

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 438 (Chairman, Economic Matters Committee)  
(Departmental - Housing and Community Development)

Economic Matters

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**Department of Housing and Community Development - National Electrical Code and Energy Conservation Building Standards - Central Automated Database**

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This departmental bill requires the Department of Housing and Community Development (DHCD) to include in its central automated database the State electrical code, local amendments to the State electrical code, the energy code, and local energy code provisions that are more restrictive than the State code. Each local jurisdiction must provide to DHCD by January 1, 1997 a copy of its amendments to the State electrical code and a copy of any energy code provisions more restrictive than the State code, and must provide any additional amendments within 15 days of the effective date. These provisions do not alter or abrogate the enforcement authority of the State Fire Prevention Commission or the Public Service Commission.

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**Fiscal Summary**

**State Effect:** Special fund revenues could increase by \$4,200 in FY 1997, 1998, and 1999; revenues are higher in the out-years due to anticipated increases in fees and subscribers. Special fund expenditures would increase by \$10,000 in FY 1997; in FY 2000 this increases to \$13,000 due to increased copyright costs.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
SF Revenues	\$4,200	\$4,200	\$4,200	\$6,250	\$6,250
SF Expenditures	10,000	0	0	13,000	0
Net Effect	(\$5,800)	\$4,200	\$4,200	(\$6,750)	\$6,250

Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds  
Assuming subscription levels as forecast by DHCD

**Local Effect:** None. It is assumed that the local governments can provide required code information with existing resources.

**Small Business Effect:** The Department of Housing and Community Development has determined that this bill has minimal or no impact on small business (attached). Fiscal Services concurs with this assessment.

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## Fiscal Analysis

**Background:** DHCD has established a Central Automated Data Base (The System) containing the Building Officials and Code Administrators (BOCA) National Building Code and the State Fire Prevention Code, together with local amendments. The System is available to local building officials free of charge; DHCD is currently soliciting business subscribers that would elect to use The System for a fee of \$180.

**State Effect:** Under this bill, DHCD would add the National Electrical Code, the BOCA Energy Code, and local amendments to The System. For those design and construction businesses that elect to connect to The System, DHCD anticipates increasing the fee by \$20 for the next three years due to the increased information available. In the fourth and fifth years, the fee will increase by \$25. The increased fee in the last two years reflects an expected increase in copyright fees for this information. DHCD assumes that there will be 210 subscribers in the first three years, and 250 subscribers in the fourth and fifth years; additional special fund fee revenues of \$4,200 will be collected in fiscal 1997, 1998, and 1999, increasing to \$6,300 in fiscal 2000 and 2001. However, it should be noted that the subscription levels could be lower than expected, especially in fiscal 1997.

In order to maintain the required codes, copyright fees must be paid to the Council of American Building Officials and the National Fire Protection Association every third year. Copyright fees are anticipated at \$10,000 in fiscal 1997, and are expected to increase to \$13,000 when due in fiscal 2000.

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**Information Source(s):** Department of Housing and Community Development, Baltimore City, Calvert County, Howard County, Department of Fiscal Services

**Fiscal Note History:** First Reader - March 5, 1996

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Analysis by: Kim E. Wells  
Reviewed by: John Rixey  
(410) 841-3710  
(301) 858-3710

Direct Inquiries to:  
John Rixey, Coordinating Analyst