

# SENATE BILL 217

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By: **Senator Conway**

Introduced and read first time: January 21, 2016

Assigned to: Education, Health, and Environmental Affairs

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Board of Physicians – Distribution of Fees by Comptroller – Loan**  
3 **Assistance Repayment for Physicians and Physician Assistants**

4 FOR the purpose of altering the circumstances under which the Comptroller is required to  
5 distribute fees received from the State Board of Physicians to the Office of Student  
6 Financial Assistance to be used to make grants under the Maryland Loan Assistance  
7 Repayment Program for Physicians and Physician Assistants; repealing certain  
8 provisions of law that require the Comptroller to distribute certain fees to the Health  
9 Personnel Shortage Incentive Grant Program under certain circumstances;  
10 repealing an obsolete provision of law; and generally relating to the distribution of  
11 fees received from the State Board of Physicians by the Comptroller.

12 BY repealing and reenacting, with amendments,  
13 Article – Health Occupations  
14 Section 14–207 and 15–206  
15 Annotated Code of Maryland  
16 (2014 Replacement Volume and 2015 Supplement)

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

19 **Article – Health Occupations**

20 14–207.

21 (a) There is a Board of Physicians Fund.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) The fees charged shall be set so as to approximate the cost of  
2 maintaining the Board, including the cost of providing a rehabilitation program for  
3 physicians under § 14–401.1(g) of this title.

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

6 (c) (1) The Board shall pay all fees collected under the provisions of this title  
7 to the Comptroller of the State.

8 (2) (i) If the Governor does not include in the State budget at least  
9 **[\$750,000] \$350,000** for the operation of [the Health Personnel Shortage Incentive Grant  
10 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance  
11 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
12 the Education Article, as administered by the Maryland Higher Education Commission,  
13 the Comptroller shall distribute:

14 1. [Except as provided in subparagraph (ii) of this  
15 paragraph, 12 percent] **\$350,000** of the fees received from the Board to the Office of  
16 Student Financial Assistance to be used [as follows:

17 A. One–half to make grants under the Health Personnel  
18 Shortage Incentive Grant Program under § 18–803 of the Education Article; and

19 B. One–half] to make grants under the Maryland Loan  
20 Assistance Repayment Program for Physicians and Physician Assistants under Title 18,  
21 Subtitle 28 of the Education Article to physicians and physician assistants engaged in  
22 primary care or to medical residents specializing in primary care who agree to practice for  
23 at least 2 years as primary care physicians in a geographic area of the State that has been  
24 designated by the Secretary of Health and Mental Hygiene as being medically underserved;  
25 and

26 2. The balance of the fees to the Board of Physicians Fund.

27 (ii) [For fiscal 2008, if the Governor does not include in the State  
28 budget the funds specified under subparagraph (i) of this paragraph, the Comptroller shall  
29 distribute 14 percent of the fees received from the Board to the Office of Student Financial  
30 Assistance to be used as provided under subparagraph (i) of this paragraph.

31 (iii) If the Governor includes in the State budget at least **[\$750,000]**  
32 **\$350,000** for the operation of [the Health Personnel Shortage Incentive Grant Program  
33 under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment  
34 Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the  
35 Education Article, as administered by the Maryland Higher Education Commission, the  
36 Comptroller shall distribute the fees to the Board of Physicians Fund.

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

4 (2) (i) The Fund is a continuing, nonlapsing fund, not subject to §  
5 7-302 of the State Finance and Procurement Article.

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

9 (3) Interest or other income earned on the investment of moneys in the  
10 Fund shall be paid into the Fund.

11 (4) No other State money may be used to support the Fund.

12 (e) (1) In addition to the requirements of subsection (d) of this section, the  
13 Board shall fund the budget of the Physician Rehabilitation Program with fees set,  
14 collected, and distributed to the Fund under this title.

15 (2) After review and approval by the Board of a budget submitted by the  
16 Physician Rehabilitation Program, the Board may allocate moneys from the Fund to the  
17 Physician Rehabilitation Program.

18 (f) (1) The chair of the Board or the designee of the chair shall administer the  
19 Fund.

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

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

24 15-206.

25 (a) The Board shall set reasonable fees for:

26 (1) The issuance and renewal of licenses; and

27 (2) The other services rendered by the Board in connection with physician  
28 assistants, including the cost of providing a rehabilitation program for physician assistants  
29 under § 14-401.1(g) of this article.

30 (b) (1) The Board shall pay all fees collected under this title to the Comptroller  
31 of the State.

1                   (2)   (i)    If the Governor does not include in the State budget at least  
2 **[\$750,000] \$350,000** for the operation of [the Health Personnel Shortage Incentive Grant  
3 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance  
4 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
5 the Education Article, as administered by the Maryland Higher Education Commission,  
6 the Comptroller shall distribute:

7                               1.    **[12 percent] \$350,000** of the fees received from the Board  
8 to the Office of Student Financial Assistance to be used [as follows:

9                                   A.    One–half to make grants under the Health Personnel  
10 Shortage Incentive Grant Program under § 18–803 of the Education Article; and

11                                  B.    One–half] to make grants under the Maryland Loan  
12 Assistance Repayment Program for Physicians and Physician Assistants under Title 18,  
13 Subtitle 28 of the Education Article to physicians and physician assistants engaged in  
14 primary care or to medical residents specializing in primary care who agree to practice for  
15 at least 2 years as primary care physicians in a geographic area of the State that has been  
16 designated by the Secretary of Health and Mental Hygiene as being medically underserved;  
17 and

18                               2.    The balance of the fees to the Board of Physicians Fund.

19                               (ii)   If the Governor includes in the State budget at least **[\$750,000]**  
20 **\$350,000** for the operation of [the Health Personnel Shortage Incentive Grant Program  
21 under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment  
22 Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the  
23 Education Article, as administered by the Maryland Higher Education Commission, the  
24 Comptroller shall distribute the fees to the Board of Physicians Fund.

25                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 2016.