
By: **Senators Teitelbaum, DeGrange, Dorman, Exum, and Hooper**

Introduced and read first time: February 2, 2001

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Board of Physician Quality Assurance Fund - Disposition of Interest**

3 FOR the purpose of requiring that interest earned on the Board of Physician Quality
4 Assurance Fund be kept in the Fund; specifying that interest earned on the
5 Fund not be used for certain distributions from the Fund; and generally relating
6 to the disposition of interest earned on the Board of Physician Quality
7 Assurance Fund.

8 BY repealing and reenacting, with amendments,
9 Article - Health Occupations
10 Section 14-207
11 Annotated Code of Maryland
12 (2000 Replacement Volume)

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

15 **Article - Health Occupations**

16 14-207.

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

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

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

22 (c) (1) Except for fees assessed in accordance with the provisions of §
23 14-402(e) of this title, the Board shall pay all fees collected under the provisions of
24 this title to the Comptroller of the State.

25 (2) The Comptroller shall distribute:

1 (i) 14 percent of the fees received from the Board to the State
2 Scholarship Administration to be used as follows:

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

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

11 (ii) The balance of the fees to the Board of Physician Quality
12 Assurance Fund.

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

16 (2) (i) The Fund is a continuing, nonlapsing fund, not subject to §
17 7-302 of the State Finance and Procurement Article.

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

21 (III) ANY INTEREST EARNED ON THE FUND SHALL:

22 1. REMAIN IN THE FUND; AND

23 2. NOT BE USED FOR ANY DISTRIBUTION UNDER
24 SUBSECTION (C)(2)(I) OF THIS SECTION.

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

26 (e) (1) The chairman of the Board or the designee of the chairman shall
27 administer the Fund.

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

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

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2001.