

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 837 (Delegate Rosenberg)
Ways and Means

911 Trust Fund - Poison Prevention Center

This bill adds funding for the Poison Prevention Center at the University of Maryland as a purpose for which the 911 Trust Fund exists. The bill provides that “remaining revenues in the account” go to a special fund for the Poison Prevention Center.

Fiscal Summary

State Effect: Indeterminate increase in special fund revenues and corresponding decrease in 911 Trust Fund expenditures.

Local Effect: Indeterminate decrease in 911 Trust Fund revenue.

Fiscal Analysis

Background: The 911 Trust Fund consists of 25 accounts, one for each county and one State account. In fiscal 1995, the State account collected \$2.6 million and the local accounts collected \$15.2 million. In November 1995 the State account had a cash balance of \$7.7 million, and an unencumbered balance of \$1.3 million.

State Effect: The Department of Fiscal Services advises that the language of the bill is unclear as to what funds are transferred to the Poison Prevention Center and when any funds would be transferred. The fiscal effect of one possible interpretation is presented below, although other interpretations are possible.

The bill could be read to require that unencumbered funds in the State account of the 911 Trust Fund at the end of a fiscal year revert to the Poison Prevention Center. Any such reversion of funds would depend upon the unencumbered cash balance at the end of the fiscal year. That amount would be determined by the grants awarded by the Emergency Number

Systems Board.

It is assumed that the special fund for the Poison Prevention Center is a non-lapsing special fund, and that money transferred into it would no longer be available for 911 systems projects.

The University of Maryland estimates that its revenues and expenditures would increase by \$300,000 in fiscal 1997 and by an estimated \$400,000 annually. This includes expenditures for 5.5 positions, additional operating expenses, and estimated revenues from the 911 Trust Fund. The Department of Fiscal Services (DFS) advises that the revenue amount is based on projected need, not the specific provisions of the bill. DFS also advises that due to the potential volatility of the funding source, these positions should be contractual.

For illustrative purposes, if the State account of the 911 Trust Fund reverted to the new special fund in November 1995, and given that the Poison Prevention Center needed only \$400,000 annually, that transfer would have provided the Poison Prevention Center with three years of funding. Additional funds would presumably be paid into the new special fund each year, although the amount would be determined by the timing of the transfer, the income of the State account, and the grants made by the Emergency Number Systems Board.

Local Revenues: Any funds diverted to the Poison Prevention Center would reduce the amount of grant money awarded to local governments for enhancement or maintenance of 911 system equipment. In addition, as the Emergency Number Systems Board would not be able to make any awards larger than the annual revenue generated by the State account, local governments would need to reschedule or reduce grant requests for major system improvements.

Information Source(s): Department of Public Safety and Correctional Services (Emergency Numbers Systems Board), University of Maryland System Administration, Department of Fiscal Services

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