad and wide-ranging education and research enterprises, which cover a multitude of topic areas and types of information. USM institutions also conduct activities related to many other verticals including (but not limited to) healthcare, housing, food service, guest services, and event management.

Given that the USM and public higher education in general already have their own information privacy law, the USM requested that the definition of public higher education institutions from the 2020 higher education privacy law be used to exempt public higher education institutions from the requirements of Senate Bill 698. As written, Senate Bill 698 would cause public higher education institutions to have two, in some cases conflicting, privacy laws that they must comply with and manage.
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The USM State Relations Council is comprised of a representative from each of the USM member institutions, as well as USM government relations staff.

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13 Universities at Shady Grove
14 University System of Maryland at Hagerstown
15 University System of Maryland at Southern Maryland

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