

Staff Summary: Maryland and New York – Capital Support Programs

HJ 91 Joint Subcommittee

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Maryland Private College and University Fast Facts

- The Maryland Independent College and University Association (MICUA) is made up of 17 educational institutions benefiting 52,000 students each year
- Majority of students served are Maryland residents
- The MICUA member institutions estimate an annual economic impact of \$6.6 Billion (jobs, taxes, construction, student spending, visitor spending, etc.)
- MICUA institutions award about $\frac{1}{4}$ of all degrees conferred annually in Maryland

Maryland's Capital Support Program

- MICUA began coordinating the capital budget requests in 1976
- MICUA lobbies the legislature through coordinating the budget requests for specific projects at their member institutions - - the projects must meet certain higher education goals set by the state of Maryland in order to be considered
- The amount of money given by the state must be matched by the institution in a 1:1 ratio
- In general the state funds received by an institution are used to leverage private giving at a rate of about four to one for each State dollar invested, for greater impact

Maryland's 2010 Fiscal Budget

Capital Support

- Maryland's 2010 State Capital Budget includes \$9 million (the original request was \$10 million) for three MICUA member institutions:
 - \$3 million for Baltimore International College for the renovation of the Culinary Arts/Hospitality Management Center
 - \$3.5 million for the College of Notre Dame of Maryland for a new School of Pharmacy facility
 - \$2.5 million for Capitol College for the construction of the Innovation and Leadership Institute and the renovation of information assurance laboratories
- All three colleges plan to use the appropriations to leverage nearly \$20 million in private capital investments

New York Private College and University Fast Facts

- The New York Council for Independent Colleges and Universities (CICU) represents 111 independent institutions serving 460,000 students (65% New York residents)
- \$41.4 billion in economic activity generated by the CICU member institutions
- Member institutions award 57 percent of baccalaureate, 72 percent of master's degrees and 81 percent of the doctoral and first professional degrees awarded in the state

New York's Capital Matching Grants Program

- The 2005-06 New York State Budget included \$150 million for a new higher education facilities capital matching grant program for private colleges.
- New York will contribute a dollar of support for every three dollars spent by Independent Sector campuses, generating \$50 million annually for five years and leveraging \$150 million annually from private sources
- Grants may be used for the design, construction or acquisition of new facilities, rehabilitation and repair of existing facilities or for any projects for targeted priorities including economic development/high technology, critical academic facilities, and urban renewal/historic preservation.
- It is estimated that the investment in higher education under the Capital Matching Grants Program would create approximately 6,800 jobs

New York 2010 Fiscal Budget Capital Support

- Grants are awarded by the Higher Education Capital Matching Grant Board consisting of three members serving one year terms
- Once fully implemented, it is estimated that the program will leverage over \$450 million in external funds to match the State's \$150 million investment, thereby providing for a combined capital program totaling \$600 million. The State's share of the program will be financed through the issuance of bonds.
- The 2009-10 Executive Budget continues \$150 million in re-appropriation authority for grants to be determined by the Board in 2009-10.
- As of December 2008 40 capital projects at 33 colleges had been approved, representing \$52 million in capital matching grants from New York. For 2009-10, the Board approved on August 6th, 48 capital projects at 39 colleges have been approved, representing over \$40 million in capital matching grants from New York.

Other Capital Funding Programs

- New Jersey – capital support for its 14 independent colleges and universities the last four decades; also included in state bond issues
- Massachusetts – Cultural Facilities Capital Improvements Program – provides grants to entities (including to private colleges/universities) to make capital improvements to cultural facilities
- Pennsylvania – Private colleges and universities will soon receive \$100 million from a recent capital itemization bill; Capital Budget Redevelopment Assistance Program

Other Programs: Shortage Areas

- Illinois – The Health Services Education Grants Act authorizes the Illinois Board of Higher Education to authorize grants to private institutions offering health professionals training programs (funding eliminated in 2009)
- Maryland – The Nurse Support II grant program is a competitive grant program which awards funds to nursing programs.

Other Programs: Per capita

- Pennsylvania, Maryland, and New Jersey all provide funding to private institutions based on the number of students they enroll
- Pennsylvania's funding is based on the number of financially needy students enrolled
- New Jersey's funding is based on the number of New Jersey residents enrolled, while Maryland considers total enrollment