

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 207 (Delegate Hubbard)
 Economic Matters

Security Systems Technicians - Maryland Security Systems Training Board

This bill establishes a Maryland Security Systems Training Board to develop training requirements for security systems technicians. The bill provides for the composition, terms, removal, and compensation of board members. The Secretary of State Police is required to adopt regulations to implement the security systems technician training requirements developed by the board. The board is authorized to set reasonable fees to offset costs.

Fiscal Summary

State Effect: General fund revenue and expenditure increases of \$41,800 in FY 2006. Out-year revenues and expenditures reflect annualization and inflation.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
GF Revenue	\$41,800	\$48,300	\$51,300	\$54,500	\$58,000
GF Expenditure	41,800	48,300	51,300	54,500	58,000
Net Effect	\$0	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: Security agencies and individual technicians would be required to obtain training and pay additional fees as set by the board. The level of such new costs cannot be readily estimated at this time.

Analysis

Current Law: “Security systems technician” means a person who personally provides security systems services.

Providing security systems services means providing, on the premises of a person’s residential or commercial property, the service of: (1) surveying the property for purposes of installing a security system; (2) physically installing, maintaining, or repairing a security system for the customer; or (3) responding to a distress call or an alarm sounding from a security system.

Under the Maryland Security Systems Technicians Act, the Secretary of State Police is responsible for the licensing of security systems agencies and the registration of security systems technicians. License and registration renewals occur every three years.

A person may not engage, attempt to engage, or offer to engage in a business of providing security systems services in the State unless licensed. Unless authorized to engage in the business of providing security systems services, a person may not represent to the public, by use of the title “security systems agency” or “security systems technician,” by description of services, methods, or procedures, or otherwise, that the person is authorized to engage in the business of providing security systems services in the State. A person who violates any governing regulation is guilty of a misdemeanor and subject to maximum penalties of a fine of \$1,000 and/or imprisonment for one year.

Although the Secretary of State Police is authorized under current law to set training requirements for security systems technicians, there are not now any specific training requirements in place.

State Effect: General fund expenditures could increase by an estimated \$41,794 in fiscal 2006, which accounts for the bill’s October 1, 2005 effective date. This estimate reflects the cost of hiring one fiscal account clerk to perform duties relating to the adoption of required regulations, maintaining rosters, and collecting required fees. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$34,020
One-time Equipment Purchases	6,585
Operating Expenses	<u>1,189</u>
Total FY 2006 State Expenditures	\$41,794

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

It is assumed that fees would be set, by regulation, to approximately offset operating expenses. Accordingly, general fund revenues for fiscal 2006 are expected to be about \$41,794. Out-year revenues are also expected to approximate out-year expenditures.

Additional Information

Prior Introductions: None.

Cross File: SB 105 (Senator Green) – Education, Health, and Environmental Affairs.

Information Source(s): Department of State Police, Department of Legislative Services

Fiscal Note History: First Reader - February 2, 2005
mp/ljm

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