

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 462 (Delegates Goldwater and Mandel)

Ways and Means

Economic and Environmental Affairs

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**Higher Education - Health Personnel Shortage Incentive Grant Program -  
Grants**

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This bill alters the formula used to determine grants for institutions of higher education from the Health Manpower Shortage Incentive Grants Program. Each eligible institution will receive a grant equal to \$1,500 times the lowest number of students to graduate from an approved health occupation program since the 1990-1991 academic year. If funds for the full grant program are not available, each institution receives a share of the available funding equal to the proportion it would have received of the full program funding. The bill also changes the name of the grant program to the Health Personnel Shortage Incentive Grant Program.

The bill is effective July 1, 2001.

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**Fiscal Summary**

**State Effect:** The bill would alter the distribution of funding through the Health Personnel Shortage Incentive Grants Program. Net expenditures from the Physician Quality Assurance Fund, which funds the program, would not change. No effect on revenues.

**Local Effect:** Program funding to community colleges could be minimally impacted due to changes in the distribution of funding through the Health Personnel Shortage Incentive Grants Program. Any changes are not expected to affect local funding for community colleges.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Each eligible institution of higher education receives a grant in the amount of \$1,500 for each student who graduates from an approved health occupation program in excess of the number of students who graduated from the programs during the 1990 to 1991 academic year. If funds for the full grant program are not available, each institution receives a share of the available funding equal to the proportion it would have received of the full program funding. The Health Manpower Shortage Incentive Grants Program receives funding from the Physician Quality Assurance Fund. Incentive grants received by an institution must be used to enhance or expand health occupations programs at the institution.

Eligible institutions of higher education include institutions with approved health occupation programs. Approved health occupation programs include programs leading to licensure, certification, or registration in a health occupation determined to be in short supply. The Secretary of Health and Mental Hygiene must annually certify which health occupations are in short supply.

**State Fiscal Effect:** The fiscal 2002 State budget includes \$350,000 for the Health Manpower Shortage Incentive Grants Program to be transferred from the Physician Quality Assurance Fund. The Maryland Higher Education Commission advises that this annual funding level would not change.

Depending on the threshold number of health occupation graduates, the distribution of funding for institutions of higher education in Maryland would change. However, net expenditures would not be affected.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission, Department of Legislative Services

**Fiscal Note History:** First Reader – February 16, 2001  
mld/jr Revised – House Third Reader – March 19, 2001  
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