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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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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: February 23, 1999

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CHAPTER \_\_\_\_\_

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.

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

3       (c)     (1)     Except for fees assessed in accordance with the provisions of §  
4 14-402(e) of this title, the Board shall pay all fees collected under the provisions of  
5 this title to the Comptroller of the State.

6           (2)     The Comptroller shall distribute:

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

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

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

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

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

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

24           (2)     (i)     The Fund is a continuing, nonlapsing fund, not subject to §  
25 7-302 of the State Finance and Procurement Article.

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

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

30       (e)     (1)     The Chairman of the Board or the designee of the Chairman shall  
31 administer the Fund.

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

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

1     ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Board of Physician~~  
2 ~~Quality Assurance shall, on or before June 30, 2000, reduce the fees it sets under §~~  
3 ~~14-207(b) of the Health Occupations Article for the issuance and renewal of licenses~~  
4 ~~and its other services, and for the compensation and expenses of its members, in an~~  
5 ~~amount equal to 6 percent of the fees the State Comptroller distributed to the General~~  
6 ~~Fund of the State in fiscal year 1999 under § 14-207(e)(2)(i) of the Health~~  
7 ~~Occupations Article, as repealed by Section 1 of this Act.~~

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