

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 411 (Delegate Arnick. *et al.*)

Environmental Matters

Opticians - Certification

This bill requires an individual to be certified by the State Board of Physician Quality Assurance before the individual may practice ophthalmic dispensing. The bill specifies two different standards for certification and renewal of an existing certificate: one applies before October 1, 2003 and the other applies beginning October 1, 2003. The bill also specifies that the certificate would be issued for one year and renewable for \$100.

Fiscal Summary

State Effect: General fund and special fund revenues from certificate fees are expected to increase by \$50,000 in FY 1999. Future year revenues reflect a constant number of new applicants a year and annual renewals. Special fund expenditures are estimated to increase by \$28,600 in FY 1999. Future year expenditures reflect annualization and inflation.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$10,000	\$11,000	\$12,000	\$13,000	\$14,000
SF Revenues	\$40,000	\$44,000	\$48,000	\$52,000	\$56,000
SF Expenditures	\$28,600	\$26,400	\$26,700	\$27,000	\$27,200
Net Effect	\$21,400	\$28,600	\$33,300	\$38,000	\$42,800

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

Local Effect: None.

Small Business Effect: Meaningful.

Fiscal Analysis

Bill Summary: Before October 1, 2003, an individual may qualify for a certificate or renewal of an existing certificate by demonstrating that the individual has practiced ophthalmic dispensing continuously for five years immediately before the application. Beginning October 1, 2003, in order to qualify for initial certification, an individual must have an associate of arts degree in ophthalmic dispensing from an accredited community college in the State.

The bill requires the board to invite and consider proposals from individuals or health groups that would be affected by this bill prior to adopting regulations. The board may suspend, revoke, and/or fine a certificate holder for engaging in fraudulent, unprofessional, or criminal acts.

State Revenues: The Board of Physician Quality Assurance (BPQA) assumes that 500 individuals would apply for certification in the first year. This estimate is based on the number of opticians registered in Maryland by the American Board of Opticianry and National Contact Lenses Examiners. Consequently, it is anticipated that total fees collected would approximate \$50,000 in fiscal 1999 (\$100 initial certificate fee x 500 applicants), of which \$10,000 would be distributed to the general fund and \$40,000 would be distributed to the BPQA special fund. Future year revenues assume 50 new applicants a year and an annual renewal fee of \$100.

General fund revenues could also increase by a minimal amount due to the bill's monetary penalty provision.

State Expenditures: BPQA advises that special fund expenditures would increase by \$55,230 in fiscal 1999. The estimate reflects the cost of hiring two positions (one Administrator and one Office Clerk) to process the applications. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

The Department of Legislative Services (DLS) advises that the additional workload required by this bill could be handled with one contractual half-time Administrator and one contractual half-time Office Clerk. Thus, special fund expenditures could increase by \$28,631 in fiscal 1999, which accounts for the October 1, 1998 effective date. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. Future year expenditures assume annualization and 1% inflation.

Small Business Effect: It is assumed that the majority of the opticians currently practicing in the State are employed by small businesses, such as optical goods stores and optometrist offices. The bill could have a meaningful effect on these small businesses. The certification requirements provided in the bill could increase the cost of doing business and could create barriers to market entry for new small businesses.

Information Source(s): Department of Health and Mental Hygiene (Board of Physician Quality Assurance), Office of the Attorney General, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 1998

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