

# SENATE BILL 217

J2

(6lr1243)

## ENROLLED BILL

— *Education, Health, and Environmental Affairs/Health and Government Operations* —

Introduced by **Senator Conway**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

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 *in certain fiscal years*;  
8 repealing certain provisions of law that require the Comptroller to distribute certain  
9 fees to the Health Personnel Shortage Incentive Grant Program under certain  
10 circumstances; repealing an obsolete provision of law; and generally relating to the  
11 distribution of fees received from the State Board of Physicians by the Comptroller.

12 BY repealing and reenacting, with amendments,  
13 Article – Health Occupations

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 Section 14–207 and 15–206  
 2 Annotated Code of Maryland  
 3 (2014 Replacement Volume and 2015 Supplement)

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

6 **Article – Health Occupations**

7 14–207.

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

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

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

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

16 (c) ~~(4)~~ The Board shall pay all fees collected under the provisions of this title  
 17 to the Comptroller of the State.

18 **(D) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR**  
 19 **DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION**  
 20 **OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS**  
 21 **AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION**  
 22 **ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION,**  
 23 **THE COMPTROLLER SHALL DISTRIBUTE:**

24 **(I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE**  
 25 **OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER**  
 26 **THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND**  
 27 **PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION**  
 28 **ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE**  
 29 **OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO**  
 30 **PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC**  
 31 **AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH**  
 32 **AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND**

33 **(II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS**  
 34 **FUND.**

1           (2) ~~(i)~~ ~~is~~ **IN FISCAL YEAR 2019 AND EACH FISCAL YEAR**  
 2 **THEREAFTER, IF** the Governor does not include in the State budget at least [\$750,000]  
 3 ~~\$350,000~~ **\$400,000** for the operation of [the Health Personnel Shortage Incentive Grant  
 4 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance  
 5 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
 6 the Education Article, as administered by the Maryland Higher Education Commission,  
 7 the Comptroller shall distribute:

8                           ~~(I)~~ **(I)** [Except as provided in subparagraph (ii) of this  
 9 paragraph, 12 percent] ~~\$350,000~~ **\$400,000** of the fees received from the Board to the  
 10 Office of Student Financial Assistance to be used [as follows:

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

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

20                           ~~(II)~~ **(II)**           The balance of the fees to the Board of Physicians  
 21 Fund.

22                           ~~(i)~~ **(3)**           [For fiscal 2008, if the Governor does not include in the  
 23 State budget the funds specified under subparagraph (i) of this paragraph, the Comptroller  
 24 shall distribute 14 percent of the fees received from the Board to the Office of Student  
 25 Financial Assistance to be used as provided under subparagraph (i) of this paragraph.

26                           (iii)] If the Governor includes in the State budget at least [\$750,000]  
 27 ~~\$350,000~~ ~~\$400,000~~ **THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS**  
 28 **SUBSECTION** for the operation of [the Health Personnel Shortage Incentive Grant  
 29 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance  
 30 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
 31 the Education Article, as administered by the Maryland Higher Education Commission,  
 32 the Comptroller shall distribute the fees to the Board of Physicians Fund.

33                           ~~(E)~~ **(E)**           (1) The Fund shall be used exclusively to cover the actual  
 34 documented direct and indirect costs of fulfilling the statutory and regulatory duties of the  
 35 Board as provided by the provisions of this title.

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

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

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

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

9                   ~~(F)~~ (1)   In addition to the requirements of subsection ~~(E)~~ (E) of this  
10 section, the Board shall fund the budget of the Physician Rehabilitation Program with fees  
11 set, collected, and distributed to the Fund under this title.

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

15                   ~~(G)~~ (1)   The chair of the Board or the designee of the chair shall  
16 administer the Fund.

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

19                   ~~(H)~~ (H)   The Legislative Auditor shall audit the accounts and transactions of the  
20 Fund as provided in § 2–1220 of the State Government Article.

21 15–206.

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

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

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

27                   (b)   ~~(I)~~   The Board shall pay all fees collected under this title to the Comptroller  
28 of the State.

29                   **(C) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR**  
30 **DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION**  
31 **OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS**  
32 **AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION**

1 ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION,  
 2 THE COMPTROLLER SHALL DISTRIBUTE:

3 (I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE  
 4 OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER  
 5 THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND  
 6 PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION  
 7 ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE  
 8 OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO  
 9 PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC  
 10 AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH  
 11 AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND

12 (II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS  
 13 FUND.

14 (2) ~~(i)~~ ~~if~~ IN FISCAL YEAR 2019 AND EACH FISCAL YEAR  
 15 THEREAFTER, IF the Governor does not include in the State budget at least [\$750,000]  
 16 ~~\$350,000~~ \$400,000 for the operation of [the Health Personnel Shortage Incentive Grant  
 17 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance  
 18 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
 19 the Education Article, as administered by the Maryland Higher Education Commission,  
 20 the Comptroller shall distribute:

21 ~~1~~ (I) [12 percent] ~~\$350,000~~ \$400,000 of the fees received from  
 22 the Board to the Office of Student Financial Assistance to be used [as follows:

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

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

32 ~~2~~ (II) The balance of the fees to the Board of Physicians  
 33 Fund.

34 ~~(ii)~~ (3) If the Governor includes in the State budget at least  
 35 [\$750,000] ~~\$350,000~~ ~~\$400,000~~ THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF  
 36 THIS SUBSECTION for the operation of [the Health Personnel Shortage Incentive Grant  
 37 Program under § 18–803 of the Education Article and] the Maryland Loan Assistance

1 Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of  
2 the Education Article, as administered by the Maryland Higher Education Commission,  
3 the Comptroller shall distribute the fees to the Board of Physicians Fund.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 ~~October~~ July 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.