

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 803 (Delegate Rosenberg)

Environmental Matters

Health Occupations - Boards - Project Reserve Funds

This bill authorizes specified health occupation boards to allocate money from their respective funds to create a project reserve fund within their respective boards. The bill also specifies that the project reserve fund may not exceed 50% of the preceding fiscal year's budget appropriation. The project reserve fund will be used to pay for unanticipated expenses relating to disciplinary actions, litigation, and certain legislative mandates. The bill applies to all health occupation boards except the Board of Physician Quality Assurance, the State Board of Nursing, and the State Board of Examiners of Nursing Home Administrators.

The bill takes effect July 1, 1998.

Fiscal Summary

State Effect: None, since a proposed budget amendment must still be submitted in order to access money from the project reserve fund.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Expenditures: Without specific language indicating otherwise, the process for accessing money from the project reserve fund is similar to current policy which requires a budget amendment before a board may access its surplus funds for unanticipated expenses. The intent of the bill, however, could be to create an off-budget project reserve fund such that money from the fund could be drawn down without going through the budget amendment process. In such a case, expenditures for each board could increase over and

above their appropriation by as much as the full value of the project reserve fund in any one year, depending on the level of unanticipated expenses.

The table below indicates the possible size of the project reserve fund for each board:

Table 1: The Potential Size of the Project Reserve Fund

Board	Appropriation, Averaged over FY 1996 and 1997	Ending Balance, Averaged over FY 1996 and 1997	Potential Project Reserve Fund Based on FY 96 and 97 Data*
Acupuncture	\$70,493	\$132,007	\$35,247
Dietitians	\$105,921	\$17,477	\$17,477
Professional Counselors	\$134,911	\$10,245	\$10,245
Chiropractors	\$306,584	\$143,086	\$143,086
Dental Examiners	\$938,519	\$237,279	\$237,279
Electrologist	\$50,152	\$46,314	\$25,076
Morticians	\$261,366	\$309,833	\$130,683
Occupational Therapy	\$203,950	\$383,321	\$101,975
Optometry	\$151,499	\$267,601	\$75,750
Pharmacy	\$737,035	\$1,074,532	\$368,518
Physical Therapy	\$430,320	\$633,410	\$215,160
Podiatrists	\$197,485	\$104,907	\$98,743
Psychology	\$341,047	\$502,879	\$170,524
Social Work	\$510,673	\$228,336	\$228,336
Audiology/Speech Language	\$163,921	\$300,698	\$81,961

* Amounts in the project reserve fund is the lower of 50% of the appropriation or the ending balance. Values are based on the average of fiscal 1996 and 1997 appropriations and ending balances.

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

Commissions), Department of Legislative Services

Fiscal Note History:

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