

**Department of Legislative Services**  
Maryland General Assembly  
2022 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

House Bill 775

(Delegate McIntosh, *et al.*)

Health and Government Operations and  
Ways and Means

Finance and Budget and Taxation

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**Maryland Pediatric Cancer Fund - Establishment**

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This bill establishes the Maryland Pediatric Cancer Fund within the Maryland Department of Health (MDH). Funds may only be used to provide grants to eligible physicians, hospitals, laboratories, educational institutions, and other organizations and persons to conduct pediatric cancer research, prevention, and treatment. **The bill takes effect July 1, 2022.**

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**Fiscal Summary**

**State Effect:** General fund expenditures may increase by \$5.1 million in FY 2023 due to appropriations to the fund and administrative costs for MDH. The FY 2023 State budget includes \$5.0 million in funding to be used for the program. Future administrative costs reflect ongoing expenditures.

(\$ in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	5.1	0.1	0.1	0.1	0.1
Net Effect	(\$5.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)

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

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** MDH must (1) administer the fund and provide pediatric cancer research grants; (2) adopt regulations implementing the bill; and (3) report annually specified information about the program.

Each year, MDH may use up to 5% of the amount appropriated for a promotional account to be used to promote donations to the fund. Expenditures from the fund may be made only in accordance with the State budget, and money expended from the fund is supplemental to and not intended to take the place of funding otherwise appropriated to pediatric cancer research. In fiscal 2023, the Governor must include an appropriation of \$5.0 million to the fund. If this amount is not included, \$5.0 million must be included in the fiscal 2024 budget.

**Current Law:** The Maryland Cancer Fund, which receives funds from income tax checkoff donations, is distributed by MDH through the annual budget process to eligible entities for cancer research, prevention, and treatment.

**State Expenditures:** The Governor must include an appropriation of \$5.0 million to the fund in fiscal 2023. The fiscal 2023 State budget includes \$5.0 million in funding to be used for the program. Expenditures may also increase in fiscal 2024 and future fiscal years to the extent additional funds are appropriated to the program.

MDH requires one program administrator to administer the fund and distribute grants. Therefore, general fund expenditures increase by \$104,900 in fiscal 2023, reflecting the bill's July 1, 2022 effective date. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$92,591
Operating Expenses	<u>12,301</u>
<b>Total FY 2023 MDH Expenditures</b>	<b>\$104,892</b>

Future year expenditures reflect a salary with annual increases and employee turnover as well as ongoing operating expenses.

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## Additional Information

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Comptroller's Office; Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - March 4, 2022  
rh/hlb Third Reader - March 22, 2022  
Enrolled - May 5, 2022  
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