SENATE BILL 1083

6lr3415 CF 6lr3419

By: Senator Conway

Introduced and read first time: February 19, 2016 Assigned to: Rules Re–referred to: Education, Health, and Environmental Affairs, March 2, 2016

Committee Report: Favorable Senate action: Adopted Read second time: March 24, 2016

CHAPTER _____

1 AN ACT concerning

2 Secretaries of Principal Departments – Supervision and Review of Decisions 3 and Actions by Units Within Department

4 FOR the purpose of altering a certain provision of law to authorize the Secretary of Health $\mathbf{5}$ and Mental Hygiene to disapprove or modify a certain decision or determination of a 6 certain board or commission under certain circumstances; requiring the secretary of 7 each principal department to be responsible for the supervision of certain units within the jurisdiction of the secretary; requiring the secretary to adopt certain 8 9 regulations for the supervision of certain units within the jurisdiction of the 10 secretary for certain purposes; requiring that the regulations specify certain 11 decisions or actions that require review by the secretary, or the secretary's designee, 12certain review processes, and that the decisions or actions are not final decisions or actions until after a certain review; prohibiting a secretary from designating a 13 14 certain individual as the secretary's designee; and generally relating to the powers 15and regulatory authority of secretaries of principal departments.

- 16 BY repealing and reenacting, with amendments,
- 17 Article Health Occupations
- 18 Section 1–203(a)
- 19 Annotated Code of Maryland
- 20 (2014 Replacement Volume and 2015 Supplement)
- 21 BY repealing and reenacting, with amendments,
- 22 Article State Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 8–205(b) and 8–206 $\mathbf{2}$ Annotated Code of Maryland 3 (2014 Replacement Volume and 2015 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 4 That the Laws of Maryland read as follows: $\mathbf{5}$ 6 **Article – Health Occupations** 7 1 - 203.8 [The] NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE power of (a) 9 the Secretary over plans, proposals, and projects of units in the Department [does not include] **INCLUDES** the power to disapprove or modify any decision or determination that 10 a board or commission established under this article makes under authority specifically 11 12delegated by law to the board or commission IF: 13(1) THE BOARD OR COMMISSION IS COMPOSED IN WHOLE OR IN PART 14 OF INDIVIDUALS PARTICIPATING IN THE OCCUPATION OR PROFESSION REGULATED 15BY THE BOARD OR COMMISSION; AND 16 THE SECRETARY HAS DESIGNATED THAT THE DECISION OR (2) DETERMINATION IS SUBJECT TO REVIEW UNDER REGULATIONS ADOPTED UNDER § 178-206 OF THE STATE GOVERNMENT ARTICLE. 18 19 **Article – State Government** 208 - 205.21(b) A secretary shall: 22(1)receive the salary and have the assistants, employees, and professional consultants provided in the budget, unless otherwise provided by law; 2324be responsible for establishing policy to be followed by the units of State (2)25government within the secretary's department; 26be responsible for the efficient and orderly administration of the (3)27department; 28be responsible for the comprehensive planning of programs and services (4)29within the secretary's jurisdiction and for reviewing and approving the plans of all units of 30 State government within the secretary's jurisdiction; 31NOTWITHSTANDING ANY OTHER PROVISION OF (5)LAW. BE 32**RESPONSIBLE FOR THE SUPERVISION OF THE UNITS OF STATE GOVERNMENT**

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1 WITHIN THE SECRETARY'S JURISDICTION THAT ARE COMPOSED IN WHOLE OR IN 2 PART OF INDIVIDUALS PARTICIPATING IN THE OCCUPATION OR PROFESSION 3 REGULATED BY THE UNITS;

4 (6) be responsible for the budget of the secretary's office and for the budgets 5 of other units of State government within the secretary's jurisdiction;

6 [(6)] (7) be responsible for the organization of the secretary's office and 7 for recommending to the Governor changes in the organization and placement of units of 8 State government within the secretary's jurisdiction; and

9 [(7)] (8) recommend to the Governor any modification, abolition, and 10 transfer of advisory bodies within the secretary's jurisdiction.

11 8–206.

12 (A) The secretary of each principal department has authority and responsibility 13 to adopt regulations for all units within the secretary's jurisdiction, except as otherwise 14 provided by law.

15 **(B) (1)** THE SECRETARY OF EACH PRINCIPAL DEPARTMENT SHALL 16 ADOPT REGULATIONS FOR THE SUPERVISION OF EACH UNIT OF STATE 17 GOVERNMENT WITHIN THE SECRETARY'S JURISDICTION THAT IS COMPOSED IN 18 WHOLE OR IN PART OF INDIVIDUALS PARTICIPATING IN THE OCCUPATION OR 19 PROFESSION REGULATED BY THE UNIT IN ORDER TO:

20(I)PREVENT UNREASONABLE ANTICOMPETITIVE ACTIONS BY21THE UNIT; AND

(II) DETERMINE WHETHER THE DECISIONS AND ACTIONS OF
THE UNIT FURTHER A CLEARLY ARTICULATED STATE POLICY TO DISPLACE
COMPETITION IN THE REGULATED MARKET.

25 (2) A REGULATION ADOPTED UNDER PARAGRAPH (1) OF THIS 26 SUBSECTION SHALL SPECIFY:

27(I) THE DECISIONS OR ACTIONS OF THE UNIT THAT REQUIRE28REVIEW BY THE SECRETARY OR THE SECRETARY'S DESIGNEE;

(II) THE PROCESS BY WHICH THE SECRETARY, OR THE
SECRETARY'S DESIGNEE, SHALL REVIEW THE DECISIONS OR ACTIONS SPECIFIED IN
THE REGULATIONS; AND

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1 (III) THAT A DECISION OR ACTION OF THE UNIT MAY NOT 2 CONSTITUTE A FINAL DECISION OR ACTION OF THE UNIT UNTIL AFTER THE 3 SECRETARY, OR THE SECRETARY'S DESIGNEE, HAS CONDUCTED THE REVIEW 4 REQUIRED UNDER THIS SUBSECTION.

5 (3) THE PROCESS SPECIFIED UNDER PARAGRAPH (2)(II) OF THIS 6 SUBSECTION SHALL REQUIRE THE SECRETARY, OR THE SECRETARY'S DESIGNEE, TO:

7 (I) REVIEW THE MERITS OF THE PROPOSED DECISION OR 8 ACTION;

9 (II) ASSESS WHETHER THE PROPOSED DECISION OR ACTION 10 FURTHERS A CLEARLY ARTICULATED STATE POLICY TO DISPLACE COMPETITION IN 11 THE REGULATED MARKET; AND

12 (III) ISSUE A WRITTEN DECISION APPROVING, DISAPPROVING, 13 OR MODIFYING THE PROPOSED DECISION OR ACTION.

14 (4) A SECRETARY MAY NOT DESIGNATE AN INDIVIDUAL AS THE 15 SECRETARY'S DESIGNEE IF THE INDIVIDUAL IS EMPLOYED BY, UNDER THE 16 OVERSIGHT OF, OR A MEMBER OF A BOARD OR COMMISSION WHOSE DECISION OR 17 ACTION IS THE SUBJECT OF REVIEW UNDER THE REGULATIONS ADOPTED UNDER 18 THIS SUBSECTION.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June20 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.

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