

SENATE BILL 352

Unofficial Copy  
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1998 Regular Session  
8r1213  
CF 8r1647

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By: **Senators Hoffman and Hollinger**

Introduced and read first time: February 5, 1998

Assigned to: Budget and Taxation and Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Occupations - Boards - Project Reserve Funds**

3 FOR the purpose of allowing certain health occupations boards to allocate money  
4 from their respective funds to create a Project Reserve Fund; and generally  
5 relating to the creation of Project Reserve Funds for health occupations boards.

6 BY repealing and reenacting, without amendments,  
7 Article - Health Occupations  
8 Section 1A-206(a), 2-206(a), 3-206(a), 4-207(a), 5-206(a), 6-206(a), 7-206(a),  
9 10-206(a), 11-207(a), 12-206(a), 13-207(a), 16-206(a), 17-206(a),  
10 18-207(a), and 19-206(a)  
11 Annotated Code of Maryland  
12 (1994 Replacement Volume and 1997 Supplement)

13 BY adding to  
14 Article - Health Occupations  
15 Section 1A-206(g), 2-206(h), 3-206(g), 4-207(h), 5-206(g), 6-206(g), 7-206(g),  
16 10-206(g), 11-207(g), 12-206(h), 13-207(g), 16-206(g), 17-206(g),  
17 18-207(g), and 19-206(i)  
18 Annotated Code of Maryland  
19 (1994 Replacement Volume and 1997 Supplement)

20 Preamble

21 WHEREAS, Each health occupation board has a mandate to protect the health,  
22 safety, and welfare of the citizens of the State by licensing, regulating, and  
23 disciplining health care practitioners;

24 WHEREAS, The health occupations boards have made significant progress in  
25 addressing this mandate since the General Assembly established the boards as  
26 special funded agencies in 1993;

27 WHEREAS, The health occupations boards assign the highest priority to  
28 addressing disciplinary matters related to complaints received against licensees;

1 WHEREAS, Each health occupation board has difficulty in predicting the  
2 amount of funds necessary to meet certain costs related to disciplinary actions,  
3 litigation, and certain legislative mandates;

4 WHEREAS, Current policy requires a health occupations board to submit a  
5 proposed budget amendment in order to access its surplus funds each time the board  
6 incurs an unanticipated expense related to a disciplinary action, litigation, and  
7 certain legislative mandates;

8 WHEREAS, If the performance of each health occupation board is to  
9 significantly improve, a reform allowing each board to establish a project reserve  
10 fund, to be expended on unanticipated expenses related to disciplinary actions,  
11 litigation, and certain legislative mandates, must be implemented; and

12 WHEREAS, No health occupation board will increase fees for its services in  
13 order to establish a project reserve fund or to allocate money to the project reserve  
14 fund; now, therefore,

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Health Occupations**

18 1A-206.

19 (a) There is an Acupuncture Board Fund.

20 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
21 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
22 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

23 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
24 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
25 AND RENEWAL OF LICENSES OR OTHER SERVICES.

26 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
27 ONLY FOR UNANTICIPATED:

28 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
29 ASSEMBLY;

30 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
31 DISCIPLINING OF LICENSEES; OR

32 (III) LITIGATION EXPENSES.

33 2-206.

34 (a) There is a State Board of Examiners for Audiologists, Hearing Aid  
35 Dispensers, and Speech-Language Pathologists Fund.

1 (H) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
2 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
3 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

4 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
5 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
6 AND RENEWAL OF LICENSES OR OTHER SERVICES.

7 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
8 ONLY FOR UNANTICIPATED:

9 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
10 ASSEMBLY;

11 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
12 DISCIPLINING OF LICENSEES; OR

13 (III) LITIGATION EXPENSES.

14 3-206.

15 (a) There is a State Board of Chiropractic Examiners Fund.

16 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
17 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
18 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

19 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
20 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
21 AND RENEWAL OF LICENSES OR OTHER SERVICES.

22 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
23 ONLY FOR UNANTICIPATED:

24 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
25 ASSEMBLY;

26 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
27 DISCIPLINING OF LICENSEES; OR

28 (III) LITIGATION EXPENSES.

29 4-207.

30 (a) There is a State Board of Dental Examiners Fund.

31 (H) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
32 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
33 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

1           (2)     THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
2 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
3 AND RENEWAL OF LICENSES OR OTHER SERVICES.

4           (3)     FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
5 ONLY FOR UNANTICIPATED:

6                   (I)     DUTIES CREATED AND MANDATED BY THE GENERAL  
7 ASSEMBLY;

8                   (II)    COSTS ASSOCIATED WITH THE INVESTIGATION OR  
9 DISCIPLINING OF LICENSEES; OR

10                  (III)   LITIGATION EXPENSES.

11 5-206.

12   (a)     There is a State Board of Dietetic Practice Fund.

13   (G)   (1)     THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
14 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
15 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

16           (2)     THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
17 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
18 AND RENEWAL OF LICENSES OR OTHER SERVICES.

19           (3)     FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
20 ONLY FOR UNANTICIPATED:

21                   (I)     DUTIES CREATED AND MANDATED BY THE GENERAL  
22 ASSEMBLY;

23                   (II)    COSTS ASSOCIATED WITH THE INVESTIGATION OR  
24 DISCIPLINING OF LICENSEES; OR

25                  (III)   LITIGATION EXPENSES.

26 6-206.

27   (a)     There is a State Board of Electrologists Fund.

28   (G)   (1)     THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
29 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
30 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

31           (2)     THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
32 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
33 AND RENEWAL OF LICENSES OR OTHER SERVICES.

1 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
2 ONLY FOR UNANTICIPATED:

3 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
4 ASSEMBLY;

5 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
6 DISCIPLINING OF LICENSEES; OR

7 (III) LITIGATION EXPENSES.

8 7-206.

9 (a) There is a State Board of Morticians Fund.

10 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
11 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
12 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

13 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
14 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
15 AND RENEWAL OF LICENSES OR OTHER SERVICES.

16 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
17 ONLY FOR UNANTICIPATED:

18 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
19 ASSEMBLY;

20 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
21 DISCIPLINING OF LICENSEES; OR

22 (III) LITIGATION EXPENSES.

23 10-206.

24 (a) There is a State Board of Occupational Therapy Practice Fund.

25 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
26 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
27 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

28 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
29 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
30 AND RENEWAL OF LICENSES OR OTHER SERVICES.

31 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
32 ONLY FOR UNANTICIPATED:

33 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
34 ASSEMBLY;

1 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
2 DISCIPLINING OF LICENSEES; OR

3 (III) LITIGATION EXPENSES.

4 11-207.

5 (a) There is a State Board of Examiners in Optometry Fund.

6 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
7 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
8 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

9 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
10 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
11 AND RENEWAL OF LICENSES OR OTHER SERVICES.

12 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
13 ONLY FOR UNANTICIPATED:

14 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
15 ASSEMBLY;

16 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
17 DISCIPLINING OF LICENSEES; OR

18 (III) LITIGATION EXPENSES.

19 12-206.

20 (a) There is a State Board of Pharmacy Fund.

21 (H) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
22 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
23 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

24 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
25 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
26 AND RENEWAL OF LICENSES OR OTHER SERVICES.

27 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
28 ONLY FOR UNANTICIPATED:

29 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
30 ASSEMBLY;

31 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
32 DISCIPLINING OF LICENSEES; OR

33 (III) LITIGATION EXPENSES.

1 13-207.

2 (a) There is a State Board of Physical Therapy Examiners Fund.

3 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
4 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
5 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

6 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
7 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
8 AND RENEWAL OF LICENSES OR OTHER SERVICES.

9 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
10 ONLY FOR UNANTICIPATED:

11 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
12 ASSEMBLY;

13 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
14 DISCIPLINING OF LICENSEES; OR

15 (III) LITIGATION EXPENSES.

16 16-206.

17 (a) There is a State Board of Podiatric Medical Examiners Fund.

18 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
19 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
20 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

21 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
22 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
23 AND RENEWAL OF LICENSES OR OTHER SERVICES.

24 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
25 ONLY FOR UNANTICIPATED:

26 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
27 ASSEMBLY;

28 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
29 DISCIPLINING OF LICENSEES; OR

30 (III) LITIGATION EXPENSES.

31 17-206.

32 (a) There is a State Board of Examiners of Professional Counselors Fund.

1 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
2 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
3 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

4 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
5 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
6 AND RENEWAL CERTIFICATES OR OTHER SERVICES.

7 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
8 ONLY FOR UNANTICIPATED:

9 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
10 ASSEMBLY;

11 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
12 DISCIPLINING OF CERTIFICATE HOLDERS; OR

13 (III) LITIGATION EXPENSES.

14 18-207.

15 (a) There is a State Board of Examiners for Psychologists Fund.

16 (G) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
17 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
18 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.

19 (2) THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
20 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
21 AND RENEWAL OF LICENSES OR OTHER SERVICES.

22 (3) FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
23 ONLY FOR UNANTICIPATED:

24 (I) DUTIES CREATED AND MANDATED BY THE GENERAL  
25 ASSEMBLY;

26 (II) COSTS ASSOCIATED WITH THE INVESTIGATION OR  
27 DISCIPLINING OF LICENSEES; OR

28 (III) LITIGATION EXPENSES.

29 19-206.

30 (a) There is a State Board of Social Work Examiners Fund.

31 (I) (1) THE BOARD MAY CREATE AND ESTABLISH A PROJECT RESERVE  
32 FUND IN SUCH AMOUNTS AS THE BOARD CONSIDERS APPROPRIATE NOT TO EXCEED  
33 50% OF THE PRECEDING FISCAL YEAR'S BUDGET APPROPRIATION.



1           (2)     THE BOARD MAY ALLOCATE TO THE PROJECT RESERVE FUND ANY  
2 PAYMENTS RECEIVED FROM FEES COLLECTED BY THE BOARD FROM THE ISSUANCE  
3 AND RENEWAL OF LICENSES OR OTHER SERVICES.

4           (3)     FUNDS HELD IN THE PROJECT RESERVE FUND MAY BE EXPENDED  
5 ONLY FOR UNANTICIPATED:

6                   (I)     DUTIES CREATED AND MANDATED BY THE GENERAL  
7 ASSEMBLY;

8                   (II)    COSTS ASSOCIATED WITH THE INVESTIGATION OR  
9 DISCIPLINING OF LICENSEES; OR

10                  (III)   LITIGATION EXPENSES.

11     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 1998.