

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 76 (Chairman, Commerce and Government Matters Committee)
(Departmental - Ethics, State Commission on)
Commerce and Government Matters

Ethics Law - Registration and Disclosure - Lobbyists

This departmental bill requires registration as a lobbyist with the Public Ethics Commission by entities that communicate in any way with an official or employee, whether or not in the presence of that person, for the purpose of influencing legislative action.

This bill is effective November 1, 1996.

Fiscal Summary

State Effect: \$400 increase in special fund revenues and expenditures in FY 1997. Future year revenues and expenditures reflect projected growth in the number of affected entities.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
SF Revenues	\$400	\$440	\$480	\$520	\$560
SF Expenditures	400	440	480	520	560
Net Effect	\$0	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: The State Ethics Commission has determined that this bill has minimal or no impact on small business (attached). Fiscal Services concurs with this assessment as discussed below.

Fiscal Analysis

State Effect: It is estimated that revenues would increase by \$400 in fiscal 1997 based on an additional 20 entities having to pay the \$20 registration fee. In future years, revenues would increase by \$40 based on the assumption that at least two additional entities per year would have to register. However, advancements in technology (e.g., new ways to lobby electronically) could further increase the number of entities that would be required to register.

The revenues generated from the bill would be entirely offset by anticipated expenditures. Specifically, because the bill will increase the number of entities who register as a lobbyist, it is estimated that communications expenditures (e.g., postage for additional mailings, pamphlets, telephone expenses, etc.) would increase by \$400 in fiscal 1997, and by \$40 in future years.

Small Business Effect: Lobbyists who currently are not required to register as a regulated lobbyist, but would have to do so under the provisions of the bill, would be minimally affected in that they would have the additional financial responsibility of paying the \$20 registration fee. It is also possible that the lobbyists would pass the cost of the registration fee on to their clients, some of whom might be small business as well.

Information Source(s): State Ethics Commission

Fiscal Note History: First Reader - January 26, 1996

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