

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 252

(Chair, Education, Energy, and the Environment
Committee)(By Request - Departmental - Maryland
Emergency Management Agency)

Education, Energy, and the Environment

Health and Government Operations

Public Safety - 9-1-1 Trust Fund - Alterations

This emergency departmental bill clarifies that money collected from the *State* 9-1-1 fee may not be used to pay the salaries of public safety answering point (PSAP) personnel or county personnel, while money collected from the *local* 9-1-1 fee may be used for those purposes.

Fiscal Summary

State Effect: None. The bill is clarifying in nature and conforms statute to current practice.

Local Effect: None. The bill is clarifying in nature and conforms statute to current practice.

Small Business Effect: The Maryland Department of Emergency Management (MDEM) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law:

Maryland's 9-1-1 System and the Maryland 9-1-1 Board

The State's 9-1-1 system operates primarily through PSAPs, which are generally owned and operated by local governments. 9-1-1 specialists working within PSAPs answer,

redirect, and take action on 9-1-1 calls received based on the location of the originating 9-1-1 call. State and local governments are preparing for “next generation” 9-1-1 technology that will allow PSAPs to access not only more accurate information about caller location but also other information that will assist emergency personnel in communicating with callers and responding more efficiently. Legislation has been enacted in recent years to, among other things:

- transfer the Maryland 9-1-1 Board that is responsible for administering the 9-1-1 Trust Fund and overseeing the State’s 9-1-1 system from the Department of Public Safety and Correctional Services to MDEM;
- expand the uses of the 9-1-1 Trust Fund to include providing funding for 9-1-1 specialist training activities; and
- increase funding for the State’s 9-1-1 system.

The Maryland 9-1-1 Board’s other responsibilities include (1) dispersing funds to local governments from the 9-1-1 Trust Fund for authorized costs; (2) reviewing and approving or disapproving requests for reimbursement of the costs of enhancing 9-1-1 systems; (3) ensuring the inspection of PSAPs; (4) auditing counties to ensure that 9-1-1 Trust Funds are being used for authorized purposes; (5) establishing training standards for PSAP personnel based on national best practices and related to Next Generation 9-1-1; and (6) consulting with MCC to establish cybersecurity standards for PSAPs.

9-1-1 Trust Fund – State and Local Fees

The 9-1-1 Trust Fund is funded through a State 9-1-1 fee and county 9-1-1 fee. Telephone companies, wireless carriers, and other 9-1-1 accessible service providers collect and remit the fees monthly to the Comptroller for deposit into the fund. The State 9-1-1 fee is distributed to counties at the discretion of the Maryland 9-1-1 Board in response to county 9-1-1 system enhancement requests. The county fee, the prepaid wireless 9-1-1 fee remittances, and any investment earnings of the fund are all distributed quarterly to each county in prorated amounts according to the level of fees collected in each jurisdiction.

Directly related to the bill, included in the stated purpose of the 9-1-1 Trust Fund is a prohibition against using the 9-1-1 Trust Fund to pay the salary of PSAP personnel or county personnel, as discussed in the following section.

Background: MDEM advises that the aforementioned prohibition against using the 9-1-1 Trust Fund to pay the salary of PSAP personnel or county personnel has historically been interpreted to apply only to funding from the *State* 9-1-1 fee and not funding the *local* 9-1-1 fee (which also accrues to and is disbursed from the 9-1-1 Trust Fund). However, MDEM has recently received questions from some counties related to this

prohibition and advises that the bill is necessary to add clarity and avoid similar questions and confusion about the use of local 9-1-1 fee revenues in the future.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Emergency Management; Comptroller's Office; Maryland Association of Counties; Kent, Washington, and Worcester counties; Department of Legislative Services

Fiscal Note History: First Reader - January 15, 2024
rh/mcr Third Reader - February 13, 2024

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Analysis of Economic Impact on Small Businesses

TITLE OF BILL: Public Safety – 9-1-1 Trust Fund – Alterations

BILL NUMBER: SB0252

PREPARED BY: Anna Sierra, MDEM

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

**_X_ WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESS**

OR

**___ WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES**

PART B. ECONOMIC IMPACT ANALYSIS

This bill proposes a technical fix to 9-1-1 Trust Fund statute to reflect current practice and will not alter fee collection or distribution methods.