



March 15, 2013

USM TESTIFIES ON A HOST OF BILLS IN HOUSE APPROPRIATIONS

On Tuesday, in House Appropriations Committee, the University System of Maryland urge members to issue an “unfavorable report” for several bills. The issues ranged from collecting data based on citizenship status to tuition discounts for K-12 educators. In the end, all of these bills could either create a fiscal crunch for USM or usurp the decision-making role of the Board of Regents, Chancellor and presidents in the effective operation of the USM enterprise. Here are brief descriptions of the four bills in question:

HB 739; Public Institutions of Higher Education – Legal Presence and Tuition Rates – Reporting

House Bill 739 would require each public institution of higher education in the state to report annually to the Maryland Higher Education Commission (MHEC) on the number of students attending who are legally present or not legally present in the United States, disaggregated by country of origin and whether they are in possession of a green card (permanent resident) or an immigrant visa. “Legally present” is defined as a U.S. citizen, permanent resident, or holder of a visa under federal law.

Although reporting certain university demographic data is mandatory for all institutions that receive federal aid, USM does not collect, compile, or otherwise disseminate information on a student’s citizenship status. And since the bill speaks specifically to “legal presence,” U.S. Citizenship and Immigration Services (USCIS), the principal arm of the US Department of Homeland Security overseeing lawful immigration, has not signaled any urgency, in public or in press, to collect such information at the university level.

HB 734; University System of Maryland – Institution Management – Admissions Requirements

House Bill 734 would require each constituent institution of the USM to maintain a student body such that out-of-state undergraduate students do not exceed 20% of its total undergraduate student body; out-of-state graduate students do not exceed 30% of its total graduate student body; and out-of-state graduate students in each academic school or discipline do not exceed 30% of the academic school or discipline's total graduate student enrollment.

It was estimated that tuition revenues at USM institutions would decrease by at least \$142.5 million beginning in FY 2014 under the limitations of House Bill 734. The USM Board of Regents Policy on Undergraduate Admissions limits out-of-state undergraduate enrollment to no more than 30% of each institution's total undergraduate enrollment, excluding the University of Maryland University College (UMUC) and students enrolled exclusively in distance-education programs. Vice Chancellor, PJ Hogan testified that in addition to losing revenue that helps subsidize in-state enrollment, USM students would miss valuable opportunities to study and live beside people from other states or countries.

HB 862; Higher Education – In-State Tuition – Reduction for Educators

House Bill 862 would provide a \$1,000 discount on in-state tuition for every certificated teacher, principal, assistant principal, paraprofessional school employee, or an immediate family member of said personnel.

HB 1272; Maryland College Sports Fans and Athletes Bill of Rights

House Bill 1272 would establish that the final decision regarding a public four-year institution's membership or association with the National Collegiate Athletic Association (NCAA) or in an athletic conference rests solely with its respective governing board. The bill also establishes the Student Athletes Bill of Rights, which specifies rights for certain student athletes and additional responsibilities for USM institutions.

SENATE BUDGET COMMITTEE CONSIDERS TAX TREATMENT OF LOAN DEBT

The University System of Maryland wrote a letter to the Senate Budget and Taxation supporting Senate Bill 714. The legislation would create a subtraction modification against the state income tax for people who have had their student loans cancelled or discharged in bankruptcy proceedings. Currently, income resulting from the discharge of student loan debt is taxable at the state and federal level. The subtraction modification may not exceed \$15,000 for a single filer or \$25,000 for a joint filer.

It is extremely difficult to get rid of student loan debt, even through bankruptcy. When a student loan debt becomes so unwieldy, and is discharged in court, the debtor has demonstrated he or she cannot maintain persistently, based on current income and

expenses, a “minimal” standard of living if forced to repay student loans and that efforts to re-pay were made in good faith. USM believes student loan debtors who have had their loans successfully discharged have proven an undue hardship – a hardship that is revisited at tax time.

USM believes that Senate Bill 714 provides critical relief for student loan debtors allowing them to move on with their lives and re-establish an economic foothold.

LEGISLATION SEEKS TO CAP MANDATORY FEES AT USM INSTITUTIONS

Yesterday, former Board of Regents member and current student at UMBC, Collin Wojciechowski, testified before the House Appropriations Committee on House Bill 1412. House Bill 1412 would cap the increase in mandatory fees at USM institutions at 3% for resident undergraduate and graduate students.

As a member of the Board of Regents, Mr. Wojciechowski was instrumental in creating new board policy that made the fee-setting process more transparent and accountable at the campus level with greater participation on the part of USM’s primary consumers – students.

In order to fully understand the impact of this legislation you must first understand the funding model for Auxiliary Services in the state of Maryland and at the USM. **The state of Maryland provides no funding for the construction, maintenance, or operations of the following Auxiliary Enterprises: Dormitories, Dining Halls, Parking Garages, and Student Union Centers, Transportation Services etc.** These enterprises all are required to be self-supporting. In other words, the fees associated with room rental, meal plans, parking fees, student activity fees pay for these enterprises.

The proposed legislation would have a significant fiscal impact on the institutions and services provided to the students – \$2 million in revenue for fiscal year 2014 alone.

UPCOMING HEARINGS

SB 932

Criminal Law - Deadly Weapons on the Property of an Institution of Higher

Education

Judicial Proceedings

March 20

1pm