

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

Senate Bill 626 (Senator Giannetti)  
Education, Health, and Environmental Affairs

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**Task Force to Study Methods to Enhance State Revenues Related to  
Telecommunication Technology**

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This bill establishes a Task Force to Enhance State Revenues Related to Telecommunication Technology staffed by the Department of Budget and Management (DBM). The task force will study, evaluate, and make recommendations regarding: (1) methods to generate and increase State revenues through the telecommunication technology procurement process; and (2) economic opportunities presented to the State by the evolution of telecommunication technology. The task force is required to report to the Governor and the General Assembly by December 31, 2004.

The bill terminates January 31, 2005.

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**Fiscal Summary**

**State Effect:** None. Any expense reimbursements for the task force members and staffing costs for DBM are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Background:** Chapter 386 of 2003 created a Task Force to Study Efficiency in Procurement. The task force met six times and made 31 recommendations to improve the

State's procurement process. Among these recommendations, the task force made recommendations regarding share-in-savings and revenue-generating contracts.

For share-in-savings, the task force recommended that, in appropriate circumstances, State agencies should consider arrangements that compensate the contractor on a performance basis. The task force noted that the State does currently enter into these types of contracts.

For revenue-generating contracts, the task force recommended that State agencies continue to seek revenue from State assets. The task force noted that the State currently has a number of revenue-producing contracts for a variety of services, including, pay phones at State facilities, taxicab and parking concessions, concessionaires at BWI Airport and State parks, and university bookstores. DBM advises that the State has entered into several telecommunications revenue-generating contracts, including telecommunications services at certain State facilities.

Chapter 320 of 2003 established the Task Force on Broadband Communications Deployment in Underserved Rural Areas. That task force was charged with: (1) considering developments in regions of the country where broadband communications is being deployed for rural communities; (2) evaluating the resources and infrastructure available in Maryland's rural areas; (3) encouraging the development of goals to deploy broadband communications in those areas; and (4) developing proposals and recommendations for the establishment and enhancement of broadband communications in rural areas, and overseeing the implementation of those recommendations. The task force is required to make its final report by June 30, 2005.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2004  
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