

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 573 (Senator Hogan)
Economic and Environmental Affairs

Division of State Documents - Public On-Line Access

This bill requires the Division of State Documents to make available to the public, at no cost, direct on-line searching of the Code of Maryland Regulations (COMAR), the Maryland Register, and any other material the division determines to be in the public interest. The receipt of any such material must be preceded by a legend stating that the information is for personal use only. The bill prohibits the data or material from being used for any commercial purpose and establishes a maximum fine of \$1,000 for each violation.

Fiscal Summary

State Effect: Special fund revenues would decrease by \$108,800 in FY 1999 and by \$135,000 annually beginning in FY 2000. Special fund expenditures would increase by \$42,400 in FY 1999 and by \$30,800 annually beginning in FY 2000. Minimal decrease in expenditures for other State agencies.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
SF Revenues	(\$108,750)	(\$135,000)	(\$135,000)	(\$135,000)	(\$135,000)
SF Expenditures	42,400	30,840	30,840	30,840	30,840
Net Effect	(\$151,150)	(\$165,840)	(\$165,840)	(\$165,840)	(\$165,840)

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

Local Effect: Minimal decrease in expenditures.

Small Business Effect: Minimal.

Fiscal Analysis

Background: Currently, members of the public may contact the division in order to have a search of COMAR or the Maryland Register made by the division at no charge.

State Effect: The bill's requirements would result in: (1) a net loss of revenue due to the resulting decline in hard copy sales of COMAR and the Maryland Register and from a decline in revenue from the division's data licensing agreements; and (2) costs to establish and maintain data on the Internet and to convert the Maryland Register to HTML format. Actual revenue from sales of COMAR and the Maryland Register in fiscal 1997 was \$420,000. Based on the experience of the State of Texas, which was recently required to put the Texas Register on-line, sales would decrease by 30%, resulting in decreased revenues of \$94,500 in fiscal 1999, reflecting the bill's October 1, 1998 effective date, and \$126,000 annually beginning in fiscal 2000. Assuming a 5% offsetting cost savings from the reduction in printing, the net loss of revenue would be \$78,750 in fiscal 1999 and \$105,000 annually beginning in fiscal 2000. In addition, based on the experience of the State of California, data sales could drop by 50%, resulting in decreased revenues from the division's licensing agreements of an additional \$30,000 annually.

Based on estimates from the State Archives, which currently maintains the division's web site, costs to establish and maintain COMAR and the Maryland Register on a web site would be \$24,400 in fiscal 1999 due in large part to one-time costs, and \$6,840 annually beginning in fiscal 2000. In addition, based on an estimate of \$10/page to convert the Maryland Register's 2,400 pages per year to HTML format, conversion would cost \$18,000 in fiscal 1999 and \$24,000 annually beginning in fiscal 2000. The net increase in expenditures would be \$42,400 in fiscal 1999 and \$30,840 annually beginning in fiscal 2000.

State agencies that currently purchase hard copies of COMAR or the Maryland Register from the division would realize minimal savings if they chose to utilize the Internet versions instead.

The civil penalty provisions of this bill are not expected to significantly affect State revenues.

Local Effect: Local governments that currently purchase hard copies of COMAR or the Maryland Register from the division would realize minimal savings if they chose to utilize the Internet versions instead.

Information Source(s): Office of the Secretary of State (Division of State Documents), Department of Budget and Management, Department of Legislative Services

Fiscal Note History:

First Reader - March 10, 1998

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