

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

Senate Bill 221

(Chair, Finance Committee)(By Request - Departmental -  
Health)

Finance

Health and Government Operations

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**Health Occupations Boards – Reciprocal Licensure and Certification**

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This departmental bill authorizes any health occupations board (that does not otherwise have statutory authority to do so) to adopt regulations establishing reciprocity for individuals who are licensed or certified in another State that also offers similar reciprocity to individuals licensed or certified by the board. Applicants for reciprocity must meet specified standards. **The bill takes effect July 1, 2024.**

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**Fiscal Summary**

**State Effect:** Potential minimal increase in special fund expenditures from additional resources to process applications for any health occupations board that chooses to implement reciprocity. Any impact on special fund revenues for an implementing board is indeterminate, as discussed below.

**Local Effect:** None. The bill only affects State government operations and finances.

**Small Business Effect:** The Maryland Department of Health (MDH) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

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**Analysis**

**Bill Summary:** Reciprocity regulations adopted by a health occupations board must require that an applicant be licensed or certified in another State under requirements the board determines are substantially equivalent to its own licensing or certification

requirements. The regulations must also require an applicant to submit a specified application on the required form, pay an application fee set by the board, be in good standing under the law of the other state, and satisfy any other requirements established in law or regulation.

**Current Law:** Twenty health occupations boards share responsibility for regulating various health professions in Maryland. **Exhibit 1** lists the health occupations boards within MDH. Four boards have an existing statutory authority to issue a license by reciprocity: Physicians; Morticians and Funeral Directors; Pharmacy; and Environmental Health Specialists. Additionally, many health occupations professions participate in interstate compacts that offer expedited authorizations to practice in other compact states.

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### **Exhibit 1**

#### **Health Occupations Boards in the Maryland Department of Health**

Acupuncture  
Audiologists, Hearing Aid Dispensers, Speech-Language Pathologists, and Music Therapists  
Chiropractic  
Dental  
Dietetic Practice  
Environmental Health Specialists\*  
Long-Term Care Administrators (formerly Nursing Home Administrators)  
Massage Therapy  
Morticians and Funeral Directors\*  
Nursing  
Occupational Therapy  
Optometry  
Pharmacy\*  
Physical Therapy  
Physicians\*  
Podiatry  
Professional Counselors and Therapists  
Psychologists  
Residential Child Care Program Professionals  
Social Work

\* Indicates a board with existing statutory authority to issue a license by reciprocity.

Source: Department of Legislative Services

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With specified exceptions, an individual must be licensed, certified, registered, or permitted by the respective health occupations board before the individual may practice in the State. Licensure, certification, registration, and permit requirements vary by profession but typically require, among other things, specified education and experience, passage of a national and/or State examination, and a criminal history records check.

**Background:** Unlike interstate compacts, which require legislation for a particular health profession in the State to join, reciprocity agreements are negotiated independently by health occupations boards after enabling legislation. This gives each health occupations board more control when choosing to enter a reciprocity agreement. MDH advises that licensure by reciprocity for health care professionals in surrounding states is needed (1) due to the proximity and corresponding geographical relationship of nearby states; (2) to improve access to care and treatment, particularly for rural State residents; and (3) to address current health care workforce challenges.

**State Revenues:** It is unknown whether a specified health occupations board will exercise the bill's authorization and enter a reciprocity agreement with another state. If a health occupations board chooses to do so, MDH advises that the impact on special fund revenues for the board is indeterminate, as follows: (1) fees for licensure by reciprocity are usually less expensive than the out-of-state fee for regular licensure, which could result in a revenue decrease as applicants choose the cheaper path to licensure in the State; or (2) the number of applicants who become licensed by reciprocity may be large enough to fully offset any loss of revenues from the lower reciprocity licensure fee, which could result in a revenue increase. The number of potential applicants who would be affected by a health occupations board exercising the bill's authorization is also unknown.

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### **Additional Information**

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

**Designated Cross File:** HB 146 (Chair, Health and Government Operations Committee)(By Request - Departmental - Health) - Health and Government Operations.

**Information Source(s):** Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - January 18, 2024  
km/jc Third Reader - March 13, 2024  
Revised - Amendment(s) - March 13, 2024

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**ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES**  
**Maryland Department of Health**  
**Session 2024**

**BILL TITLE:**        **Health Occupations Boards – Reciprocal Licensure and Certification**

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**PREPARED BY:**

**(Program\Unit):**    Health Occupations Boards & Commissions

**Bill Number:**        **SB0221**

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**PART A. ECONOMIC IMPACT RATING**

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

**PART B. ECONOMIC IMPACT ANALYSIS**

The proposal will have no economic impact.