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By: **Delegates Gordon and Owings**

Introduced and read first time: February 1, 1999

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Board of Physician Quality Assurance - Disposition of Fees**

3 FOR the purpose of repealing a requirement that the State Comptroller distribute  
4 into the General Fund of the State a certain amount of certain fees collected by  
5 the State Board of Physician Quality Assurance; requiring the Board, by a  
6 certain date, to reduce by a certain amount certain fees the State Comptroller  
7 distributed to the General Fund in a certain fiscal year; and generally relating  
8 to the disposition of certain fees collected by the State Board of Physician  
9 Quality Assurance.

10 BY repealing and reenacting, with amendments,  
11 Article - Health Occupations  
12 Section 14-207  
13 Annotated Code of Maryland  
14 (1994 Replacement Volume and 1998 Supplement)

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 14-207.

19 (a) There is a Board of Physician Quality Assurance Fund.

20 (b) (1) The Board may set reasonable fees for the issuance and renewal of  
21 licenses and its other services.

22 (2) Funds to cover the compensation and expenses of the Board members  
23 shall be generated by fees set under this section.

24 (c) (1) Except for fees assessed in accordance with the provisions of §  
25 14-402(e) of this title, the Board shall pay all fees collected under the provisions of  
26 this title to the Comptroller of the State.

27 (2) The Comptroller shall distribute:

1 (i) [6 percent of the fees received from the Board to the General  
2 Fund of the State;

3 (ii) 14 percent of the fees received from the Board to the State  
4 Scholarship Administration to be used as follows:

5 1. One-half to make grants under the Health Manpower  
6 Shortage Incentive Grant Program under § 18-803 of the Education Article; and

7 2. One-half to make grants under the Loan Assistance  
8 Repayment Program under § 18-1502(c) of the Education Article to physicians  
9 engaged in primary care or to medical residents specializing in primary care who  
10 agree to practice for at least 2 years as primary care physicians in a geographic area  
11 of the State that has been designated by the Secretary of Health and Mental Hygiene  
12 as being medically underserved; and

13 [(iii)] (II) The balance of the fees to the Board of Physician Quality  
14 Assurance Fund.

15 (d) (1) The Fund shall be used exclusively to cover the actual documented  
16 direct and indirect costs of fulfilling the statutory and regulatory duties of the Board  
17 as provided by the provisions of this title.

18 (2) (i) The Fund is a continuing, nonlapsing fund, not subject to §  
19 7-302 of the State Finance and Procurement Article.

20 (ii) Any unspent portions of the Fund may not be transferred or  
21 revert to the General Fund of the State, but shall remain in the Fund to be used for  
22 the purposes specified in this title.

23 (3) No other State money may be used to support the Fund.

24 (e) (1) The Chairman of the Board or the designee of the Chairman shall  
25 administer the Fund.

26 (2) Moneys in the Fund may be expended only for any lawful purpose  
27 authorized by the provisions of this title.

28 (f) The Legislative Auditor shall audit the accounts and transactions of the  
29 Fund as provided in § 2-1220 of the State Government Article.

30 SECTION 2. AND BE IT FURTHER ENACTED, That the Board of Physician  
31 Quality Assurance shall, on or before June 30, 2000, reduce the fees it sets under §  
32 14-207(b) of the Health Occupations Article for the issuance and renewal of licenses  
33 and its other services, and for the compensation and expenses of its members, in an  
34 amount equal to 6 percent of the fees the State Comptroller distributed to the General  
35 Fund of the State in fiscal year 1999 under § 14-207(c)(2)(i) of the Health  
36 Occupations Article, as repealed by Section 1 of this Act.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 July 1, 1999.