

Department of Legislative Services  
Maryland General Assembly  
2013 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 1115

(Delegate Cullison, *et al.*)

Health and Government Operations

Education, Health, and Environmental Affairs  
and Judicial Proceedings

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Health Occupations Boards - License Renewal, Investigation of Alleged  
Violations, and Immunity from Liability

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This bill authorizes each health occupations board to develop a secure electronic system for the distribution of a renewed license, permit, certification, or registration. Any such system developed must (1) be accessible to the public for the purpose of verification of a current license, permit, certification, or registration and (2) provide the licensee, permit holder, certificate holder, or registrant the option of printing a verification of the status of their license, permit, certificate, or registration. The bill clarifies that *all* boards must investigate any alleged violation of their respective practice acts and that a person must have immunity from liability for giving information to *any* board or otherwise participating in a board's activities.

The bill takes effect June 1, 2013.

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Fiscal Summary

**State Effect:** No effect in FY 2013. To the extent that a health occupations board develops and implements a secure electronic system for the distribution of a renewed license, permit, certification, or registration, special fund expenditures for the board increase by a potentially significant amount. Special fund revenues also likely increase by a corresponding amount to fund the system through increased licensure fees.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** A board that develops a system authorized under the bill must discontinue sending by first-class mail a renewal notice and a renewal license, permit, certification, or registration. Instead, the board must send by electronic means a renewal notice and a renewed license, permit, certificate, or registration. A board must continue to send by first-class mail an initial license, permit, certification, or registration. If a board chooses to send renewal notices or renewed licenses, permits, certifications, or registrations exclusively by electronic mail, it must send such documents via first-class mail on the request of the licensee, permit holder, certificate holder, or registrant.

The bill specifies – for the State Acupuncture Board, the State Board of Dietetic Practice, the State Board of Professional Counselors and Therapists, and the State Board for Certification of Residential Child Care Program Professionals – that a person who acts in good faith and within the scope of the board’s jurisdiction must have immunity from liability for giving information to the board or otherwise participating in its activities. The bill also corrects outdated references to boards in related provisions under the Courts and Judicial Proceedings Article.

The bill specifies – for the State Acupuncture Board, the State Board of Dietetic Practice, the State Board of Occupational Therapy Practice, the State Board of Examiners in Optometry, the State Board of Physical Therapy Examiners, and the State Board of Social Work – that those boards must investigate any alleged violation of each board’s respective practice act.

The bill specifies that, at least one month before a license expires, the State Board of Dental Examiners must send to a licensee or certificate holder, by electronic means or first-class mail, a renewal notice that states the date the current license or certificate expires, the date by which the renewal must be received by the board, and the amount of the renewal fee. Several other boards are also authorized to send renewal notices by first-class mail *or electronic means*.

**Current Law:** Generally, each Maryland health occupations board, along with other duties, is required to investigate any alleged violation of the board’s respective practice act. A person must have immunity from the liability described under related sections of the Courts and Judicial Proceedings Article for giving information to a board or otherwise participating in its activities.

Each health occupations board in Maryland is required to send renewal notices prior to the expiration of a license or certificate. All but two boards must send such notice at least one month prior to expiration. The State Board of Examiners for Audiologists, Hearing

Aid Dispensers, and Speech-Language Pathologists and the State Board of Nursing must send such notice at least two months or three months prior to expiration, respectively.

Four Maryland health occupations boards (the State boards of Nursing, Pharmacy, Physical Therapy Examiners, and Environmental Health Specialists) are explicitly authorized to send renewal notices by electronic means.

**Background:** Effective April 1, 2007, the State Board of Nursing discontinued printing all license and certification cards. When a licensee or certificate holder renews, a written notice of renewal along with directions on how to verify the license online or by using the automated phone verification system is mailed. This change occurred to help eliminate fraud and “impostors,” eliminate the need to reissue lost or stolen licenses and certificates, and provide the most current information regarding licensure and certification status. The bill is intended to authorize other boards to develop similar systems.

**State Fiscal Effect:** As the bill authorizes rather than requires the health occupations boards to develop a secure electronic system for the distribution of a renewed license, permit, certification, or registration, there is no direct cost. However, to the extent that a health occupations board implements such a system, special fund expenditures for the board increase by a potentially significant amount.

*For illustrative purposes only,* the State Board of Nursing incurred one-time costs of approximately \$200,000 to establish its online systems for licensure and renewal and license verification. Annual costs to maintain these systems are approximately \$588,000. The State Board of Nursing is the largest health occupations board in the State, regulating more than 291,000 individuals. Thus, the cost to implement such a system for smaller health occupations boards would likely be proportionately lower.

As all but two health occupations boards are special funded, to the extent that significant new special expenditures were planned, fee revenues would need to increase correspondingly to cover those costs.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 593 (Senator Montgomery) - Education, Health, and Environmental Affairs and Judicial Proceedings.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Department of Health and Mental Hygiene, Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2013  
ns/ljm Revised - House Third Reader - March 25, 2013  
Revised - Clarification - April 30, 2013

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