

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 212 (Senator Frosh)
Economic and Environmental Affairs

**On-Site Sewage Disposal Systems - Inspections During Property Transfers -
Qualifications of Inspector**

This bill requires that after July 1, 1999 all persons involved in the inspection of on-site sewage disposal systems for a transfer of property must certify to the Maryland Department of the Environment (MDE) that they have completed a course in on-site sewage systems that is approved by MDE. This information is to be made available to persons contracting on-site inspection service. MDE is required to adopt regulations to implement the provisions of the bill.

Fiscal Summary

State Effect: Indeterminate general fund expenditure increase. Revenues would not be affected.

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: It is unknown at this time how many persons conduct on-site sewage disposal inspections. Currently, there is no standard that on-site sewage disposal inspectors are required to meet. According to MDE, one new position will be needed to develop and implement the process for approving the courses for certification of inspectors.

This would result in general fund expenditures increasing by an estimated \$52,600 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This includes, in accordance with past practice in starting up a new program within MDE, \$15,000 in contractual services to assist in administrative duties associated with the program. Future year expenditures would reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; (2) 1% annual increases in ongoing operating expenses; and (3) reduced expenditures for contractual services.

The Department of Legislative Services (DLS) advises that the bill only requires MDE to approve a course of instruction and to receive certifications from inspectors, presumably on a one-time basis. Any ongoing duties appear to be minimal. If courses of instruction currently exist that MDE could review and approve, then this provision of the bill should not materially affect MDE's finances. If, on the other hand, MDE is responsible for developing and teaching a course, it is assumed that this could be done in a more cost effective manner by an outside consultant than by a permanent employee. It is further assumed that the consultant would charge a fee to the inspectors for the course. This fee could be set to cover the costs incurred by MDE.

Because the number of inspectors to whom this bill would apply is unknown, DLS believes that MDE's existing resources should be sufficient, at least initially, to fulfill the certification requirements of the bill. If the number of inspectors proves to be significant, a permanent employee would not be needed given the limited nature of MDE's responsibilities. Instead, hiring a part-time contractual employee at minimal cost to track and file certifications should suffice.

Information Source(s): Maryland Department of the Environment; Carroll, Montgomery, Prince George's, and Queen Anne's counties

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