Department of Legislative Services Maryland General Assembly

2011 Session

FISCAL AND POLICY NOTE

House Bill 65

(The Speaker)(By Request - Department of Legislative Services)

Health and Government Operations Education, Health, and Environmental Affairs

Electrology Practice Committee - Sunset Extension and Program Evaluation

This bill extends the termination date for the Electrology Practice Committee (EPC), part of the State Board of Nursing, by 10 years to July 1, 2023, and requires an evaluation of the committee by July 1, 2022. The bill includes related reporting requirements.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: Special fund revenues and expenditures for EPC are maintained beyond FY 2013. The Governor's proposed FY 2012 budget includes \$5.5 million for the State Board of Nursing, a small portion of which is used for EPC and the regulation of electrology. The bill's reporting requirements can be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Uncodified language requires the State Board of Nursing to submit two reports to specified committees of the General Assembly. By October 1, 2011, the board must submit a report regarding specified examination issues, implementation of biennial licensure renewal, training of and communication with EPC members, updates to the board's website, reconciliation of revenues and expenditures, and any fee revenue

surplus or plans to alter electrologist licensure fees. By October 1, 2015, the board must submit a report regarding the status of EPC and the regulation of electrology in the State. The report must include information for fiscal 2011 through 2015 on the number of licensed electrologists, the number and disposition of any complaints, and a summary of any major legislative or regulatory changes.

Current Law/Background:

Maryland Program Evaluation Act

EPC is 1 of approximately 70 regulatory entities and activities currently subject to periodic evaluation under the Maryland Program Evaluation Act. The Act establishes a process better known as "sunset review" as most agencies evaluated are also subject to termination, including EPC, which is scheduled to terminate July 1, 2013. The sunset review process begins with a preliminary evaluation conducted by the Department of Legislative Services (DLS) on behalf of the Legislative Policy Committee (LPC). LPC decides whether to waive an agency from further (or full) evaluation. If waived, legislation to reauthorize the agency typically is enacted. Otherwise, a full evaluation usually is undertaken the following year.

Electrology Practice Committee

Electrology is the science of permanent hair removal utilizing solid needle or probe devices to discharge a small amount of electrical current into the base of a hair follicle. Electrologists are regulated by EPC under the State Board of Nursing. EPC consists of five members: four licensed electrologists or electrology instructors and one consumer. Staff services, including administrative support and the advice of an assistant Attorney General, are provided by the board. Revenues from the \$150 electrologist license fee (and other fees collected by the board related to electrology) accrue to the State Board of Nursing Fund. In fiscal 2010, there were 85 licensed electrologists in Maryland.

Sunset Evaluation Findings and Recommendations

The practice of electrology in Maryland last underwent a full sunset evaluation in 2002 when it was governed by the now defunct State Board of Electrologists. The 2002 evaluation recommended that the practice of electrology should continue to be regulated in Maryland; however, the declining number of licensees and financial challenges made it infeasible to continue an autonomous board. Therefore, DLS recommended that the State Board of Electrologists terminate and be replaced by EPC.

The first sunset evaluation of EPC was conducted by DLS in 2010. The preliminary evaluation found that EPC performs its statutory and regulatory functions in an effective

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and efficient manner. Therefore, DLS recommended that EPC be waived from full evaluation and that legislation be enacted to extend EPC's termination date by 10 years to July 1, 2023.

DLS also identified several areas for improvement. Specifically, DLS found that, although there have been no new applicants for an electrologist license since fiscal 2005, there is currently no State examination available, the board is not presently administering a State law portion of the examination, and the statutory and regulatory examination requirements of the board could be clearer. DLS noted that the board website does not include a complaint form or information about how to file a complaint and that electrologist fees are high compared with other allied health professionals. Furthermore, the board does not specifically track all expenditures relating to EPC, which prevents proper accounting of these costs. To address these issues, DLS recommended that the board submit two reports to specified committees of the General Assembly.

This bill implements the recommendations of DLS' 2010 preliminary sunset evaluation report, as adopted by LPC at its December 21, 2010 meeting.

Additional Information

Prior Introductions: None.

Cross File: SB 84 (The President) (By Request - Department of Legislative Services) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2011 ncs/ljm

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