

HOUSE BILL 1624

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7lr3661
CF SB 1139

By: **Delegates Sample–Hughes, Anderton, and Otto**

Introduced and read first time: February 27, 2017

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **University of Maryland Eastern Shore – State Matching Funds**
3 **for Land–Grant Institutions**

4 FOR the purpose of requiring the Governor, beginning in a certain fiscal year, to include in
5 the annual State operating budget a general fund appropriation at least equal to a
6 certain amount to the University System of Maryland; requiring the Board of
7 Regents of the University System of Maryland to allocate certain funding to the
8 University of Maryland Eastern Shore in a certain manner and for a certain purpose;
9 providing that certain funding shall be in addition to certain base funding
10 appropriated to the University of Maryland Eastern Shore and requiring certain
11 funding to be specified as a certain line item in the University’s budget; requiring
12 the Board of Regents to provide certain information to the Governor on or before a
13 certain date each year; defining a certain term; and generally relating to State
14 matching funds for the University of Maryland Eastern Shore.

15 BY adding to
16 Article – Education
17 Section 13–704
18 Annotated Code of Maryland
19 (2014 Replacement Volume and 2016 Supplement)

20 Preamble

21 WHEREAS, The designation as a land–grant institution applies collectively to those
22 institutions that were established to promote the study of agriculture and the mechanical
23 arts among all students, particularly those from working class populations; and

24 WHEREAS, 1862 land–grant institutions such as the University of Maryland,
25 College Park are traditionally white institutions that were established with both land and
26 funding to support this mission, while 1890 land–grant institutions, such as the University

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



of Maryland Eastern Shore, are institutions that were established to support the same mission in the education of people of color; and

WHEREAS, Both the University of Maryland, College Park and the University of Maryland Eastern Shore receive annual federal appropriations called formula funds that support Cooperative Extension, Agriculture Experiment Stations, and forestry research and extension from the U.S. Department of Agriculture National Institute of Food and Agriculture (USDA–NIFA); and

WHEREAS, While the 1862 program at the University of Maryland, College Park has had a matching funding requirement since its inception, the 1890 program at the University of Maryland Eastern Shore did not have a State matching fund requirement until the late 1990s; and

WHEREAS, Until 1997, only the 1862 land–grant institutions had to match the federal appropriations with State funds, but in 1997 requirements for matching were also assigned to the 1890 land–grant institutions; and

WHEREAS, The 1890 land–grant institution matching requirements were phased in and a 100% State match was required in full by fiscal year 2001; however, this has not occurred; and

WHEREAS, At a minimum, the total amount required to fully match the federal appropriation is \$3,057,408, and given the requirements under the Office of Management and Budget’s uniform guidance at 2CFR200.306 implemented by USDA–NIFA through 2CFR400 as clarified in October 2016, the University of Maryland Eastern Shore will require \$1,955,235 in matching funds from the State in order to be fully compliant; and

WHEREAS, Without the State’s support, the University of Maryland Eastern Shore is at a very real and serious risk of losing federal appropriations, which would lead to the demise of its agriculture and food teaching research and education programs; and

WHEREAS, The University of Maryland Eastern Shore manages the federal funding for agricultural and forestry research; however, since 1993, the federal funding available to support the University’s extension programs has been managed centrally by the University of Maryland, College Park; and

WHEREAS, While both universities have continued to collaborate successfully under the auspices of the University of Maryland Extension, the arrangement established in 1993 places the University of Maryland Eastern Shore at a significant disadvantage and precludes growth and effectiveness in meeting local needs; and

WHEREAS, By enabling locally managed funding, the University of Maryland Eastern Shore’s extension and research programs can continue to study a range of issues important to the Eastern Shore’s agriculture community, including poultry production, the quality of water and forestry resources, the safety and quality of seafood, poultry, and fresh produce, and the impact of emerging technologies on agricultural productivity; and

1 WHEREAS, To ensure that the University of Maryland Eastern Shore is in the best
2 position to provide services to its local community and manage the federal funds to which
3 it is entitled, the State must designate a line item in the budget allocated specifically to the
4 State match for federal funds; now, therefore,

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
6 That the Laws of Maryland read as follows:

7 **Article – Education**

8 **13–704.**

9 (A) IN THIS SECTION, “FORMULA FUNDS” MEANS AGRICULTURAL
10 EXTENSION FUNDS AND AGRICULTURAL RESEARCH FUNDS PROVIDED TO THE
11 UNIVERSITY OF MARYLAND EASTERN SHORE UNDER SECTIONS 1444 AND 1445 OF
12 THE NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY
13 ACT OF 1977.

14 (B) (1) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER,
15 THE GOVERNOR SHALL INCLUDE IN THE ANNUAL STATE OPERATING BUDGET FOR
16 THE UNIVERSITY SYSTEM OF MARYLAND A GENERAL FUND APPROPRIATION AT
17 LEAST EQUAL TO THE AMOUNT OF FORMULA FUNDS THE UNIVERSITY OF MARYLAND
18 EASTERN SHORE IS PROJECTED TO RECEIVE DURING THAT FISCAL YEAR.

19 (2) ON OR BEFORE NOVEMBER 1, 2017, AND EACH NOVEMBER 1
20 THEREAFTER, THE BOARD OF REGENTS SHALL NOTIFY THE GOVERNOR OF THE
21 AMOUNT OF GENERAL FUNDS REQUIRED UNDER PARAGRAPH (1) OF THIS
22 SUBSECTION FOR THE UPCOMING FISCAL YEAR.

23 (C) EACH YEAR, THE BOARD OF REGENTS SHALL ALLOCATE THE FUNDS
24 PROVIDED IN ACCORDANCE WITH THIS SECTION IN A MANNER THAT PROVIDES THE
25 FUNDS DIRECTLY TO THE UNIVERSITY OF MARYLAND EASTERN SHORE IN ORDER
26 TO PROVIDE A STATE MATCH FOR FORMULA FUNDS RECEIVED BY THE UNIVERSITY.

27 (D) (1) THE FUNDING PROVIDED IN EACH FISCAL YEAR IN ACCORDANCE
28 WITH THIS SECTION SHALL BE IN ADDITION TO THE BASE FUNDS APPROPRIATED TO
29 THE UNIVERSITY OF MARYLAND EASTERN SHORE IN THE STATE BUDGET FOR THE
30 PRIOR FISCAL YEAR.

31 (2) THE UNIVERSITY OF MARYLAND EASTERN SHORE SHALL
32 REPORT FUNDING PROVIDED IN ACCORDANCE WITH THIS SECTION AS A SEPARATE
33 LINE ITEM IN THE UNIVERSITY’S BUDGET.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2017.