

Department of Legislative Services
 Maryland General Assembly
 2020 Session

FISCAL AND POLICY NOTE
 Third Reader

Senate Bill 673

(Senator Klausmeier)

Education, Health, and Environmental Affairs

Appropriations

State Board of Environmental Health Specialists - Fees - General Fund

This bill repeals the State Board of Environmental Health Specialists Fund and instead requires the board to pay any money collected from fees into the general fund. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: Special fund revenues and expenditures for the board shift to the general fund beginning in FY 2021. The Governor’s proposed FY 2021 budget includes \$82,600 in special fund expenditures for the board. Board revenues in FY 2021 are estimated to be \$113,000. Out-years reflects consistent expenditures and cyclical collection of licensing fee revenue primarily in odd-numbered fiscal years. General fund expenditures increase in FY 2022 and 2024 as revenues are not anticipated to cover costs.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
GF Revenue	\$113,000	-	\$113,000	-	\$113,000
SF Revenue	(\$113,000)	(-)	(\$113,000)	(-)	(\$113,000)
GF Expenditure	\$82,600	\$82,600	\$82,600	\$82,600	\$82,600
SF Expenditure	(\$82,600)	(\$82,600)	(\$82,600)	(\$82,600)	(\$82,600)
Net Effect	\$0	-	\$0	-	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: The State Board of Environmental Health Specialists (BEHS) was created in 1969 to ensure that individuals practicing in Maryland as environmental health specialists meet minimum professional standards. The nine-member board regulates licensed environmental health specialists as well as environmental health specialists in training (SITs, individuals who meet the educational requirements for licensure but are obtaining relevant supervised experience); oversees approval of certificates of eligibility for obtaining employment (for those individuals who meet the educational requirements for licensure and are ready to begin obtaining relevant supervised experience but have not yet begun); approves continuing education courses for licensees; and occasionally imposes disciplinary sanctions. As of October 2019, there were 532 licensed environmental health specialists in the State. Nearly all of these individuals are employed in the public sector (including federal, State, and local government).

BEHS is 1 of approximately 70 regulatory entities and activities subject to evaluation under the Maryland Program Evaluation Act (MPEA). Entities subject to MPEA may be evaluated by the Department of Legislative Services (DLS) only as directed by specified entities or by legislation. DLS conducted a full sunset evaluation of BEHS in 2015, the fifth such full evaluation of the board, [*Sunset Review: Evaluation of the State Board of Environmental Health Specialists*](#).

Chapter 667 of 2012 altered the funding for BEHS from general to special funds when the board was transferred from the Maryland Department of the Environment (MDE) to the Maryland Department of Health (MDH, (then the Department of Health and Mental Hygiene). As a general-funded board under MDE, board revenues did not cover costs, with a biennial expenditure gap approaching \$50,000 in fiscal 2012; however, general funding was deemed appropriate, and DLS recommended that the board remain general funded in its 2011 sunset evaluation.

Since the transition to MDH, all fee revenue collected by the board is deposited into the board's special fund. Because environmental health specialists renew their licenses on a biennial basis, fee revenues are higher in odd-numbered fiscal years and lower in even-numbered fiscal years. MDH advises that the board does not currently cover its costs, and was insolvent in fiscal 2018. MDH notes that it is reluctant to raise fees to a level where revenues would cover board costs because board licensees earn modest salaries. The board currently charges a \$100 application fee, a \$75 initial license fee, and a \$200 biennial renewal fee.

Two other health occupations boards are general funded: the State Board of Examiners of Nursing Home Administrators and the State Board for the Certification of Residential Child Care Program Professionals.

State Fiscal Effect: Special fund revenues and expenditures for the board are transferred to the general fund beginning in fiscal 2021. Thus, approximately \$82,600 in expenditures are made from the general fund rather than from the board's special fund and the board's one staff member is shifted from special to general funding. The board primarily collects revenues in odd-numbered fiscal years, so an estimated \$113,000 is shifted from the board's special fund to the general fund in fiscal 2021, 2023, and 2025. Any minimal revenues collected in even-numbered fiscal years is similarly transferred. This estimate assumes that board revenues and expenditures are consistent in out-years. As revenues are not anticipated to cover expenditures in even-numbered fiscal years, general fund expenditures increase in fiscal 2022, 2024, and biennially thereafter.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 1484 (Delegate Bhandari, *et al.*) - Appropriations.

Information Source(s): Maryland Association of County Health Officers; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2020
an/jc Third Reader - March 12, 2020

Analysis by: Kathleen P. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510