

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

House Bill 466

(Chairman, Environmental Matters Committee)
 (Departmental - Environment)

Environmental Matters

Education, Health, and Environmental Affairs

Dental Facilities - Radiation Monitoring and Regulation - Fees

This departmental bill increases the maximum fee that the Maryland Department of the Environment (MDE) may establish by regulation for dental radiation machines from \$40 per machine per year as follows: for fiscal 2003 and 2004, \$60 per dental radiation machine per year; for fiscal 2005 and fiscal 2006, \$70 per machine per year; and for fiscal 2007 through at least fiscal 2010, \$80 per machine per year. After June 30, 2010, the fee shall continue to be \$80 per year unless altered by the General Assembly. The Secretary of Environment must reduce fees proportionately to reflect the balance of any unspent or unencumbered fees collected in the previous fiscal year.

The bill takes effect July 1, 2002.

Fiscal Summary

State Effect: Special fund revenues from dental machine radiation fees would increase by an estimated \$154,000 in FY 2003. Future year estimates reflect the increases in the fees established by the bill. No effect on expenditures.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$154,000	\$154,000	\$231,000	\$231,000	\$308,000
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$154,000	\$154,000	\$231,000	\$231,000	\$308,000

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Minimal.

Small Business Effect: MDE has determined that this bill will have minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: The Secretary adopts rules and regulations for general licenses and specific licenses that govern ionizing radiation sources and byproduct material, special nuclear material, and devices that use ionizing radiation sources, byproduct material, and special nuclear material. The Secretary may adopt rules and regulations that establish a fee schedule for general licenses, specific licenses, and the registration of radiation machines or other sources of radiation. In adopting the regulations, MDE must consult with the regulated profession or industry to determine that the license fee is reasonable and directly related to the actual cost of the licensing and regulatory activity.

For a dental office or dental facility operated by a licensed dentist, a partnership of licensed dentists, a professional association of licensed dentists, or a public health dental facility, the Secretary may adopt regulations that establish a fee to offset the costs of monitoring and regulating sources of radiation within that dental facility. After June 30, 1994, the fee may not exceed \$40 per dental radiation machine per year. If a dental radiation machine is not inspected within any three-year period and all annual fees were paid during that three-year period, an additional annual inspection fee is not required to be paid until an inspection is performed.

Background: MDE regulates approximately 2,700 dental facilities. The annual fees for dental radiation machines have not increased since 1994. According to MDE, the cost of conducting inspections of dental facilities is four times greater than the revenue generated by the fees. MDE advises that all other radiation machine facilities regulated by MDE have been subject to fee increases since 1994. MDE also advises that the compliance rate of dental facilities is lower than that of other facilities it regulates. According to MDE, the dental community agreed to a phase-in of the fee increase subject to the condition that fees would not be increased again until 2010.

State Revenues: There are 7,700 dental radiation machines currently subject to the existing fee; at \$40 per machine, MDE collects approximately \$308,000 annually in fee revenue. Fee revenue is paid into the State Radiation Control Fund. Assuming the number of dental radiation machines subject to the fee does not change, the bill will result in an increase in special fund revenues as shown below.

<u>Fiscal Year</u>	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>Change in Fee</u>	<u>Change in Revenue</u>
2003	\$40	\$60	\$20	\$154,000
2004	\$40	\$60	\$20	\$154,000
2005	\$40	\$70	\$30	\$231,000
2006	\$40	\$70	\$30	\$231,000
2007	\$40	\$80	\$40	\$308,000

These estimates assume that fees are not reduced by the Secretary, as provided by the bill, to reflect any unspent or unencumbered fees collected. To the extent fees are reduced, special fund revenues would decrease accordingly.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of the Environment, Department of Legislative Services

Fiscal Note History: First Reader - February 7, 2002
 ncs/jr Revised - House Third Reader - March 22, 2002
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