

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 516 (Senator Klausmeier)

Education, Health, and Environmental Affairs

Appropriations

State Board of Environmental Health Specialists - Fees - General Fund

This bill repeals the State Board of Environmental Health Specialists Fund and instead requires the board to pay any money collected from fees into the general fund. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: Special fund revenues and expenditures for the board shift to the general fund beginning in FY 2022. The Governor’s proposed FY 2022 budget includes \$144,220 in special fund expenditures for the board. FY 2022 board revenues are estimated to be \$25,000. Out-years reflect consistent expenditures and cyclical collection of licensing fee revenue primarily in odd-numbered fiscal years. General fund expenditures increase in FY 2022, 2024, and 2026 as revenues are not anticipated to cover costs.

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
GF Revenue	\$25,000	\$113,000	\$25,000	\$113,000	\$25,000
SF Revenue	(\$25,000)	(\$113,000)	(\$25,000)	(\$113,000)	(\$25,000)
GF Expenditure	\$144,200	\$144,200	\$144,200	\$144,200	\$144,200
SF Expenditure	(\$144,200)	(\$144,200)	(\$144,200)	(\$144,200)	(\$144,200)
Net Effect	–	\$0	–	\$0	–

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The State Board of Environmental Health Specialists (BEHS) was created in 1969 to ensure that individuals practicing in Maryland as environmental health specialists meet minimum professional standards. The nine-member board regulates licensed environmental health specialists as well as environmental health specialists in training, individuals who meet the educational requirements for licensure but are obtaining relevant supervised experience); oversees approval of certificates of eligibility for obtaining employment (for those individuals who meet the educational requirements for licensure and are ready to begin obtaining relevant supervised experience but have not yet begun); approves continuing education courses for licensees; and occasionally imposes disciplinary sanctions.

BEHS is 1 of approximately 70 regulatory entities and activities subject to evaluation under the Maryland Program Evaluation Act (MPEA). Entities subject to MPEA may be evaluated by the Department of Legislative Services (DLS) only as directed by specified entities or by legislation. DLS conducted a full sunset evaluation of BEHS in 2015, the fifth such full evaluation of the board, [*Sunset Review: Evaluation of the State Board of Environmental Health Specialists*](#).

Chapter 667 of 2012 altered the funding for BEHS from general to special funds when the board was transferred from the Maryland Department of the Environment (MDE) to the Maryland Department of Health (MDH, (then the Department of Health and Mental Hygiene). As a general-funded board under MDE, board revenues did not cover costs, with a biennial expenditure gap approaching \$50,000 in fiscal 2012; however, general funding was deemed appropriate, and DLS recommended that the board remain general funded in its 2011 sunset evaluation.

State Fiscal Effect: Special fund revenues and expenditures for the board are transferred to the general fund beginning in fiscal 2022. Thus, approximately \$144,220 in expenditures are made from the general fund rather than from the board's special fund, and the board's staff members are also shifted from special to general funding. The board primarily collects revenues in odd-numbered fiscal years but did collect approximately \$25,000 in revenues in fiscal 2020, so an estimated \$25,000 is shifted from the board's special fund to the general fund in fiscal 2022, 2024, and 2026. An estimated \$113,000 is shifted from the board's special fund to the general fund in fiscal 2023 and 2025. This estimate assumes that board revenues and expenditures are consistent in out-years. As revenues are not anticipated to cover expenditures in even-numbered fiscal years, general fund expenditures increase in fiscal 2022, 2024, and 2026, and biennially thereafter.

Additional Comments: MDH advises that the board does not currently cover its costs, and has been insolvent since fiscal 2018. MDH notes that it is reluctant to raise fees to a

level where revenues would cover board costs because board licensees earn modest salaries and primarily work in the public sector. The board currently charges a \$100 application fee, a \$75 initial license fee, and a \$200 biennial renewal fee.

Additional Information

Prior Introductions: HB 1484 of 2020 received a hearing in the House Appropriations Committee, but no further action was taken. Its cross file, SB 673 passed in the Senate but received no further action from the House Appropriations Committee.

Designated Cross File: HB 65 (Delegate Bhandari) - Appropriations.

Information Source(s): Maryland Association of County Health Officers; Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2021
rh/jc Third Reader - March 19, 2021

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