

**SENATE BILL 58**  
**EMERGENCY BILL**

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2000 Regular Session  
0lr0137

(PRE-FILED)

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By: **Chairman, Budget and Taxation Committee (Departmental - Md. Inst.  
for Emer. Medical Serv. Sys.)**

Requested: November 15, 1999

Introduced and read first time: January 12, 2000

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 1, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Institute for Emergency Medical Services System - Ambulance**  
3 **Services - Creation of Fund**

4 FOR the purpose of establishing the Commercial Ambulance Service Fund within  
5 the Maryland Institute for Emergency Medical Services System; requiring the  
6 Institute to pay all funds received from the collection of licensing fees to the  
7 Comptroller of the State; requiring the Comptroller to distribute the collected  
8 fees to the Fund; specifying the purpose of the Fund; providing that the Fund is  
9 a continuing, nonlapsing fund; providing that fees charged by the Institute are  
10 not subject to transfer or reversion to the General Fund of the State; requiring  
11 the Legislative Auditors to audit the Fund; defining certain terms; providing for  
12 certain moneys to be transferred to the Fund; making this Act an emergency  
13 measure; and generally relating to the Maryland Institute for Emergency  
14 Medical Services System and ambulance services.

15 BY repealing and reenacting, with amendments,  
16 Article - Education  
17 Section 13-515  
18 Annotated Code of Maryland  
19 (1999 Replacement Volume)

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

1 **Article - Education**

2 13-515.

3 (a) (1) In this section the following words have the meanings indicated.

4 (2) "Ambulance" means any vehicle designed and constructed or  
5 modified and equipped to be used, maintained, or operated for the transportation of  
6 individuals who are sick, injured, wounded, or otherwise incapacitated.

7 (3) (i) "Ambulance service" means any individual, firm, partnership,  
8 corporation, association, or organization engaged in the business of transporting by  
9 ambulance individuals who are sick, injured, wounded, or otherwise incapacitated.

10 (ii) "Ambulance service" does not include the transporting of  
11 individuals in an ambulance owned, operated, or under the jurisdiction of a unit of  
12 State government, a political subdivision of the State, or a volunteer fire company or  
13 volunteer rescue squad.

14 (4) "FUND" MEANS THE COMMERCIAL AMBULANCE SERVICE FUND.

15 [(4)] (5) "License" means a license issued by the Institute to operate an  
16 ambulance service in the State.

17 (b) Unless issued a license under this section, an individual, firm,  
18 partnership, corporation, association, or organization may not operate an ambulance  
19 service in the State.

20 (c) (1) The Institute, in consultation with representatives of the ambulance  
21 service industry in Maryland, shall adopt regulations necessary to establish a  
22 periodic licensing system for ambulance services in the State.

23 (2) The regulations shall, at a minimum, require:

24 (i) Each ambulance operated by the ambulance service to be  
25 equipped with adequate equipment and supplies to:

26 1. Care for the patients being transported; and

27 2. Communicate with the dispatcher;

28 (ii) At least 1 individual, in addition to the driver, be in attendance  
29 on the ambulance during each transport who:

30 1. Is certified or licensed by the State as an emergency  
31 medical technician under § 13-516 of this subtitle; or

32 2. Has successfully completed a course of training  
33 determined by the Institute to be substantially equivalent to the training necessary  
34 for certification or licensure as an emergency medical technician; and

1 (iii) Each ambulance operated by the ambulance service be  
2 inspected:

3 1. Once every 12 months by an inspection station licensed  
4 under § 23-103 of the Transportation Article and be issued an inspection certificate  
5 by the inspection station; or

6 2. In accordance with the requirements for the operation of  
7 an ambulance owned, operated, or under the jurisdiction of a unit of State  
8 government, a political subdivision of the State, or a volunteer fire company or  
9 volunteer rescue squad in the jurisdiction where the ambulance service is located.

10 (d) To qualify for an ambulance service license, an applicant shall:

11 (1) Pay to the Institute an application fee established in accordance with  
12 this section;

13 (2) Maintain commercial general liability insurance that provides for at  
14 least \$1 million in coverage in the form of an insurance policy issued by an insurer  
15 acceptable to the Maryland Insurance Commissioner to write such policies in the  
16 State;

17 (3) Provide to the Institute a certificate of insurance that at a minimum:

18 (i) Indicates that the insurance required under this subsection is  
19 in effect at the time the application is submitted; and

20 (ii) Lists the Institute as an additional party entitled to notification  
21 at least 10 days before any:

22 1. Nonrenewal or cancellation of a policy required by this  
23 subsection; or

24 2. Substantive change is made in the coverage or level of  
25 insurance provided under a policy required by this subsection; and

26 (4) Meet the requirements of this section and all regulations adopted by  
27 the Institute under this section.

28 (e) (1) THERE IS A COMMERCIAL AMBULANCE SERVICE FUND WITHIN THE  
29 INSTITUTE.

30 [(1)] (2) (I) The Institute shall set reasonable fees for the licensing  
31 and license renewal of ambulance services.

32 [(2)] (II) The fees charged by the Institute shall be set in a manner that  
33 will produce funds sufficient to cover the actual direct and indirect costs of  
34 maintaining the licensing program under this section.

1            [(3)]    (III)    The total reasonable cost of maintaining the licensing program  
2 may not be more than the revenues generated by the fees for the licensing and license  
3 renewal for ambulance services.

4            (3)    (I)     THE INSTITUTE SHALL PAY ALL FUNDS COLLECTED UNDER  
5 THIS SECTION TO THE COMPTROLLER OF THE STATE.

6            (II)    THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE  
7 FUND.

8            (4)    THE FUND SHALL BE USED TO COVER THE ACTUAL DOCUMENTED  
9 DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY  
10 DUTIES OF THE INSTITUTE AS PROVIDED BY THE PROVISIONS OF THIS SECTION.

11           (5)    THE FUND IS A CONTINUING, NONLAPSING FUND, NOT SUBJECT TO §  
12 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

13           (6)    ANY UNSPENT PORTIONS OF THE FUND MAY NOT BE TRANSFERRED  
14 OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND  
15 TO BE USED FOR THE PURPOSES SPECIFIED IN THIS SECTION.

16           (7)    (I)     A DESIGNEE OF THE INSTITUTE SHALL ADMINISTER THE FUND.

17           (II)    MONEYS IN THE FUND MAY BE EXPENDED ONLY FOR ANY  
18 LAWFUL PURPOSE AUTHORIZED UNDER THE PROVISIONS OF THIS SECTION.

19           (8)    THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND  
20 TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT  
21 ARTICLE.

22           (f)    The Institute may inspect the operating base, equipment, supplies, and  
23 company procedures necessary to ensure compliance with the requirements of this  
24 section and all regulations adopted by the Institute under this section.

25           (g)    Subject to the hearing provisions of subsection (h) of this section, the  
26 Institute may deny an application for an ambulance service license or suspend or  
27 revoke a license if the applicant or licensee violates any provision of this section or  
28 any regulation adopted by the Institute under this section.

29           (h)    Before the Institute takes any final action under subsection (g) of this  
30 section, the Institute shall give the person against whom the action is contemplated  
31 an opportunity for a hearing in accordance with the provisions of § 10-226 of the  
32 State Government Article.

33           (i)    The Institute may waive the requirements of this section for any  
34 ambulance service:

35           (1)    Licensed in another state if the ambulance service provides adequate  
36 evidence that the ambulance service is licensed in the other state after meeting

1 requirements that are at least as stringent as the licensing requirements of this  
2 State; or

3           (2)       That transports patients into this State only on an occasional basis as  
4 determined by the Institute.

5           (j)       A person who violates any provision of this section or any regulation  
6 adopted by the Institute under this section is guilty of a misdemeanor and on  
7 conviction is subject to a fine not exceeding \$1,000.

8           (k)       This section preempts the authority of a county or municipal corporation to  
9 regulate any ambulance service with a base of operation located outside the county or  
10 municipal corporation that is licensed in accordance with the provisions of this  
11 section.

12       SECTION 2. AND BE IT FURTHER ENACTED, That any unspent funds from  
13 the collection of ambulance service licensing fees held by the Maryland Institute for  
14 Emergency Medical Services System as of June 30, 1999 shall be transferred to the  
15 Commercial Ambulance Services Fund and may not be transferred or revert to the  
16 General Fund of the State.

17       SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency  
18 measure, is necessary for the immediate preservation of the public health and safety,  
19 has been passed by a ye and nay vote supported by three-fifths of all the members  
20 elected to each of the two Houses of the General Assembly, and shall take effect from  
21 the date it is enacted.