

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Revised

Senate Bill 486

(Senator Hogan, *et al.*)

Education, Health, and Environmental Affairs

Appropriations

Higher Education - University of Maryland University College - Governing Authority

This bill clarifies that the University of Maryland University College (UMUC) is a State agency and a constituent institution of the University System of Maryland (USM). The bill declares that it is the intent of the General Assembly that UMUC operate as Maryland's open university, provide affordable higher education, and continue as a leader in distributed higher education.

The bill also permits a custodian to deny inspection of any part of specified public records that relate to the competitive position of UMUC with respect to other providers of educational services.

Fiscal Summary

State Effect: Higher education expenditures could decrease to the extent that the bill enables UMUC to avoid overseas legal costs necessary to defend its public status. Revenues would not be affected.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: UMUC is a constituent institution of USM.

Generally, a custodian of a public record must permit inspection of the record at a reasonable time. There are, however, specific circumstances in which a custodian must deny access to a public record or may deny access to a record.

Background: UMUC advises that a clarification of its governance structure is desirable for tax purposes overseas. UMUC recently had to defend its public standing in an overseas court to avoid paying taxes as a private entity. Although UMUC was ultimately successful, it incurred significant legal costs. As a result, UMUC has been counseled to clarify the statutory language that affirms that it is a unit of State government.

Regarding access to public records, UMUC advises that restricting access to its business and marketing plans would enable it to be more competitive.

Additional Information

Prior Introductions: None.

Cross File: None. However, HB 96 (Delegate Boschert, *et al.*), as amended by the House, is identical.

Information Source(s): University System of Maryland, University of Maryland University College, Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2005
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