

not yet in the fiscal position it was when this funding arrangement was adopted. Therefore, I cannot approve any waiver from the original agreement that would serve to erode much needed General Fund revenue.

I also am aware that there is \$808,091 of unspent monies in the State Board of Nursing Fund that have been carried over from the last fiscal year. In addition, the Fiscal Year 1995 budget anticipates that \$593,643 in revenues that accrue to the State Board of Nursing Fund will be unspent and carried over to the next fiscal year. I, therefore, cannot identify any need on the part of the State Board of Nursing that would justify the transfer of additional monies from the General Fund.

I commend the State Board of Nursing for recognizing the need to enhance the education of the nurses in this State and attempting to develop a program to address this need. However, if it is determined that the share of nurses' licensing fees currently directed to the General Fund should be distributed as grants to nursing programs at postsecondary education institutions, then it would be more appropriate that the Maryland Higher Education Commission serve as the administrator of the program.

The Commission has the statutory responsibility for approving academic programs at postsecondary institutions and has a general oversight and coordinating role in higher education. As such, it has familiarity with the programs and their funding mechanisms. Further, the Commission administers a variety of grant programs for higher education institutions and has the experience and expertise necessary to develop and manage such a program. The Commission administers both federal and State grant programs, such as the Eisenhower Mathematics and Science Program and the Community College Challenge Grant program, which provide support for academic programs, curricular innovations, and other development activities.

Beginning in Fiscal Year 1995, the Commission will administer two programs supported in whole or in part through physician licensing fees. Legislation enacted in 1993 redirected a portion of those fee revenues from the General Fund to the Loan Assistance Repayment Program, to provide assistance to primary care physicians, and to the Health Manpower Shortage Incentive Grant Program, to provide grants to academic programs that increase their graduates in certain health fields experiencing critical shortages. If Senate Bill 584 had directed funds to the Commission, it would have followed recent precedent. The Commission would bring to such a program an independent State perspective that is needed to manage such a grant program. And, as in the other programs currently administered by the Commission, appropriate entities, such as the State Board of Nursing, would be consulted during the implementation and operation of the program.

For these reasons, I have vetoed Senate Bill 584.

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 584

AN ACT concerning