



## *LEGISLATIVE NEWSLETTER*

January 18, 2019

### **WELCOME BACK TO THE USM LEGISLATIVE NEWSLETTER**

Each Friday afternoon the University System of Maryland (USM) Office of Government Relations produces a newsletter for individuals interested in the political and policy debates in Annapolis. The e-newsletter highlights selected briefings, hearings, and legislative activities while the General Assembly is in session. USM encourages recipients to share the Friday newsletter with those in your campus community who may have an interest in the deliberations in Annapolis.

Although the distribution list has grown during the years, campus officials are reminded that their first and best source of political information is the institution's designated member to the State Relations Council (SRC). Please take advantage of this person's expertise and experience should questions arise about the legislative session. If you need the contact information for your respective campus representative in Annapolis do not hesitate to contact me.

Looking for more information about a bill? The official website of the Maryland General Assembly is here:

<http://mgaleg.maryland.gov/webmga/frmlst.aspx?tab=home>

### **GOVERNOR RELEASES FISCAL YEAR 2020 BUDGET PROPOSAL**

Governor Hogan made public his Fiscal Year 2020 budget for the USM today. USM worked closely with Governor Hogan and the Legislature to ensure access to exceptional and affordable academic opportunities. Chancellor Caret continues to acknowledge the perseverance and performance of the university system to ensure Maryland's competitiveness in the innovation economy.

The Governor's FY 2020 budget, as proposed, is an affirmation of the efforts of the Board of Regents and USM to make prudent business decisions to preserve quality, close the achievement gap, move towards degree completion goals, and advance Maryland's national and global competitiveness.

The Governor's budget strategy for state government includes many of the elements already in place as part of USM's ongoing Effectiveness and Efficiency (E&E) Initiative. The E&E Initiative continues to attract positive attention from lawmakers.

The Governor's Budget Highlights lays out what is proposed for USM:

***"This budget continues our commitment to our world-class higher education system, providing a record \$1.45 billion in state funds for the University System of Maryland, a 4.2 percent increase over last year. This includes \$20 million, twice the level of last year, to develop academic programs in science, engineering, cybersecurity, and other critical areas. For the fourth year in a row, undergraduate tuition growth at Maryland's public four-year institutions will be limited to 2 percent."***

Before the partial federal government shutdown, the Maryland Board of Revenue Estimates reported last month that ***"Whereas this national economic expansion has been lethargic relative to prior post World War II economic expansions, the rate of growth had been somewhat consistent with constraints imposed by a slow growing labor force and only marginal gains in productivity. More recently, and for the time being, economic growth has improved. The improvement is largely driven by debt financed federal stimulus channeled through increased federal budget expenditures and the major federal tax cuts enacted in the Tax Cuts and Jobs Act (TCJA). After the tax cut ripples through the broader economy and peaks in impact, the result will be a return to the modest prestimulus growth rates, assuming a soft landing."***

***...The State tax impacts from our coupling to federal tax law in light of the TCJA and the additional sales tax revenue resulting from the Supreme Court's Wayfair decision are expected to produce \$537 million in new State revenue in fiscal year 2019 and another \$459 million in fiscal year 2020."***

As is customary, USM Chancellor Caret and the Board of Regents will not make any final recommendations and decisions on the academic year 2019-2020 tuition rates until the legislature passes the budget and we have our final numbers. In the meantime, the immediate focus is to protect the Governor's proposed budget as the Maryland General Assembly considers it. The USM Regents, Chancellor, Presidents, and USM government relations liaisons will make clear that reductions to this budget would be harmful to our students, our institutions, and our state.

## **Budget and Briefing Schedule**

Thursday, January 31<sup>st</sup>

### **Higher Education Overview**

Senate Budget and Taxation Committee; Subcommittee on Education, Business and Administration

1 p.m.

Amoss Room, Miller Senate Office Building

Friday, February 1<sup>st</sup>

### **Higher Education Overview**

House Appropriations Committee; Education and Economic Development Subcommittee

1 p.m.

Room 120 Lowe House Office Building

Monday, February 4<sup>th</sup>

### **University System of Maryland Overview**

Senate Budget and Taxation Committee; Subcommittee on Education, Business and Administration

1 p.m.

Amoss Room, Miller Senate Office Building

Wednesday, February 6<sup>th</sup>

### **University System of Maryland Overview**

House Appropriations Committee; Education and Economic Development Subcommittee

1 p.m.

Room 120 Lowe House Office Building

## **Upcoming Bill Hearings**

HB 24

Procurement - Public Work Contracts - Contractor Occupational Safety and Health Requirements

Delegate Glenn

Hearing 1/24 at 1:00 p.m.

Economic Matters

HB 48

eSports Act

Delegate Grammer

Hearing 1/31 at 1:00 p.m.

Ways and Means

HB 56

(SB 38)

Maryland Healthy Working Families Act - Employers With On-Site Health Clinics –  
Exemption

Delegate Wivell

Hearing 1/24 at 1:00 p.m.

Economic Matters

HB 79

Election Law - Early Voting Centers - Establishment and Hours

Delegate Luedtke

Hearing 2/05 at 1:00 p.m.

Ways and Means

2/5/2019 - 1:00 p.m.

SB 12

Capital Projects - Inclusion of Public Art

Chair, Finance Committee

Hearing 1/23 at 2:00 p.m.

Finance

1/23/2019 - 2:00 p.m.

SB 38

(HB 56)

Maryland Healthy Working Families Act – Employers With On–Site Health Clinics –  
Exemption

Senator Serafini

Hearing 1/31 at 1:00 p.m.

Finance

SB 53

State Finance and Procurement - Energy Performance Contracts

Chair, Finance Committee

Hearing 1/29 at 2:00 p.m.

Finance

SB 108

(HB 104)

Income Tax - Subtraction Modification for Qualified Higher Education Expenses -  
Annual Limitation

Senator Reilly

Hearing 1/30 at 2:00 p.m.

Budget and Taxation