

Department of Fiscal Services
 Maryland General Assembly

FISCAL NOTE

House Bill 1229 (Chairman, Environmental Matters Committee)
 (Departmental - Health and Mental Hygiene)
 Environmental Matters

Tissue Banks

This departmental bill provides that a tissue bank accredited by an organization approved by the Secretary of Health and Mental Hygiene is deemed to meet the State's standards if the Secretary determines the standards of the accrediting organization are equivalent to the State's standards. The Secretary is authorized to inspect a tissue bank accredited by an approved organization for complaint investigation or to validate the accrediting organization's findings. The bill also makes technical corrections to the law governing the operation of tissue banks that bring the statute up to date with current medical technology and make it easier for out-of-state tissue banks to operate in Maryland.

Fiscal Summary

State Effect: General fund revenues would increase by \$1,875 in FY 1997. Future year revenues would be \$1,500, assuming that DHMH continues to require annual license renewal.

(In dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$1,875	\$1,500	\$1,500	\$1,500	\$1,500
GF Expenditures	0	0	0	0	0
Net Effect	\$1,875	\$1,500	\$1,500	\$1,500	\$1,500

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

Local Effect: None.

Small Business Effect: The Department of Health and Mental Hygiene has determined that this bill has minimal or no impact on small business (attached). Fiscal Services concurs with this assessment.

Fiscal Analysis

State Revenues: General fund revenues would increase by \$1,875 in fiscal 1997 as a result of 15 additional tissue banks that would need to apply for licensure under the bill's requirements. The licensure fee consists of two parts: a \$25 application fee and a \$100 operations fee. The application fee is only paid at the time of initial licensure whereas the operations fee is paid at the time of initial licensure and each time the license is renewed. Future year revenues would increase by \$1,500, which reflects the \$100 operations fee for 15 tissue banks and assumes that DHMH continues to require annual renewal. The bill repeals the stipulation that a license expires after one year and authorizes DHMH to establish the expiration date. The Department of Fiscal Services advises that revenues from currently licensed tissue banks could be affected if DHMH requires that licenses be renewed other than annually.

State Expenditures: None. The bill's requirements can be handled with existing budgeted resources. Although the bill's "deeming" provision could potentially reduce the number of inspections that the State conducts, the Department of Health and Mental Hygiene advises that expenditures are unlikely to decrease because: (1) tissue banks are sufficiently complicated technically that it plans to continue to conduct initial inspections regardless of a tissue bank's deeming status; and (2) the bill authorizes DHMH to inspect tissue banks accredited by an approved organization for the purpose of complaint investigations or to validate findings of the accrediting organization.

Information Source(s): Department of Health and Mental Hygiene (Licensing and Certification)

Fiscal Note History: First Reader - March 11, 1996

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