

Department of Legislative Services  
 Maryland General Assembly  
 2024 Session

FISCAL AND POLICY NOTE  
 Enrolled - Revised

Senate Bill 376

(Senator King, *et al.*)

Budget and Taxation

Appropriations

Higher Education - University of Maryland School of Medicine and MPowering  
 Joint Steering Council - Funding

This bill requires the Governor to include general funds in the annual State budget for the MPowering Joint Steering Council to use exclusively on the University of Maryland Institute for Health Computing (UM-IHC) in the following amounts: \$1.5 million in fiscal 2026; \$3.0 million in fiscal 2027; \$4.5 million in fiscal 2028; and \$6.0 million in fiscal 2029 and each fiscal year thereafter. The bill also extends indefinitely the requirement for the Governor to include \$5.0 million in the annual State budget for the University of Maryland School of Medicine (UMSM) to provide clinical care at the University of Maryland Capital Region Medical Center by assigning to the center faculty who specialize in identified essential areas. **The bill takes effect July 1, 2024.**

Fiscal Summary

**State Effect:** No effect in FY 2025. General fund expenditures increase by *at least* \$1.5 million in FY 2026 and escalate to *at least* \$6.0 million beginning in FY 2029, as discussed below. Revenues and higher education funding formulas are assumed to not be affected, as discussed below. **This bill establishes a mandated appropriation, and maintains an existing mandated appropriation, beginning in FY 2026.**

(\$ in millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	1.5	3.0	4.5	6.0
Net Effect	\$0.0	(\$1.5)	(\$3.0)	(\$4.5)	(\$6.0)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** The money appropriated under the bill is supplemental to and may not take the place of funding that otherwise would be appropriated to the council or the University of Maryland, Baltimore County (UMBC).

### **Current Law:**

#### *MPowering*

In 2011, the General Assembly charged the University System of Maryland (USM) Board of Regents and, thus, University of Maryland, College Park Campus (UMCP) and University of Maryland, Baltimore Campus (UMB) with developing a plan to have an even greater impact on the State, its economy, the job market, and the next generation of innovators. The result, MPowering, was launched in 2012.

The University of Maryland Strategic Partnership Act of 2016 (Chapter 25) codified the council for MPowering as the University of Maryland Joint Steering Council (later renamed the MPowering Joint Steering Council). The council consists of members appointed by the presidents of UMCP and UMB. As established in current law, the council must:

- develop guidelines for faculty appointments that are joint faculty appointments;
- make recommendations to the presidents on joint faculty appointments;
- make recommendations to the presidents identifying competitor state peers for UMCP and UMB;
- establish a process by which undergraduate and graduate programs are evaluated to determine whether the students, the University of Maryland, and the State would benefit from alignment and collaboration and make recommendations to the presidents;
- carry out the programs and policies established under the MPower program as directed by the presidents;
- explore opportunities to create registered apprenticeship programs in nursing and other fields that include integration of high school career and technology education programs and University of Maryland graduate and undergraduate programs; and
- perform any other duties assigned by the presidents.

#### *University of Maryland Institute for Health Computing*

UM-IHC is co-led by UMCP and UMB. Funding support comes from Montgomery County, Maryland, and MPower.

## *University of Maryland Capital Region Medical Center*

Chapters 44 and 418 of 2021 require UMSM to provide clinical care at the University of Maryland Capital Region Medical Center by assigning to the center faculty who specialize in identified essential areas. For fiscal 2023 through 2025, the Governor must include in the annual budget bill an appropriation of at least \$5.0 million to implement this requirement. The funds provided must supplement and may not supplant any other funding provided to UMSM.

**State Expenditures:** General fund expenditures increase beginning in fiscal 2026 to reflect the new mandate to fund UM-IHC through the MPowering Joint Steering Council. This funding is phased in over four years – increasing by \$1.5 million a year from fiscal 2026 until it reaches \$6.0 million in fiscal 2029 and subsequent years.

Although the bill also maintains an existing mandate for \$5.0 million to provide clinical care through UMSM, the Department of Legislative Services advises that this analysis assumes no impact on general fund expenditures due to that provision. The fiscal and policy notes for the implementing legislation (Chapters 44 and 418) already assumed ongoing, albeit discretionary, general funds being used for that purpose – since the requirement for clinical care was maintained even though the funding mandate was only temporary. The fiscal and policy notes recognized that, otherwise, beginning in fiscal 2026, another source of funding would need to be identified and used for the same purpose. Nevertheless, to the extent general funds would *not* have continued to be made available, general fund expenditures further increase, by another \$5.0 million each year, beginning in fiscal 2026.

This estimate assumes that the funds are added to the budget in a manner that does not increase any funds not intended for the bill's purposes. Adding the funds directly to the UMCP or UMBC budget would increase the average full-time equivalent student funding for selected public four-year institutions, which would result in increases to the higher education funding formulas for community colleges and private institutions of higher education. Adding the funds directly to the UMB budget or creating a new budget code within USM will not impact the higher education funding formulas.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 334 (Delegate Solomon, *et al.*) - Appropriations.

**Information Source(s):** University System of Maryland; Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - January 22, 2024  
rh/ljm Third Reader - March 22, 2024  
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