

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 841

(Senators Ferguson and Washington)

Education, Health, and Environmental Affairs

Appropriations

**Morgan State University - Carnegie Classification - Doctoral University With
Very High Research Activity**

This bill requires Morgan State University (MSU) to develop and implement a plan to enhance MSU such that the university is designated as a doctoral university with *very high* research activity as identified by the Carnegie Classification of Institutions of Higher Education. MSU's mission is expanded to include other urban communities in the State beyond Baltimore City. In addition to current priorities, MSU must be dedicated to (1) sustained annual research expenditures of \$50 million to \$75 million and (2) research to address issues that disproportionately impact communities of color.

Fiscal Summary

State Effect: Setting a goal for MSU to be designated as a doctoral university with very high research activity and otherwise clarifying its mission does not materially affect State or MSU finances. However, the plan developed by the president of MSU may cause MSU to redirect its higher education funds to different priorities. The bill does not require any additional State funding for MSU. Revenues are not materially affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

Morgan State University

The Maryland Higher Education Commission (MHEC) must direct the MSU Board of Regents to develop and implement a plan for the enhancement of MSU and the designation

as the State's preeminent public urban research university with the appropriate programs, faculty, and facilities.

Statute specifies that MSU:

- has the responsibility, with other educational institutions, for providing higher education research and graduate study in the Baltimore area;
- is the State's preeminent public urban university with a mission of instruction, research, and service;
- offers baccalaureate and graduate degrees in the arts and sciences;
- emphasizes an education addressing urban concerns; and
- offers the professional and graduate programs approved by its Board of Regents and MHEC.

MSU must (1) be dedicated to the development and delivery of comprehensive and high-quality academic programs and services to its university community and the citizens of Maryland, particularly to the citizens of the Baltimore region, and (2) serve a diverse citizenry in an innovative and collaborative manner, all the while exercising its responsibilities with uncompromising integrity through strong, but compassionate, leadership.

The president of MSU must develop an overall plan that is consistent with the statewide plan for higher education and the Maryland Charter for Higher Education that:

- sets forth both long-range and short-range goals, objectives, and priorities for postsecondary education, research, and service provided by MSU;
- subject to the specified authority of MHEC, identifies the role, function, and mission of MSU;
- provides for the enhancement of MSU as the State's preeminent public urban university;
- encourages and supports high-quality undergraduate and graduate programs on its campuses; and
- stimulates outreach to the community and State through close relationships with public elementary and secondary schools, business and industry, and governmental agencies.

More information can be found in the [fiscal 2023 operating budget analysis for MSU](#).

Carnegie Classification

Under the [Carnegie Classification of Institutions of Higher Education system](#), MSU is considered a doctoral university with *high* research activity. This classification system primarily serves educational and research purposes to identify groups of roughly comparable institutions. To be considered a doctoral institution under the classification system, an institution must award at least 20 research or scholarship doctoral degrees during the update year. Doctoral institutions are then scaled on aggregate and per capita research activity using a formula developed for the purpose. It is specifically to measure the level of research activity and is not intended as a measure of the quality, impact, or productivity of a university's research activity.

State Fiscal Effect: MSU has operating expenses of \$149.1 million and a research budget of \$48.9 million in the fiscal 2023 budget. The research budget includes all expenditures, including \$35.2 million in restricted expenditures. Thus, MSU's research budget must increase by at least \$1.1 million to meet the goal set in the bill. In fiscal 2021, MSU had \$35 million in grants and contracts and 67 faculty engaged as principal investigators in funded research or contracts. MSU awarded 71 doctoral degrees in the 2020-2021 academic year.

MSU advises that increasing its research activity to \$50 million to \$75 million would result in an increase in MSU's operating infrastructure totaling \$12 million annually. This increase includes personnel, information technology enhancements, maintenance, and lab equipment. MSU advises that increasing research activity may increase revenue. In addition, MSU has identified one-time facility enhancements totaling \$50 million necessary to support research activity at this level.

However, the Department of Legislative Services advises that setting a goal for MSU to be designated as a doctoral university with very high research activity and otherwise clarifying its mission does not materially affect State or MSU finances. The plan developed by the president of MSU may cause MSU to redirect its higher education funds to different priorities. The bill does not require any additional State funding for MSU. Revenues may increase, but any such increase is likely not material.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Morgan State University; Department of Legislative Services

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