Department of Fiscal Services

Maryland General Assembly

FISCAL NOTE Revised

House Bill 1238 (Delegate Barve, *et al.*) Economic Matters

Referred to Finance

Task Force to Examine the Applicability of Manufacturing Laws to High-Technology Businesses

This amended bill establishes a 14-member Task Force to Examine the Applicability of Manufacturing Laws to High-Technology Businesses. The task force must examine the applicability of current State manufacturing laws to high-technology businesses, determine whether such provisions foster or deter the growth of the industry, and develop legislative recommendations to foster the growth of high-technology businesses. The Department of Business and Economic Development (DBED) must staff the task force. The task force must submit a report by November 14, 1997 and terminates on January 1, 1998.

Fiscal Summary

State Effect: None, as discussed below.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small businesses as discussed below.

Fiscal Analysis

State Effect: It is assumed that task force members would be reimbursed for expenses under the standard State travel regulations. Any such expenditures would depend upon the time, location, and frequency of the task force's meetings. Expenses are assumed to be minimal and able to be handled with existing resources of the entities represented on the task force.

DBED reports that expenditures would increase by \$22,400 in fiscal 1998, for personnel and operating expenditures. However, the Department of Fiscal Services advises that DBED could provide staff with existing personnel, and that operating expenditures are expected to

be minimal and absorbable within existing resources.

Small Business Effect: The bill establishes a task force to study the applicability of manufacturing laws to high-technology businesses. The impact of the task force on high-technology businesses would depend on the nature of the task force's recommendations and the extent to which they are adopted and implemented. Given the charge of the task force, any recommendation would presumably benefit high-technology businesses. There are a minimum of 1,100 high-technology firms in Maryland; while it is not known exactly how many would qualify as small businesses (50 or fewer employees), most have fewer than 100 employees.

Information Source(s): Department of Business and Economic Development, Suburban Maryland High Technology Council, Department of Fiscal Services

Fiscal Note History: First Reader - March 4, 1997

nrd Revised - House Third Reader - March 21, 1997

Analysis by: Kim E. Wells-McDonnell Direct Inquiries to:

Reviewed by: John Rixey John Rixey, Coordinating Analyst

(410) 841-3710 (301) 858-3710