

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1450 (The Speaker)
Rules

Referred to Rules

General Assembly - Legislative Staff and Services - Reorganization and Duties

This amended bill creates the Department of Legislative Services combining the Department of Fiscal Services, the Department of Legislative Reference, and the Office of Legislative Data Processing.

The bill is effective July 1, 1997, except the executive director of the new department may be hired after June 1, 1997.

Fiscal Summary

State Effect: The consolidation of agencies will enable a reduction of at least seven positions and \$590,000 in expenditures. The reductions are reflected as part of the fiscal 1998 budget. Revenues would not be affected.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	(590,000)	(608,000)	(626,000)	(645,000)	(664,000)
Net Effect	(\$590,000)	(\$608,000)	(\$626,000)	(\$645,000)	(\$664,000)

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

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

Background: The newly created Department of Legislative Services will be responsible for all the duties, assignments, and reports of the three former staff agencies. It will provide

administrative support (budget, accounting, personnel) for the General Assembly in addition to providing support services such as printing, supply, services, mail, telecommunications, bill distribution, library, public information, and data processing for the entire legislative branch. It also will be authorized to provide housekeeping and maintenance services.

State Expenditures: The new agency will have a fiscal 1998 budget of \$22.3 million and include 347 positions. There are 12 fewer positions than existed in the former three agencies. At least seven of the positions eliminated and a reduction of \$590,000 result from the consolidation. The reduction in funds will increase in the out-years by 3%.

If the new agency assumed any housekeeping or maintenance services, the costs would be offset in part by reductions in the Department of General Services.

There may be additional cost savings from the consolidation, particularly in administrative activities or in the elimination of duplicative reports. There is no basis to estimate the amount or timing of these savings. The elimination of any additional positions through attrition rather than separation is not expected to reduce potential savings because turnover will naturally occur.

Small Business Effect: None. The prior agencies acquire goods and services from small businesses, primarily in the Annapolis area. This type of procurement will continue in the new agency.

Information Source(s): Department of Fiscal Services

Fiscal Note History: First Reader - April 4, 1997
lc Revised - House Third Reader - April 4, 1997

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