

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 178 (Chairman, Commerce and Government Matters Committee)
(Departmental - Assessments and Taxation)
Economic Matters

Financing Statements-Filing

This bill allows financing statements to be filed with the Department of Assessments and Taxation by electronic data interchange.

Fiscal Summary

State Effect: General fund expenditures would increase by \$40,000 in FY 1998 only. Revenues would not be affected.

Local Effect: None.

Small Business Effect: The Department of Assessments and Taxation has determined that this bill has minimal or no economic impact on small businesses (attached). Fiscal Services concurs with this assessment as discussed below.

Fiscal Analysis

State Expenditures: The Department of Assessments and Taxation currently does not have the capability to receive financing statements through electronic data interchange. Establishing the data interchange created by this bill would cost the Department of Assessments and Taxation approximately \$40,000 in one-time data processing programming needs.

Small Business Effect: This bill would have a positive impact on small businesses. The processing costs of banks and other lenders would be lessened, thus reducing the costs of borrowing money. It would also enable small businesses to receive funding from lenders in less time due to faster document processing by the Department of Assessments and Taxation.

Information Sources: Department of Assessments and Taxation, Department of Fiscal Services

Fiscal Note History: First Reader - January 27, 1997
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