

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 587

(Senator Guzzone, *et al.*)

Budget and Taxation

Appropriations

Maryland Patient Safety Center Fund - Funding

This bill requires, rather than authorizes, the Governor to include in the annual budget bill an appropriation of \$1.0 million to the Maryland Patient Safety Center (MPSC) Fund for fiscal 2027 and annually thereafter. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: General fund expenditures increase by \$1.0 million annually beginning in FY 2028 to reflect the mandated appropriation. Special fund revenues and expenditures increase accordingly. The FY 2027 budget as passed by the General Assembly includes \$1.0 million for the MPSC Fund. **This bill establishes a mandated appropriation beginning in FY 2028.**

(\$ in millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
SF Revenue	\$0	\$1.0	\$1.0	\$1.0	\$1.0
GF Expenditure	\$0	\$1.0	\$1.0	\$1.0	\$1.0
SF Expenditure	\$0	\$1.0	\$1.0	\$1.0	\$1.0
Net Effect	\$0.0	(\$1.0)	(\$1.0)	(\$1.0)	(\$1.0)

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: Chapters 529 and 530 of 2022 require the Maryland Health Care Commission (MHCC) to designate a Patient Safety Center to (1) develop, coordinate, and implement patient safety initiatives across the State; (2) be a model for patient safety innovation and implementation in the State; (3) convene health care providers, patients, and families to improve the quality of care, reduce preventable and avoidable harm, and provide safe and equitable health care for State citizens; and (4) share information relating to best practices among providers and patients in the State.

Chapters 529 and 530 also established the MPSC Fund as a special, nonlapsing fund administered by MHCC. The fund consists of money appropriated in the State budget to the fund, interest earnings, and any other money from any other source accepted for the benefit of the fund. The fund may only be used to subsidize a portion of the costs of the center so that the center may perform the duties specified in the bill. Further, expenditures from the fund may only be made in accordance with the State budget.

MHCC may provide an annual grant from the fund to the designated center in the amount appropriated to the fund, plus any interest or other income distributed to the fund. Money expended from the fund for the center is supplemental to and is not intended to take the place of funding that would otherwise be appropriated to the center.

Chapters 529 and 530 required, for fiscal 2023 and each fiscal year thereafter, the Governor to include in the annual budget bill an appropriation of \$1.0 million for the fund. The Budget Reconciliation and Financing Act of 2025 repealed the funding mandate beginning in fiscal 2026 and instead *authorized* the Governor to include at least \$1.0 million in the annual budget for the fund.

State Fiscal Effect: The bill requires the Governor, beginning in fiscal 2027, to include \$1.0 million in the annual budget bill for the MPSC Fund. The Department of Legislative Services notes that any legislation mandating funding must be enacted before July 1 of the fiscal year before the first fiscal year in which the funding is mandated. As the bill takes effect July 1, 2026, the Governor cannot be *required* to include funding in the fiscal 2027 budget. However, the fiscal 2027 budget as passed by the General Assembly includes \$1.0 million for the MPSC Fund.

General fund expenditures increase by \$1.0 million annually beginning in fiscal 2028 to reflect the mandated appropriation; special fund revenues to and expenditures from the fund increase accordingly.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 2026
jg/jc Third Reader - March 17, 2026
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