percentage of State residents or individuals residing within a certain distance of certain offices located in the State except under certain circumstances; prohibiting certain individuals from serving on the governing body of certain licensees except under certain circumstances; requiring applicants for certain licenses to submit certain documents to demonstrate an applicant's ability to provide for the services required by law; prohibiting the Department from issuing authorizing the Department to deny certain licenses to an applicant under certain circumstances; requiring that the Secretary adopt regulations requiring certain organizations to submit certain documents to the Department in order to be eligible for certain types of funding; providing that in order for certain organizations to be eligible for certain types of Department funding, the governing body of the organization must meet certain qualifications; requiring the Department to conduct an on-site investigation of certain organizations before making a determination that the organization is eligible for certain types of funding; and generally relating to minimum standards for licensing and funding from the Department of Health and Mental Hygiene.

BY repealing and reenacting, with amendments,

Article - Health - General

Section 7-904, 7-907, and 10-901(a)

Annotated Code of Maryland

(2000 Replacement Volume and 2004 Supplement)

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

## Article - Health - General

7-904.

- (a) The Secretary shall adopt rules and regulations for the licensing of services for an individual with developmental disability or a recipient of individual support services.
- (b) The rules and regulations shall ensure that services to an individual with developmental disability or a recipient of individual support services are provided in accordance with the policy stated in Subtitle 1 of this title.
  - (C) (1) THE RULES AND REGULATIONS SHALL REQUIRE THAT:
- (I) AT LEAST 75% OF THE GOVERNING BODY OF A LICENSEE SHALL BE RESIDENTS OF THE STATE OR RESIDE WITHIN A 100-MILE RADIUS OF THE ADMINISTRATIVE OFFICES OF THE LICENSEE, WHICH SHALL BE LOCATED IN THE STATE; AND
- (II) NO EMPLOYEE OF A LICENSEE OR IMMEDIATE FAMILY MEMBER OF AN EMPLOYEE OF A LICENSEE SHALL MAY SERVE AS A VOTING MEMBER OF THE GOVERNING BODY OF A LICENSEE UNLESS: