

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1114 (Delegate Genn. *et al.*)

Economic Matters

Consumer Protection - Unsolicited Electronic Mail Transmissions

This bill prohibits a person from intentionally making an electronic, telephonic, or wireless transmission to an “electronic mail device” for the purpose of “commercial solicitation”. Electronic mail device is defined as any computer that creates messages that have been transmitted electronically or telephonically over telecommunications lines or by wireless means and are transferred to another computer. Commercial solicitation means the unsolicited electronic, telephonic, or wireless transmission to a facsimile device to encourage a person to purchase goods, realty, or services. Commercial solicitation does not include an electronic, telephonic, or wireless transmission made in the course of prior negotiations or in the course of a preexisting business relationship with the person receiving the transmission. The Attorney General may initiate a civil action against violators to recover a penalty not to exceed \$1,000 for each violation.

Fiscal Summary

State Effect: Indeterminate increase in general fund expenditures to handle the Consumer Protection Division’s increased workload. Any cost recovery by the Attorney General resulting from actions brought under this bill is indeterminate.

Local Effect: None.

Small Business Effect: The bill would have a meaningful effect on small businesses to the extent that they utilize electronic mail devices for their marketing efforts.

Fiscal Analysis

State Effect: The Consumer Protection Division expects this bill to generate a large number of complaints. As a result, the division advises that it would have to hire an Assistant Attorney General, an Investigator, a Secretary, and a Data Entry Clerk. The division also advises that it would need \$50,000 in computer hardware and software. General fund expenditures would increase approximately \$165,700 in fiscal 1999 reflecting the bill's October 1, 1998 effective date and the computer costs. In subsequent years, general fund expenditures would increase approximately \$155,000 annually.

The number of new positions required to handle any additional workload depends on the number of complaints generated by this bill. However, the Consumer Protection Division's estimate is not based on any specific projection of the number of complaints the bill could generate. The Department of Legislative Services thus advises that initially current resources could be sufficient to handle any complaints arising under this bill. If existing resources prove to be inadequate, additional staff may become necessary to handle the additional workload.

Information Source: Attorney General's Office (Consumer Protection Division);
Department of Legislative Services

Fiscal Note History: First Reader - March 13, 1998

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