

Commission to Develop the Maryland Model for Funding Higher Education

Minutes

November 12, 2008

The Commission to Develop the Maryland Model for Funding Higher Education held a public hearing on Wednesday, November 12, 2008 at 7:00 p.m. in the Colony Ballroom in the Stamp Student Union at the University of Maryland, College Park, College Park, Maryland.

The following members were present:

Delegate John L. Bohanan, Jr., Chairman
Mr. Norman R. Augstine, Vice Chairman
President Susan C. Aldridge
Delegate Joseph R. Bartlett
Ms. Tina M. Bjarekull
President Robert L. Caret
Delegate Norman H. Conway
Senator Ulysses Currie
Secretary T. Eloise Foster
President Murray K. "Ray" Hoy
Senator Edward J. Kasemeyer
Chancellor William E. Kirwan
Ms. Amanda Kontz (for Delegate John A. Olszewski, Jr.)
Mr. Larry Letow
Secretary James E. Lyons, Sr.
President C. Dan Mote, Jr.
Senator Donald F. Munson
Mr. Lawrence A. Shulman
Mr. H. Clay Whitlow
Mr. Garland O. Williamson

Chairman's Opening Remarks

Delegate Bohanan welcomed everyone to the hearing. He commented that the Commission had met from 1:30 to 5:30 that afternoon but was still anxious to hear from the public. He asked that testimony be kept to 5 minutes or less. He thanked President Mote and his staff at the University of Maryland, College Park (UMCP) for hosting the meeting. He also thanked the staff from the Department of Legislative Services (DLS) for their outstanding support and said that the work of the staff has made the Commission look better and will enable them to present a better product.

Public Testimony

Mr. Art Huseonica and Mr. Jordan Chopper came up as a panel to testify. Mr. Huseonica was speaking on behalf of the Maryland State Conference of the American Association of University Professors (AAUP). He summarized his testimony into two main points: he is concerned about an over reliance on underpaid part-time faculty and he is concerned about funding for the historically black institutions (HBIs). He said he lauds the Commission's concerns regarding the HBIs. Mr. Jordan Chopper also was speaking on behalf of the AAUP. His concern was that the faculties of institutions do not have a voice in Annapolis. He also said that when funds are scarce, higher education, in effect, subsidizes all the other non-mandated programs in the State. He also mentioned that many institutions have more part-time adjunct professors than full-time professors.

Delegate Bohanan asked the Commission members to introduce themselves and then he introduced the staff from DLS. He also acknowledged the outstanding staff support from the Maryland Higher Education Commission.

Mr. Larry Lauer spoke on behalf of the Council of University System Staff. He said that the fact that the State of Maryland has primary responsibility for adequate funding of higher education for its citizens cannot be changed by other budget demands. He also spoke about the need for stability of funding. He said that State support for higher education is directly related to the general condition of the economy, state taxing capacity, and availability of other revenues. He said that while it is impossible to eliminate the revenue fluctuation, any model for higher education funding should attempt to decrease the significance of these factors on the level of funding for higher education.

Dr. Mickey Burnim, president of Bowie State University, and Dr. Reginald Avery, president of Coppin State University, testified as a panel. Dr. Burnim said that the HBI Study Panel report contained some good ideas but he had some questions about the report. Overall he believes it is an outstanding piece of work and he applauded the acknowledgment of the dual mission. He believes the report could have been more comprehensive in its treatment of doctoral programs and graduate programs as a whole. He endorses the recommendations of State funding at the 75th percentile of 10 comparator states and 50th percentile for tuition and fees. He said that need-based aid is critical. He also commented that the terms "high performing" and "underperforming" are used but there are no definitions. His concern is that Bowie State University might be penalized as an underperforming school but they serve a disproportionate number of underprepared students. He also said that the Accountability Workgroup's chart entitled "Return on Investment" might not have the best title. He thinks it should be a comprehensive assessment of the net benefit of higher education and he is not sure that is captured. He mentioned that he thinks civic engagement is important but it is not captured in the chart.

Dr. Avery said that Coppin's mission is to provide high quality graduate and undergraduate education and provide access to higher education for first generation college students. He applauded the HBI panel's recognition of the dual mission and he said that improving the graduation rates at Coppin is his priority so he was pleased with the panel's recommendations about closing the gap on graduation rates. He said that Coppin offers master's degrees in certain areas and that should not be overlooked.

Senator Jim Rosapepe testified and thanked the Commission for its work. He said “this is a big deal.” He said he served as regent for the University System of Maryland (USM) for 5 years and represented College Park in the Maryland House of Delegates for 11 years before becoming a State senator. He said that the Commission’s proposal is a good one and it makes clear that the State needs to invest hundreds of millions of dollars more than is invested now. He said it all cannot be accomplished today but he applauded the Commission for looking long term. He said that he endorses the overall approach of the Commission but had two suggestions. First, he believes goals are important but goals are sometimes not achieved or are ignored. He said that the reason why K-12 education is adequately funded is because it was written into law. He said there is a mandated funding formula for K-12, community colleges, and private institutions but not for the USM and Morgan State University. He believes one should be established and it should be in law. Secondly, he believes there should be a tuition cap. The cap could be breached by a vote of the General Assembly and the Governor.

Ms. Lezli Baskerville testified as the President and CEO of the National Association for Equal Opportunity in Higher Education (NAFEO). She spoke about when the NAFEO was organized and the purpose of the organization. She thanked the Commission for its genuine effort to provide a framework for higher education funding. She said it is fitting for the State to lead the nation in the establishment of a best practices measurement model of “comparability” and “competitiveness.” She commented that in the panel’s report there has not been an indication of when or how the State will propose to remedy the disparities in its funding of HBIs and TWIs. She said that what appears to be evolving is a plan to continue to award the TWIs the lion’s share of higher education funding while awarding the HBIs additional dollars to meet the dual mission. She is concerned about the panel’s recommendation that graduation rates should be the primary criterion for determining competitiveness because she thinks this runs counter to the acknowledgment that HBIs are playing a unique role in educating disproportionate percentages of underserved, low-performing students. She encouraged the Commission to look at the financial aid report that is referenced on page 7 of her testimony.

Ms. Melissa Kim, Mr. James Wang, and Mr. Joe Dratter are pharmacy students and testified as a panel. Ms. Kim attends the University of Maryland School of Pharmacy at Shady Grove. She moved from California to attend school here and said she would not be in pharmacy school today if it were not for the expansion of the pharmacy program to Shady Grove. She is applying to the dual law program offered at the University of Maryland, Baltimore and hopes to work in Washington DC for the FDA or for a legislative agency. However, she will accrue well over \$200,000 in debt. She urged the Commission to expand the Loan Assistance Repayment Program (LARP) to attract more students to Maryland to work in critical needs areas.

Mr. Wang attends the University of Maryland School of Pharmacy and also will accrue \$200,000 worth of debt. He said it is difficult to justify accepting a lower paying public sector job with that much debt accumulated. He would like to start his own

pharmacy consulting firm and encouraged Maryland to support incentives for these types of businesses. He also spoke about the need to expand the LARP.

Mr. Dratter is also a pharmacy student at the University of Maryland. He said that careers in professional pharmacy pay double what civil service careers pay. He spoke about Maryland's ranking on the Indices for Technology and Science Workforce and Risk Capital and Entrepreneurial Infrastructure.

Mr. Garland Williamson asked Ms. Kim if she would have applied to pharmacy school in Maryland if the Shady Grove campus did not exist. She said yes because she didn't find out about the Shady Grove campus until after she applied. She said she was admitted to the Shady Grove campus and prefers it because of its proximity to DC, the area is safe, and the campus has distance learning opportunities, which suits her study style.

Mr. Williamson asked if the State could offer any economic incentives to get these students to stay in Maryland and work. Ms. Kim said that the LARP could be an incentive to stay for a few years but she will probably stay because of the proximity of NIH. Mr. Wang said he is looking for incentives to go into critical needs areas. Mr. Dratter said when people have families they look for quality school systems and Maryland has good schools.

Mr. Williamson said "we want to keep you here." Ms. Kim commented that the California job market is supersaturated and Mr. Wang commented that he has made connections here in Maryland while most of his connections in California are gone. Mr. Williamson commented that these students illustrate how important the regional higher education centers are for the State.

Ms. Nina Wu testified as a student from the University of Maryland School of Law. She said she was particularly passionate about 2 recommendations: providing funds for high school readiness programs (although Commission staff believes she meant college readiness programs) and funding more loan assistance repayment programs. She commented on how she would have faced a lot of resistance from her family if she didn't attend college whereas many Baltimore City children would face resistance if they dared to think about college. She would like to work in the public sector but will face \$80,000 debt so she strongly encouraged the Commission to expand the LARP. Delegate Bohanan commented that several people had mentioned the LARP. The Commission's recommendations do not specifically mention LARP but will be reworded to include a specific mention. At some point during testimony from one of the students in a professional program (law, pharmacy, etc) one of the students made the point that some professional programs forbid students from working and this hampers affordability.

Dr. Charlene Dukes, president of Prince George's Community College, testified and said that if community college enrollments continue at the current pace, there will be anywhere from a 17% to a 34% increase in the next decade. She said that she appreciated the endorsement of the CADE funding formula and applauded the offering of the

Distinguished Scholar Community College Transfer Scholarship. She supports the Maryland Covenant but was concerned that community colleges were not included. Delegate Bohanan said the Maryland Covenant is intended to include community colleges. Dr. Dukes said that community colleges currently enroll more students of color than any other segment of higher education. Therefore, the provision of funds for developmental education should not only target HBIs but also community colleges.

Mr. Donald Fry testified as the President and CEO of the Greater Baltimore Committee (GBC). The GBC agrees with the statement contained in the Appropriate Funding Shares report that says the opportunity for a quality higher education should be available to all qualified individuals throughout the spectrum of the State's citizenry who desire to pursue such a goal. He said that one of the long-term priorities of the GBC is to strengthen educational resources at all levels in the State. He agrees with the comparison of Maryland to the 10 other states Maryland competes with for employers.

Delegate Bohanan explained that Anthony Sarbanes submitted written testimony but was not present to testify.

Dr. John Hudgins testified about his concerns related to the HBIs. He said that the panel's recommendations correctly identify the capital funding shortfalls and the fact that the double standard is still present more than 100 years after the founding of these institutions is unforgivable. His concern is that the panel was misleading by using SAT scores as a determination of student value. He said he attached a paper he wrote about SATs onto his testimony. Delegate Bohanan said the panel agreed that SATs are not good indicators of student value. Dr. Hudgins pointed out the figures he had in his testimony if a 50% graduation rate was used.

Mr. Kirby Bowling, the Coordinator of Graduate Assistant Veterans Programs at UMCP, testified about the need for assistance to veterans to pursue higher education. He pointed out that a person can be from another state and serve in the Maryland National Guard but that person does not qualify for in-state tuition. Senator Currie asked if he qualified for either of the GI bills and Mr. Bowling said yes. Mr. Steven Olivera also spoke about the need for veterans programs. He said that the Economic Competitiveness Workgroup made some recommendations related to BRAC that could be easily expanded to include veterans. President Dan Mote urged the Commission to consider these ideas.

Dr. Kenneth Holum testified as a 38 year faculty member of UMCP. He commented that in the past chronic underfunding has hindered the efforts of UMCP but he is encouraged that the Commission is recommending State funding at the 75th percentile of other selected states. He spoke about the budget roller coaster and the fact that attracting top-flight professors takes a large amount of funds.

Ms. Anan Bedford, Ms. Anupaina Kothari, and Mr. Aaron Tobiason testified as a panel because all three are graduate students at UMCP. Ms. Kothari said that most graduate students work 2 jobs to help pay the bills. She spoke about the need for better stipends and better housing for graduate students. Ms. Bedford spoke about a report

called “Graduate Education and the Public Good” which shows that graduate education contributes greatly to the public good. She also spoke about the need for stable stipends and affordable graduate student housing. Mr. Tobiason spoke about the growing concern about the teacher crisis. He said Maryland hires more out-of-state students to teach in Maryland than in-state students. He also said that the Commission’s interim report and the recommendations being discussed currently do not acknowledge the role of graduate students in higher education. He urged the Commission to take into account the significant role graduate students play and account for it in the funding model. Delegate Bohanan said that when he met with the UMCP Provost Nariman Farvardin during the 2008 session, Dr. Farvardin promised he would work on this issue.

Mr. Rick Staisloff, Ms. Lauren Nelson, and Mr. Joshua Ackerman testified as representatives from several independent colleges. Mr. Staisloff is the Vice President for Finance and Administration at the College of Notre Dame of Maryland. He spoke about higher education facing a “perfect storm” because endowments have significantly dropped in value, funds are frozen, and independent colleges have been reduced by 15% this year. He said that Notre Dame is taking steps to address the State’s workforce needs through a bold initiative to create a second school of pharmacy in the State. As a part of the projected \$20 million investment in the new School of Pharmacy, Notre Dame is requesting \$4 million in State capital funding. Ms. Nelson is a biotech student from Johns Hopkins University and she spoke about the current trends in biotech that favor employees with at least a bachelor’s degree. She works in sales and said one of the selling points of Maryland is that the State has an educated workforce. She encouraged the Commission to take steps to make sure Maryland continues to be a place people think of for biotech workers and companies. Mr. Ackerman is a student at Washington College. He spoke about having first attended Baltimore City Community College (BCCC) and being humbled by the attitudes of the other students who were so proud to be the first member of their family to enroll in college. He said he could see the lack of hope in those students when financial aid wasn’t enough to cover their expenses. Mr. Williamson said that he is the chair of the BCCC board and he commended Mr. Ackerman for his testimony. Mr. Williamson also asked Mr. Staisloff about whether Notre Dame was pursuing collaborative efforts with the University of Maryland for the pharmacy school. Mr. Staisloff said yes, especially regarding clinical experiences and also he said that each school will have better library resources than they could have had separately.

Ms. Sarah Bauder spoke as the University of Maryland Director of Financial Aid. Senator Currie asked if a student’s need was considered during admission. She said that the admissions policy is need blind.

Ms. Sarah Elfreth spoke on behalf of the Towson University Student Government Association. She said she will accumulate approximately \$16,000 in debt after four years at Towson University and most students are working full-time or part-time so they take longer to graduate.

Delegate Bohanan said that Mr. Jonathan Sachs, the student body president at UMCP, was the last person signed up to testify but when he saw Mr. Sachs in the hallway he said he had to leave for another speaking engagement. Mr. Sachs submitted written testimony.

Closing Remarks and Adjournment

Delegate Bohanan asked everyone to submit written testimony if they had not already done so and he said it would be posted on the Commission's page on the General Assembly's website. Delegate Bohanan adjourned the meeting at approximately 9:30 p.m.